

SWIP Sterling Bond Plus Fund

Fund Manager 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.

Investment Objective

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



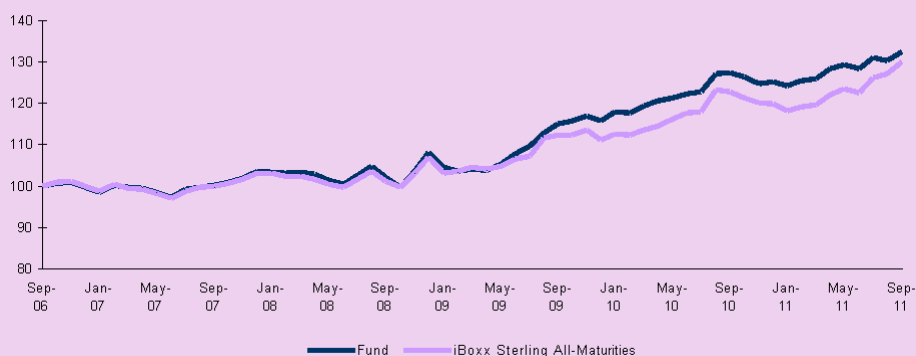
Graeme Caughey, took over the Fund in March 2011 and has been with SWIP since July 2001. Graeme has 15 years experience, 9 of which have been gained at SWIP

Performance

	Q3 2010 - Q3 2011	Q3 2009 - Q3 2010	Q3 2008 - Q3 2009	Q3 2007 - Q3 2008	Q3 2006 - Q3 2007
Fund Return (%)	4.15	10.69	12.70	1.95	0.09
Index Return (%)	6.07	9.21	11.12	1.27	-0.20

Source: SWIP, iBoxx Sterling All-Maturities, gross of fees

Fund Versus Index (Percentage Change)



Source: SWIP, iBoxx Sterling All-Maturities, gross of fees (rebased to 100)

Past performance is not a guide to future performance

Dealing Information

Minimum Investment: £1,000

Valuation Point: 12 noon

Settlement Terms: T+4

Accounting Period End Dates:
31 December (Final)
& 30 June (Interim)

Sedol Codes:
A - B09KGN5

ISIN:
A - GB00B09KGN57

Bloomberg:
A - SGBPFAA LN

Contact us

For further information or to purchase shares please contact us on:

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Visit: www.swip.com

Fund Commentary

Government bond prices in the "core" markets of the US, Germany and the UK continued to rally in September. Investor risk aversion, fuelled by a succession of gloomy economic releases, has encouraged a flight to quality. As a result, corporate bonds underperformed once again.

Fund activity was limited during September. A lack of liquidity, particularly within corporate bond markets, prevented us from making any significant trades. The portfolio retains comparatively large positions in corporate bonds, overseas bonds and index-linked bonds.

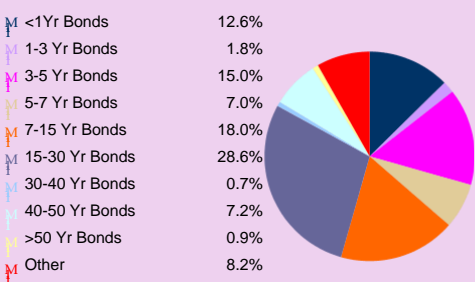
Our allocation to index linked government bonds cost the Fund as did our overweight position in corporate bonds. As government bond yields hit record lows over the month our underweight position had a negative impact on performance. Overweight positions in names such as NatWest, Halifax, BNP Paribas and Societe Generale had a negative impact on performance.

Key Exposures

Company	% of portfolio
Treasury 2.5% index-linked 2016	11.9
Treasury 4.5% 2034	11.6
Treasury 5% 2012	7.7
Treasury 4.25% 2040	6.7
Treasury 4% 2060	4.1
Treasury 4.25% 2036	3.4
Treasury 4.25% 2055	2.8
Treasury 2.75% 2015	1.6
Treasury 3.75% 2020	1.2
Treasury 3.25% 2011	1.2

Source: SWIP

Maturity Breakdown Split



Source: SWIP

Fund Information

Launch Date:

1 July 2005

Benchmark:

iBoxx Sterling All-Maturities

IMA Sector:

IMA Unclassified

Fund Size: £64.9 million

Initial Charge: Class A 3.75%

Annual Charge: Class A 1.00%

Base Currency: Sterling

No of Holdings: 164

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions. The value of the Fund can go up and down and investors may not receive back the money they invested. **This publication only contains brief information on the Fund. The Fund Prospectus and the Simplified Prospectus provide more detailed information as well as the risks of investing. Both these documents are available on our website www.swip.com or by telephoning 0800 33 66 00.**

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