

All data as at 30.09.10

Pension Information Sheets



Fund Manager
Dave Chappell / Martin Harvey
Since: 06 2010 / 06 2010

Fund aim

The fund invests primarily in non-sterling denominated fixed interest securities. It aims to achieve yearly returns that are 0.5% or more above the benchmark over rolling 3 year periods.

Fund facts

Benchmark	JPM Global Bond ex UK Index
Fund Size	£8.0m
Fund Launch Date	December 1998
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

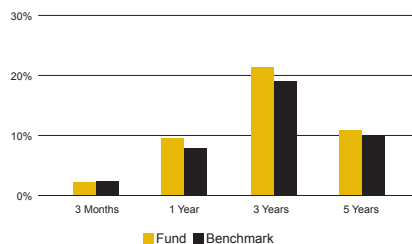
Global Bond Fund

Commentary and outlook

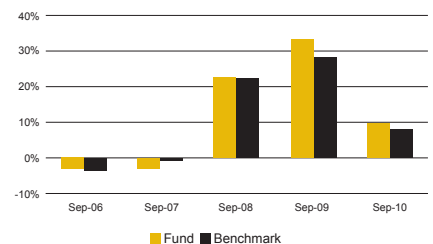
Global government bonds performed well in the third quarter. Investors reacted positively to central bank comments suggesting that a second round of quantitative easing may soon begin. The fund lagged the benchmark index in performance terms. We had expected longer-dated bonds to outperform shorter-dated issues, resulting in a flatter yield curve. However, curves continued to steepen. The portfolio's underweight positioning in peripheral European government bonds versus the core also detracted from performance in July. An overweight exposure to Australian bonds and gilts added to performance as yields fell, particularly in August. We took advantage of volatility in long-dated US treasuries but retained an underweight exposure to peripheral European government bonds and an overweight position in UK gilts. However, we reduced the interest rate sensitivity of our Australian holdings in September, while maintaining a position in higher-yielding AAA bonds. In foreign exchange, we reduced the fund's bias towards US dollars in September.

5 year performance

Performance - Discrete Periods



Performance 12 months ending



Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	2.2	9.6	21.4	11.0
Benchmark	2.4	7.9	19.1	10.1

Performance 12 months ending

	30 Sep 06	30 Sep 07	30 Sep 08	30 Sep 09	30 Sep 10
Fund	-3.1%	-2.9%	22.5%	33.2%	9.6%

Top 10 holdings

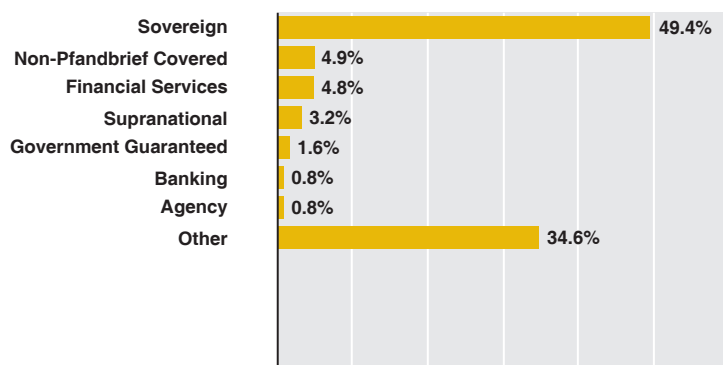
	%	
KFW 0.75% 2011	12.9	Total % in top 10: 56.2 Total number of issues in portfolio: 30
US Treasury 3.50% 2020	6.1	
Japan-307 (10 YR Issue) 1.30% 2020	5.9	
Cie Financement Foncier 1.25% 2011	4.9	
Pfandbrief Ost Land Hypo 1.60% 2011	4.8	
General Elec Cap Corp 1.45% 2011	4.8	
US Treasury 4.375% 2040	4.8	
Netherlands Government 3.50% 2020	4.2	
Buoni Poliennali Del Tes 2.00% 2012	4.1	
Japan-76 (20 Year Issue) 1.90% 2025	3.6	

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.

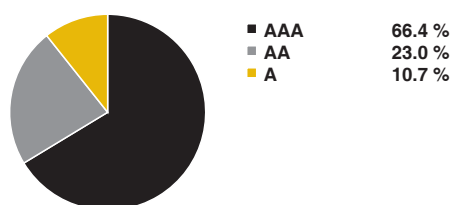
Performance source: Threadneedle. Three and five year returns are annualised.

Sector weightings

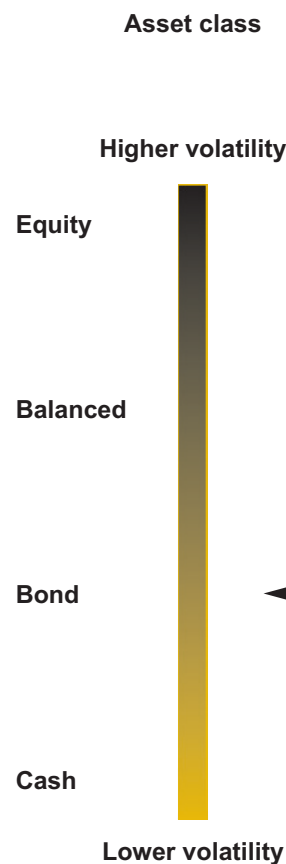


Source: Factset

Credit rating weightings (ex cash)



Source: Factset



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.

Emerging Markets Risk: Emerging Markets are generally less well regulated than their established counterparts. Funds investing in these markets can be susceptible to significant fluctuations in price. They may also carry additional risk in other areas including dealing, liquidity and taxation. As such, they are aimed at the more experienced investor.

Tax risk: It is possible that the current interpretation of the law or understanding of local practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the Company could become subject to additional taxation in such countries that is not anticipated either at the date of this document or when investments are made, valued or disposed of.

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.

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

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