

All data as at 31.12.11

## Pension Information Sheets



Fund Manager  
**Richard Stevens**  
Since: 09 2010

### Fund aim

The fund invests primarily in UK Government bonds. It aims to achieve yearly returns that are 0.5% or more above the FTSE British Government All Stocks Index.

### Fund facts

Benchmark	FTSE-A British Government All Stocks Index
Fund Size	£22.8m
Fund Launch Date	September 2003
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

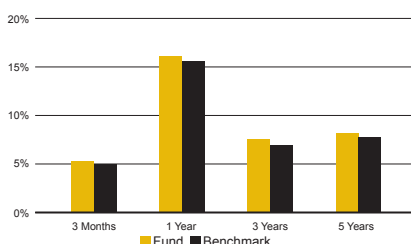
## Gilt Fund

### Commentary and outlook

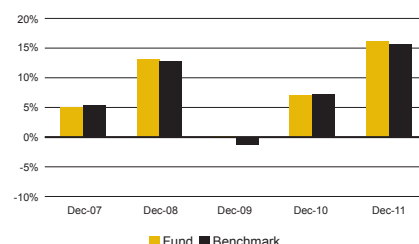
The fund modestly outperformed its benchmark over the fourth quarter. The portfolio was favourably positioned in anticipation of the announcement on quantitative easing in early October, holding overweight positions in the 10 to 30-year part of the yield curve and underweights in short-dated bonds. The 20 to 30-year maturity range was a prime beneficiary of the policy move and saw significant declines in yields, and increases in prices over the quarter. Following a sharp rally in early October the duration of the portfolio was reduced, thereby locking in the gains. The duration position of the portfolio was kept within a narrow range relative to the benchmark, with greater emphasis given to curve and stock positioning. Towards the end of the quarter the portfolio was moved to a more defensive position as 10-year gilt yields had moved to a record of just below 2%. We also moved the fund from a short to a neutral position in ultra-long gilts following a period of yield curve steepening in the first half of December. At the year-end the portfolio was short of benchmark in duration terms, in anticipation of a rising trend in yields early in 2012.

### 5 year performance

Performance - Discrete Periods



Performance 12 months ending



### Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	5.3	16.2	7.6	8.2
Benchmark	5.0	15.6	7.0	7.8

### Performance 12 months ending

	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11
Fund	5.1%	13.1%	0.1%	7.0%	16.2%

### Top 10 holdings

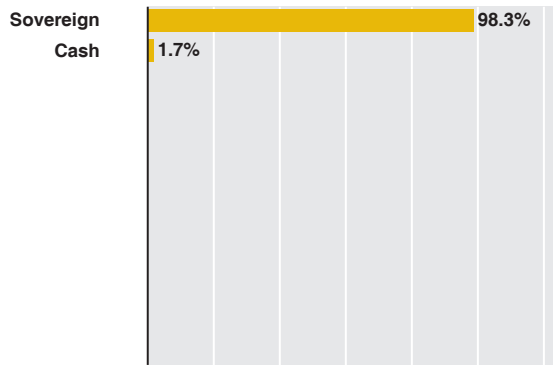
	%	
UK Treasury 3 3/4% 2019	7.7	Total % in top 10: 59.2
UK Treasury 5 1/4% 2012	7.4	Total number of issues in portfolio: 24
UK Treasury 4% 2022	6.4	
UK Treasury 1 3/4% 2017	6.3	
UK Treasury 4 1/4% 2040	6.2	
UK Treasury 2 1/4% 2014	5.5	
UK Treasury 3 3/4% 2020	5.5	
UK Treasury 4 3/4% 2030	5.0	
UK Treasury 2 3/4% 2015	4.6	
UK Treasury 3 3/4% 2052	4.5	

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.

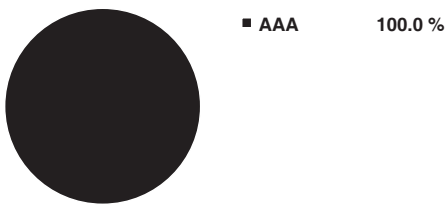
Performance source: Threadneedle. Three and five year returns are annualised.

## Sector weightings



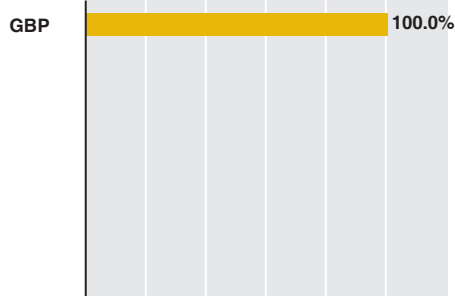
Source: Factset

## Credit rating weightings (ex cash)



Source: Factset

## Net currency exposure



Source: Factset

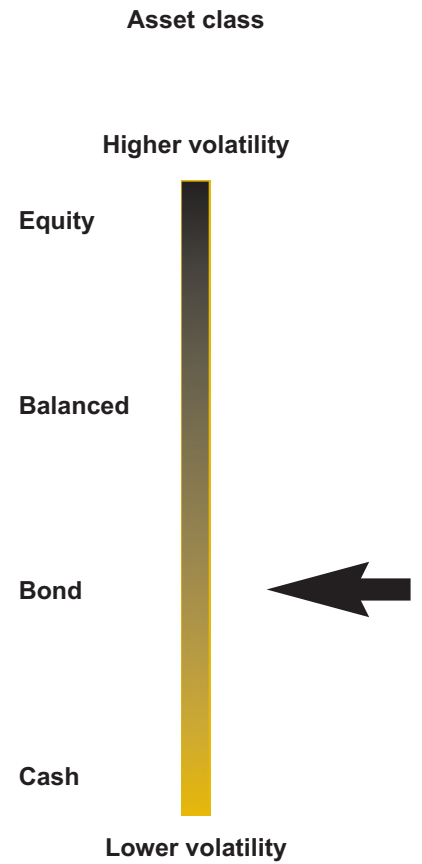
## Risk warnings

**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.

**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.

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Helpline calls may be recorded