

All data as at 31.12.11

Pension Information Sheets



Fund Manager
Richard Stevens
Since: 09 2010

Fund aim

The fund invests primarily in sterling denominated UK Index-linked bonds. It aims to achieve yearly returns that are in line with the FTSE UK Actuaries Index Linked All Stocks Index.

Fund facts

Benchmark	FTSE-A British Government Index-Linked All Stocks Index
Fund Size	£1.7m
Fund Launch Date	March 1995
Management Charge	Please refer to your company pension scheme booklet

All information is expressed in UK Sterling

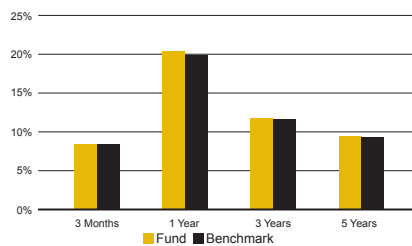
Index-Linked Bond Fund

Commentary and outlook

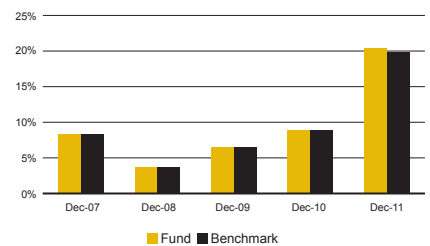
Although index-linked gilts were not included in the Bank of England's programme of quantitative easing, the sector performed extremely well in the fourth quarter. In sympathy with conventional gilts, yields declined to record lows across the curve. By the end of the year all securities were trading with a negative real yield. This is not unprecedented for shorter-dated bonds, but has not been seen before in long-dated maturities. This market remains primarily the domain of domestic investors seeking to immunise pension fund liabilities and, as such, it remains a highly technical market. In terms of supply the major event of the quarter was the syndication of a new 60-year bond, 0.375%, 2062 which was issued with a real yield of 0.49% at a price of par. By year-end the price had risen to 125 and the real yield stood at -0.13%. The fund is passively managed to track the benchmark index.

5 year performance

Performance - Discrete Periods



Performance 12 months ending



Fund performance

	3M%	1Y%	3Y%	5Y%
Fund	8.4	20.4	11.8	9.4
Benchmark	8.4	19.9	11.6	9.4

Performance 12 months ending

	31 Dec 07	31 Dec 08	31 Dec 09	31 Dec 10	31 Dec 11
Fund	8.4%	3.7%	6.5%	8.9%	20.4%
Benchmark	8.4%	3.7%	6.5%	8.9%	19.9%

Top 10 holdings

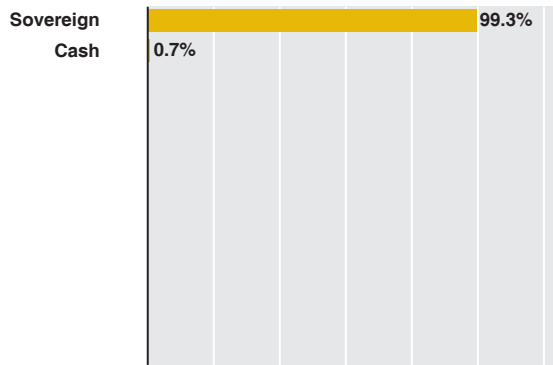
UK Treasury I/L	%	Total % in top 10: 65.5
UK Treasury I/L 2 1/2% 2016	8.3	Total number of issues in portfolio: 19
UK Treasury I/L 1 7/8% 2022	7.3	
UK Treasury I/L 2 1/2% 2020	6.9	
UK Treasury I/L 1 1/4% 2027	6.8	
UK Treasury I/L 2 1/2% 2024	6.5	
UK Treasury I/L 2% 2035	6.5	
UK Treasury I/L 1 1/4% 2055	6.0	
UK Treasury I/L 1 1/8% 2037	5.8	
UK Treasury I/L 2 1/2% 2013	5.7	
UK Treasury I/L 4 1/8% 2030	5.6	

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.

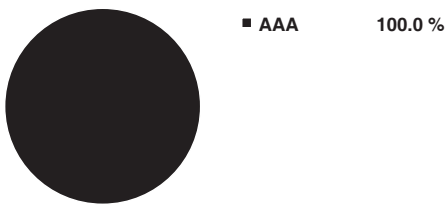
Performance source: Threadneedle. Three and five year returns are annualised.

Sector weightings



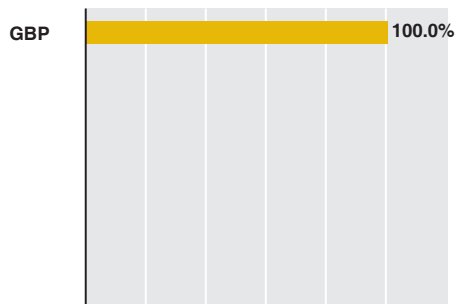
Source: Factset

Credit rating weightings (ex cash)



Source: Factset

Net currency exposure



Source: Factset

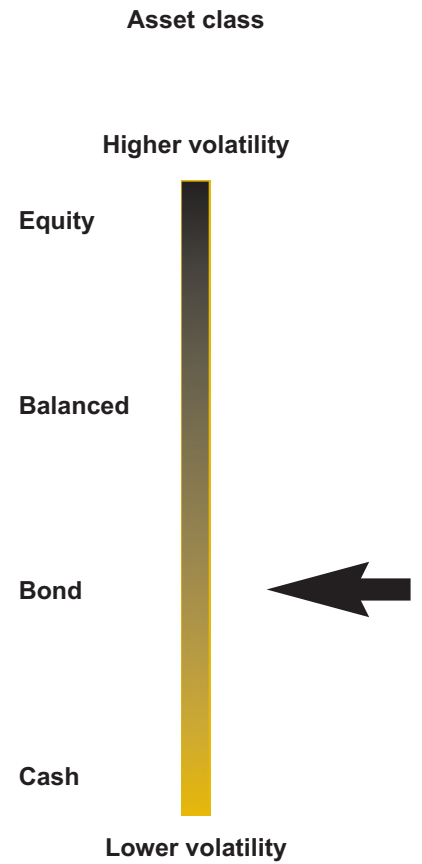
Risk warnings

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