

All data as at 31.12.11

## Pension Information Sheets



Fund Manager  
**Alex Lyle**  
Since: 01 2007

### Fund aim

The fund spreads its investments across UK and overseas equities, bonds, cash and UK property, approximately 50% in equities and 50% in bonds and property. It aims to achieve yearly returns that are 1% or more above its bespoke benchmark\*.

### Fund facts

Benchmark	Bespoke benchmark*
Fund Size	£7.1m
Fund Launch Date	June 2001
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

\* Consists of 25% FTSE All Share; 8.75% S&P 500 Composite; 8.75% FTSE World Europe (ex UK); 4.25% TOPIX; 2.5% MSCI AC Asia Pacific (ex Japan) 0.75% MSCI Latin America 10/40; 15% FTA British Govt All Stocks; 15% IBOXX Sterling Non Gilt ; 16% JPM Global Bond (ex Japan); 4% IPD



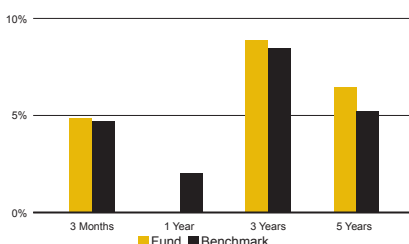
## Cautious Pathway Fund

### Commentary and outlook

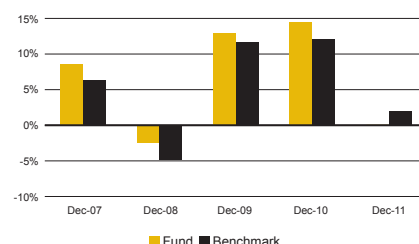
The fund marginally outperformed its composite benchmark in the fourth quarter. Asset allocation was slightly negative, with the overweight in emerging market bonds relative to UK issues proving unhelpful. However, this was partially offset by good performance in UK fixed income. The biggest positive contribution came from the underlying UK equities portfolio, which comfortably outperformed its benchmark. Elsewhere, the Japanese equity portfolio outperformed its regional index but the US equity portfolio underperformed. During the quarter we trimmed the fund's exposure to property, reflecting the uncertain outlook for the domestic economy. We feel that this outlook is more fully reflected in the equity market and, as such, we used the proceeds to add to this asset class. Meanwhile gilt yields have reached very low levels, driven by risk aversion, pension fund buying and the growing realisation that interest rates are going nowhere fast. We see better value among higher-yielding areas of fixed income, where the excess yields on offer more than compensate investors for the risks involved.

### 5 year performance

Performance - Discrete Periods



Performance 12 months ending



### Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	4.9	0.0	8.9	6.5
Benchmark	4.7	2.1	8.5	5.2

### Performance 12 months ending

	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11
Fund	8.6%	-2.4%	12.9%	14.4%	0.0%
Benchmark	8.6%	-2.4%	12.9%	14.4%	0.0%

### Fund holdings

	%		%
UK Equity Fund	25.3	Global Emerging Market Equities Fund	1.0
Corporate Bond Fund	18.5	Credit Opportunities Fund	0.8
Global Bond Fund	14.5	Absolute Return Bond Fund	0.8
North American Equity Fund	9.0	High Yield Bond Fund	0.8
European Equity Fund	8.1	Latin American Fund	0.5
Gilt Fund	6.5	European High Yield Fund	0.3
Japanese Equity Fund	4.4		
Property Fund	3.9		
Pacific Basin Equity Fund	3.0		
Emerging Market Local Fund	1.1		

Source: Factset

Past performance is not a guide to the future. The value of investments and any income from them can fall as well as rise. The performance returns shown on this factsheet are with income reinvested and gross of annual management charges. The effect of charges will reduce the performance figures accordingly. Please see your scheme booklet for full details on all charges that may apply.

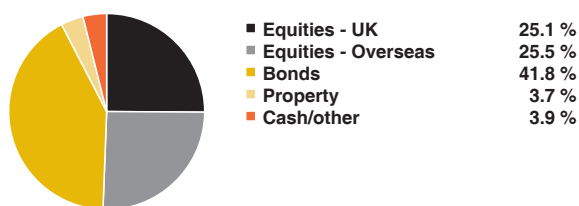
Performance source: Threadneedle. Three and five year returns are annualised.

## Top 10 holdings

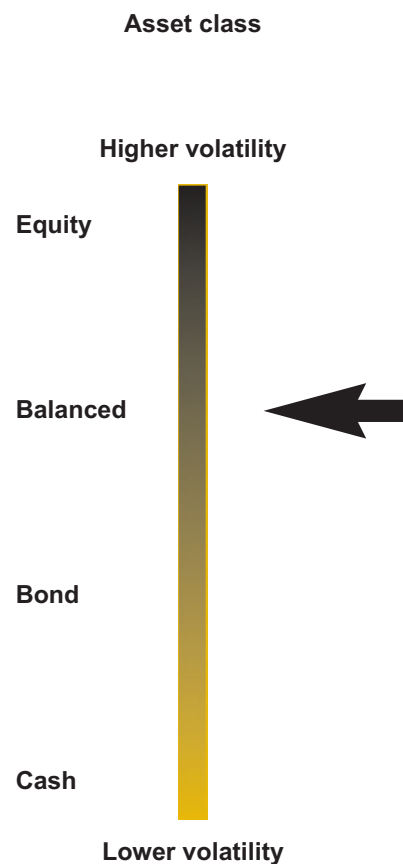
	%	
UK Treasury 4.25% 2040	1.7	Total % in top 10: 13.3
UK Treasury 5.25% 2012	1.6	
UK Treasury 3.75% 2019	1.4	
Royal Dutch Shell	1.4	
GlaxoSmithKline PLC	1.4	
BP PLC	1.2	
UK Treasury 4.0% 2022	1.2	
UK Treasury 3.75% 2020	1.2	
UK Treasury 1.75% 2017	1.2	
UK Treasury 2.25% 2014	1.0	

Source: Factset

## Asset breakdown



Source: Threadneedle



## Risk warnings

**Market Risk:** Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up, and an investor may not get back the amount invested.

**Fixed Income Fund Risk:** The interest rate on most government and corporate bonds will not increase in line with inflation. Thus, over time, the real value of investor's income could fall.

**Property risk:** It may be difficult or impossible to realise an investment in the fund because the underlying property concerned may not be readily saleable. The value of property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold. The performance of the fund would be adversely affected by a downturn in the Property market.

**Cash risk:** Where a fund holds at any one time a substantial proportion of their assets in cash, near cash or money market instruments, it might not, under such circumstances, participate fully in a rise in market values of the asset classes the fund would otherwise invest in.

**Currency risk:** Changes in exchange rates may also affect the value of investments.

## Contact details

Helpline 0845 3001545

Helpline calls may be recorded