

# BNY Mellon Euroland Bond Fund

As at 30 April 2010

Prepared for professional investors

## Investment objective

The Sub-Fund aims to provide income and total return that exceeds the Benchmark (against which it will measure its performance) through investment primarily, meaning at least 90% of its assets, in a portfolio of fixed income bonds and other debt securities issued by corporations or any government, government agency, supranational or public international organisations or in derivatives.

## BNY Mellon Asset Management Company

Standish Mellon Asset Management Company LLC: Standish is a specialist investment manager dedicated exclusively to active fixed income and credit solutions, with a particular strong emphasis on fundamental credit research.

## General information

Total net assets (million)	€ 1,030.00
Lipper sector	UK Offshore - Fixed Int-EUR
Index	Citigroup Euro Broad Investment Grade
Fund domicile	Dublin
Fund type	ICVC
Fund manager	Dedicated Team
Base currency	EUR
Currencies available	EUR, USD, GBP

## Key dates

Fund launch	10 Aug 2001
Close of financial year	31 Dec

## Dealing

09:00 to 17:00 each business day  
Valuation point: 22:00 Dublin time

## EUR C share class

General	
Share class launch date	08 Sep 2003
Maximum initial charge	5.00%
Annual management charge	0.50%
Minimum investment	€ 5,000,000
Codes	
ISIN	IE0032722484
Bloomberg	MELNERC ID
Sedol	3272248
Valoren	CH1601381
WKN	348197

Registered for sale in:

DE, NL, IT, GUE, UK, FR, CH, NO, JER, ES, GIB, AT, IRL

## EUR A share class

General	
Share class launch date	05 Sep 2003
Maximum initial charge	5.00%
Annual management charge	1.00%
Minimum investment	€ 5,000
Codes	
ISIN	IE0032722260
Bloomberg	MELEBPA ID
Sedol	3272226
Valoren	CH1616073
WKN	348195

Registered for sale in:

DE, NL, IT, GUE, PT, UK, FR, CH, NO, BE, JER, ES, GIB, AT, IRL

## Historical fund statistics - 3 years

Jensen alpha	0.19
Beta	1.21
Correlation to benchmark	0.99
Annualised information ratio	1.23
Annualised Sharpe ratio	1.17
Annualised tracking error	2.29
R <sup>2</sup>	0.78

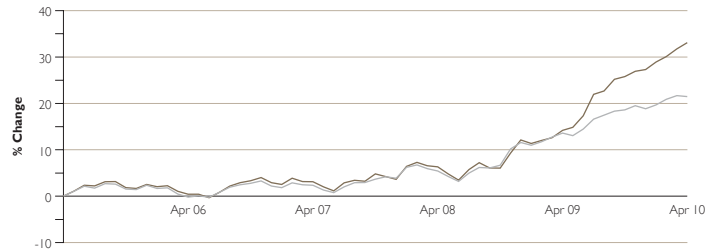
## Important information

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## Performance record over 5 years

**33.10**  
BNY Mellon  
Euroland Bond  
Fund

**21.45**  
Citigroup Euro  
Broad Investment  
Grade



Source: Lipper as at 30 April 2010. Total Return, including annual charges but excluding initial charges, income reinvested gross of tax. Performance history is given in Fund - EUR C share class currency.

## Performance to

Performance to	Annualised								
	1 month	3 months	6 months	YTD	1 year	3 years	5 years	3 years	5 years
Fund - EUR C share class	1.01	3.23	5.81	4.58	16.55	29.08	33.10	8.87	5.88
Fund - EUR A share class	0.97	3.10	5.54	4.41	15.97	27.16	29.82	8.33	5.35
Citigroup EuroBIG	-0.18	1.50	2.40	2.18	6.90	18.64	21.45	5.86	3.96
Sector average	0.25	2.29	4.07	3.24	13.49	11.17	15.11	3.43	2.78
Ranking of fund in sector	34	42	46	44	61	3	7	3	7
No. of funds in sector	217	217	216	217	210	175	135	175	135
Quartile rank	I	I	I	I	2	I	I	I	I

Source: Lipper as at 30 April 2010. Total Return, including annual charges but excluding initial charges, income reinvested gross of tax. Performance history is given in share class currency.

## Calendar Performance

	2009	2008	2007	2006	2005
Fund	13.52	8.19	0.69	0.37	4.67
Index	6.53	7.43	1.66	-0.19	4.96
Quartile Rank	2	I	2	I	I

Source: Lipper as at 30 April 2010. Total Return, including annual charges but excluding initial charges, income reinvested gross of tax. Performance history is given in Fund - EUR C share class currency.

## Statutory performance data updated quarterly

	31 Mar 09	31 Mar 08	30 Mar 07	31 Mar 06	31 Mar 05
From	31 Mar 09	31 Mar 09	31 Mar 08	30 Mar 07	31 Mar 06
To	31 Mar 10	31 Mar 09	31 Mar 08	30 Mar 07	31 Mar 06
Fund	17.0%	5.7%	3.3%	2.1%	2.4%

Source: Lipper as at 30 April 2010. Total Return, including annual charges but excluding initial charges, income reinvested gross of tax. Performance history is given in Fund - EUR C share class currency.

## Investment Commentary

Market attention on Europe's debt problems continued to intensify during the month of April. Greece was downgraded below investment grade by Standard & Poor's while Portugal and Spain also saw their ratings downgraded. Amid fears of a Greek default, the EU outlined details of an aid plan involving loans from Eurozone member states along with the IMF. Economic data was stronger than expected in Germany, with business confidence rising to a two-year high. Unemployment in Germany fell to 7.8%, highlighting the growing divergence between the core and peripheral European states, as Spain's jobless rate rose to 20%. Bond spreads of peripheral European countries widened significantly relative to Germany during the month, and the euro was one of the worst performing currencies.

The Fund outperformed both the index and peer group sector average during the month. The primary driver of positive excess was the Fund's allocation to high yield and emerging market debt. Exposure to emerging market currencies in Asia and South America also boosted performance. Our modest overweight to duration was another strong positive for the Fund, as was an underweight position in peripheral sovereign bonds.

Even modest growth expectations in Europe, ranging from 1% to 1.5% for the year, seem optimistic in light of the severe fiscal constraints being imposed on the peripheral economies as a condition for financial or contingent financial support. Within the sovereign space, we continue to underweight the peripheral markets such as Greece, Spain and Portugal. Longer-term fiscal challenges remain, despite the improvement of near-term liquidity and default risk. We still see value in the investment grade corporate universe, as fundamentals are generally strong and improving. Our currency positioning reflects long positions in economies in which we expect positive growth surprises such as the US dollar and Canadian dollar versus the euro, which is overvalued on a fundamental basis.

# BNY Mellon Euroland Bond Fund

As at 30 April 2010

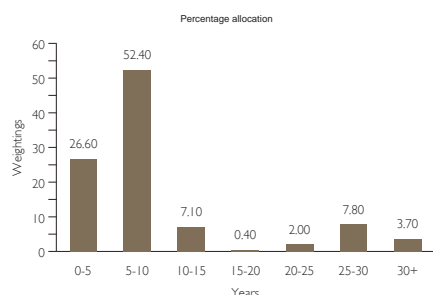
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impact of the initial charge can be material on the performance of your investment. Performance figures including the initial charge are available upon request. When you sell your investment you may get back less than you originally invested. The Prospectus should be read before an investment is made. The investment objectives and policies for each sub-fund are outlined in the Supplements to the Prospectus. This document can be obtained from BNY Mellon Global Management Limited (BNY MGM), 33 Sir John Rogerson's Quay, Dublin 2, Ireland. To help us continually improve our service and in the interest of security, we may monitor and/or record your telephone calls with us. BNY Mellon Global Funds, plc (BNY MGF) is an open-ended umbrella type investment company with variable capital (ICVC) and segregated liability between sub-funds, incorporated with limited liability under the laws of Ireland. 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The Fund takes its charges from the capital of the fund. Investors should be aware that there is potential for future capital erosion. The Fund may hold sub-investment grade bonds that typically have a low credit rating and carry a high degree of default risk, which can affect the capital value of your investment. The Fund may hold fixed interest securities, which are particularly affected by trends in interest rates and inflation. This may affect the capital value of your investment. All of the sub-funds may use derivatives for efficient portfolio management (EPM) purposes. EPM restricts the use of derivatives for the reduction of risk, the reduction of cost and the generation of additional capital or income with no or an acceptable low level of risk. EPM transactions must be economically appropriate and the exposure fully covered. The Fund will, additionally to EPM, make use of the expanded regulations and use derivatives in pursuit of their investment objectives. All of these factors may affect the performance of the Fund. In Austria, the current Prospectus and the Simplified Prospectus are available free of charge from Raiffeisen Zentralbank Österreich Aktiengesellschaft, Am Stadtpark 9, A-1030 Vienna. In Switzerland, Fortis Foreign Fund Services AG, acts as representative agent for BNY Mellon Global Funds, plc. The Prospectus, Simplified Prospectus, Articles of Association, Annual Report and Semi-Annual Report may be obtained free of charge from their offices located at Rennweg 57, CH-8021 Zurich. The paying agent for BNY Mellon Global Funds, plc is Fortis Banque (Suisse) SA, Zurich Branch, Rennweg 57, P.O. Box, 8021 Zurich. 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## Credit quality breakdown

	%
AAA	41.14
AA	12.35
A	16.55
BBB	14.46
BB	10.36
B & Below	5.13

## Maturity distribution



## Top 10 Holdings

	%
Bundesrepub Deutschland 4.25% 7/4/18	6.77
Buoni Poliennali Del Tes 4.25% 3/1/20	4.52
Bundesrepub Deutschland 4.00% 1/4/37	4.04
Bonos Y Oblig Del Estado 4.00% 4/30/20	3.66
France 4.25% 10/25/18	3.53
Buoni Poliennali Del Tes 3.75% 8/1/15	2.60
Netherlands 4.00% 7/15/18	2.30
France 4.75% 4/25/35	2.00
Hungary 6.75% 2/24/17	1.48
KFW 3.125% 7/4/16	1.35

Portfolio holdings are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

## Portfolio characteristics

	Fund	Index
Duration (in years)	6.5	5.5
Gross redemption yield %	3.4	3.0
No. of issuers	135	425
Average maturity (in years)	9.2	7.2
Average quality	AA-	AA+
Average Coupon	6.0	4.3
Current Yield	3.6	

## Currency breakdown

	Fund	Index
	%	%
Euro	91.10	100.00
UK Pound Sterling	2.00	
Indonesian Rupiah	2.00	
Mexican Peso	1.90	
Brazilian Real	1.80	
Malaysian Ringgit	1.60	
Norwegian Krone	1.30	
Others	-1.70	

## Active money

	Fund	Index	Relative
	%	%	%
Corporate	38.72	17.59	21.13
Emerging Markets	9.00	0.00	9.00
Cash/trade financing	1.66	0.00	1.66
Collateralized	9.94	11.33	-1.39
Government	40.66	71.07	-30.41

## BNY Mellon Asset Management - Client Services

If in the UK  
Tel: 0500 660000  
Fax: 08000 155668  
Email: [brokersupport@bnymellon.com](mailto:brokersupport@bnymellon.com)  
web: [www.bnymellonam.com](http://www.bnymellonam.com)

Outside the UK  
Tel: +44 20 7163 2367  
Fax: +44 20 7163 2039  
Email: [internationalsales@bnymellon.com](mailto:internationalsales@bnymellon.com)  
web: [www.bnymellonam.com](http://www.bnymellonam.com)