

# SWIP Sterling Bond Plus Fund

Factsheet as at 28 February 2010


## Investment Objective

To provide a total return by investing in a portfolio of predominantly fixed interest securities.

## Fund Strategy

The Fund is benchmarked against a portfolio of bonds representative of the UK bond market. As well as the base total return achieved from investing in a portfolio of sterling denominated bonds, we aim to add excess returns through selective tactical and strategic positions in the areas of duration management, yield curve analysis, allocations to corporate bonds including higher yielding bonds and non-sterling denominated debt including emerging market debt. This is achieved by harnessing SWIP's bond expertise within a structured process which captures both top down and bottom up research.

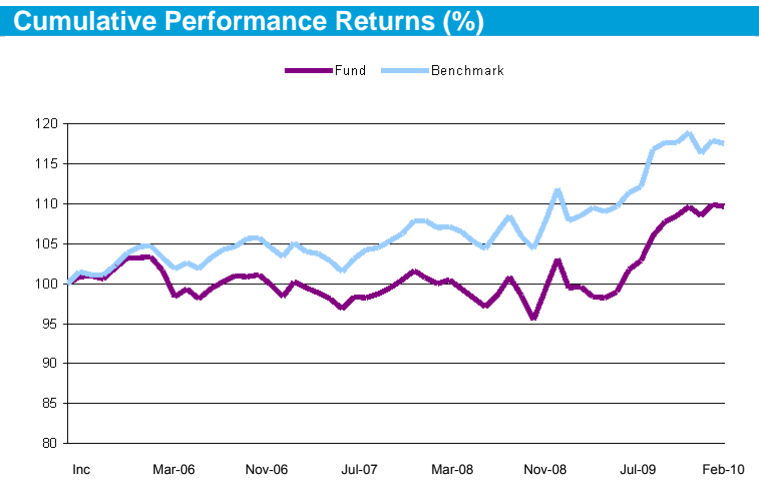
Fund Statistics	
Benchmark	iBoxx Sterling All-Maturities
IMA Sector	IMA Unclassified
Fund Manager	Sebastian Mackay
Fund Launch Date	July 2005
Fund Size	£56.1 million
Number of Holdings	92
Distribution/Underlying Yield	2.9% p.a (gross)

Fund Manager Biography	
<p>Sebastian MacKay, took over the Fund in July 2009 and has been with the group since August 2000. Sebastian has 9 years experience all of which have been gained at SWIP.</p>	

Dealing Information - Share Class A	
Minimum Investment	£1,000
Valuation Point	12 noon
Settlement Terms	T+4
Accounting Period End Dates	31 December (Final) & 30 June (Interim)
Ex-Dividend Dates	30 Jun & 31 Dec
Payment Dates	28 Feb & 31 Aug
Last Distribution Rate	1.5373p

Performance Returns - Calendar Years (%)					
	2010*	2009	2008	2007	2006
Fund	1.10	5.20	2.37	1.74	-3.33
Sector Average	N/A	N/A	N/A	N/A	N/A
Benchmark	1.05	3.97	3.65	3.23	0.66
Quartile	N/A	N/A	N/A	N/A	N/A

Fund Charges - Share Class A	
Initial Charge	3.75%
Annual Charge	1.00%
Total Expense Ratio	1.14%



Fund Codes and Prices - Share Class A	
Sedol	B09KGN5
ISIN	GB00B09KGN57
Bloomberg	SGBPFAA LN
Lipper	LP65004235
NAV Price as at	28 February 2010 110.1p
NAV - 12 Month High	26 January 2010 111.2p
NAV - 12 Month Low	25 March 2009 97.0p

Cumulative Performance Returns (%)					
	1 Mth	3 Mths	1 Yr	3 Yrs p.a	5 Yrs p.a
Fund	-0.27	0.00	10.07	3.36	N/A
Sector Average	N/A	N/A	N/A	N/A	N/A
Benchmark	-0.31	-1.14	8.36	3.79	N/A
Quartile	N/A	N/A	N/A	N/A	N/A

Statistical Analysis Review Over 3 Years	
Sharpe Ratio	0.24
Standard Deviation	6.10% (p.a.)
Alpha	1.71% (p.a.)
Beta	1.00
Information Ratio	0.86
Tracking Error	1.98% (p.a.)

Source: SWIP

Source: Lipper mid-mid basis, net of fees. iBoxx Sterling All-Maturities, gross of fees. \*Year to date figure. Please note Lipper returns are priced at 12 noon and benchmark is priced at close of business day. Please note sector average is not applicable as this Fund is in the unclassified sector and is not comparative to the other Funds within this sector.

**Past Performance is not a guide to future performance**

## Market Review

UK gilt prices fell steadily in February but staged a rally after Bank of England governor Mervyn King hinted that the quantitative easing programme was merely on hold, rather than complete. Amid concerns about the financial health of several European nations, investors shied away from riskier asset classes. As a result, corporate bond prices fell and the spread between the yield offered by government and corporate bonds widened.

## Fund Performance

The Fund was ahead of its benchmark in February. The Fund was short duration. As yields at this point on the curve rose by more than the average rise, an additional boost to performance was obtained. Security selection detracted from performance in February. Corporate bond holdings, in particular banking stocks such as RBS and Lloyds, had a negative impact on performance during the month.

## Fund Positioning

The Fund remains relatively short duration, although this position was reduced slightly in February with the sale of some short-dated index-linked bonds. Activity elsewhere within the portfolio was fairly minimal, although exposure to non-financial corporate bonds was reduced.

## Maturity Breakdown

	Fund %	Benchmark %	Deviation %
<1Yr Bonds	2.6	0.0	2.6
1-3 Yr Bonds	14.1	16.6	-2.5
3-5 Yr Bonds	13.8	14.2	-0.5
5-7 Yr Bonds	9.6	9.9	-0.3
7-15 Yr Bonds	38.4	25.6	12.8
15-30 Yr Bonds	6.4	25.7	-19.4
30-40 Yr Bonds	10.3	5.2	5.1
40-50 Yr Bonds	4.9	2.6	2.3
>50 Yr Bonds	0.0	0.0	0.0
Other	-0.1	0.2	-0.3

Source: SWIP, iBoxx Sterling All-Maturities

## Top 10 Holdings

Company	Weighting %
Treasury 3.75% 2019	13.0
Treasury index-linked 2.5% 2013	10.8
Treasury 4.25% 2011	5.6
Euro Inv Bank 4.75% 2018	5.4
Treasury index-linked 2.5% 2011	5.3
Gilt 4.25% 2049	5.0
Treasury 4% 2060	4.1
KFW 5.5% 2015	3.0
Gilt 4.25% 2046	2.1
Lloyds TSB Bank 2016	1.9

Source: SWIP

## Contact Us

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