

Santander Managed OEIC

**Annual Short Report
for the Period 17 December 2007 to 31 March 2008**

Global Emerging Market

Fund Facts

Investment Objective and Policy

The sub-fund launched on 17 December 2007. The objective of the sub-fund is to invest the scheme property in a mixture of collective investment schemes and other assets in accordance with FSA rules with the aim of providing investors with superior, risk-adjusted returns over the long-term.

Investment Adviser

Santander Asset Management UK Limited

If you have any questions regarding your investment with us, would like further information or would like to obtain a copy of the Long Form Reports and Accounts, please call 0845 6000 181. Our lines are open 8am to 6pm Monday to Friday and 8am to 4pm on Saturday. Calls may be recorded or monitored.

Calls cost 6p plus up to 2p per minute from a BT Together landline. Mobile and other providers' charges may vary.

Fund Profile

Portfolio of Investments

Spread of investments	% of total net assets as at 31/03/08
Collective Investment Schemes	88.05
Net other assets	<u>11.95</u>
Net Assets	100.00

Major Holdings

The top 10 holdings at the end of this period are shown below.

Holding	% of Sub-fund as at 31/03/08
iShares MSCI Emerging Markets	31.68
iShares MSCI AC Far East ex-Japan	26.12
iShares MSCI Latin America	18.19
iShares MSCI Eastern Europe 10/40	8.26
Lyxor ETF India (S&P CNX NIFTY)	3.80

Risk Profile

The main risks within the portfolio relate to changes in the prices of securities held. Other risks will include risks of bankruptcy of companies held, risks from foreign exchange and risks of adverse effects from changes in interest rates. The sub-fund does not borrow in the normal course of business and has no material exposure to unlisted securities. The ACD reviews policies for managing these risks regularly as part of the process for achieving the investment objective.

Fund Performance

Percentage price change from 17 December 2007 to 31 March 2008	
Global Emerging Market	-4.00%
MSCI Daily TR Net Emerging Markets	-4.69%

*Source: Lipper – bid to bid, net of fees, net income reinvested.
Past performance is not a guarantee of future returns.*

Market Review

Higher inflation, concerns over the credit market and the slowing US economy continue to impact emerging markets this year. However, the emerging countries have increasingly diversified their trading partners and are less dependent on the US, so should experience less impact from a weaker global economy.

The valuations in some emerging markets are higher than has been the case historically, but they are reasonable considering earnings upgrades, increased GDP growth, market liberation - along with greater investment flows from institutional investors and pension funds. These are new drivers of growth which, until now, have been largely domestic investment, elections, consumption, infrastructure, commodities and international flows.

The MSCI Emerging Markets index rose by 37.4 per cent in GBP during 2007, outperforming the MSCI World index by 30 percent. In 2008 to date, the MSCI Emerging Markets index has fallen in line with all the global markets.

Policy Review

Emerging markets are markets in those countries in the early stages of development whose markets have sufficient size and liquidity and are receptive to foreign investment.

The ACD acts as investment adviser to the sub-fund and may appoint sub-advisers in the future. The investment adviser is responsible for discretionary investment management of the assets in accordance with the investment objectives.

Investment Outlook

After the strong performance of the Latin markets, coupled with big outflows from the Asian markets (especially China and Korea) and the new measures of the Chinese government, we expect a return of flows from international investors into the Asian markets. The drivers will be domestic investment, consumption, infrastructure, commodities and international flows.

Summary of Accounts

Fund Accounting Dates	Distribution Payment Dates
30 September / 31 March	30 November / 31 May

Distribution Statement

On 31st May 2008 a final distribution of 1.3064p will be reinvested on behalf of Retail Accumulation shareholders.

Total Expense Ratio

Expense Type	as at 31/03/08
Retail Accumulation shares	
Manager's periodic charge	0.1
Other expenses	-
Total expense ratio	0.1

Net Asset Values

Accounting Date	Share Description	Net Value Per Share (pence)	Number of Shares in Issue	Net Asset Value
31 st March 2008	Retail Accumulation shares	143.6	301,511	433,025

Share Price & Distribution

Calendar Year	Share Description	Highest Share Price (pence)	Lowest Share Price (pence)	Distribution per Share (pence)
2007*	Retail Accumulation shares	157.4	149.5	n/a
2008**	Retail Accumulation shares	156.7	135.6	1.3064

*the sub-fund commenced on 17 December 2007

** to 31 March 2008

Appointments

ACD and Registrar

Santander Asset Management UK Limited
Abbey National House
301 St. Vincent Street
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Authorised and regulated by the Financial Services Authority

Directors

Jose Ignacio Izquierdo Saugar
John Christopher Bearman
Alan Mathewson
Nicolas Edward Merigo Cook
Keith Morgan
Eduardo Suarez Alvarez Novoa
Antonio Lorenzo

Investment Adviser

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