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The investments and/or services referred to in this document may not be suitable for every investor and if in doubt you should contact a financial adviser. You should be aware that the prices and values of stock market investments and the income from them may go down as well as up and you may not get back the amount you originally invested.

Performance figures shown are calculated on bid price to bid price basis (mid to mid for OEICS) with net income (dividends) reinvested. Performance figures are shown in sterling unless otherwise stated. Past performance is not a reliable indicator of future performance. Performance figures and graphs are sourced from Trustnet Limited and Financial Express.

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Our risk profiles

We use different classifications when assessing the risk profile of a fund. Each category has varying degrees of risk depending upon the nature of the underlying investments.

High	H10: Specialist
	H9: Emerging Markets
	H8: Asia
	M7: North American
Medium	M6: European
	M5: UK Equity and Global Managed
	M4: Property
	L3: Corporate Bonds
Low	L2: UK Gilts
	L1: Cash/Money

Read before you buy

No initial charge and no purchase dealing commission are payable where you see the Platinum 120 icon. Please remember that dealing commission is still payable on the sale of a Platinum 120 fund. This offer is subject to change without notice. Before you purchase, check that the offer is still valid. Prior to investing in any funds we offer, you will need to read and keep a copy of the Funds Key Features document for the fund you want to invest in, or if you are investing in the SF Portfolio of funds you will need to refer to its Simplified Prospectus. All of these documents are available by visiting www.share.com. If you do not understand any point please contact our Customer Service team.



news in brief



New Jupiter fund joins P120

We are pleased to announce that we have added the Jupiter Financial Opportunities fund to our Platinum 120 range. Many investors will be wary of investing in the financial sector, but for some this fund may be interesting.

The fund is managed by Guy de Blonay, who previously co-managed it with the highly experienced and well respected Philip Gibbs.

Initially, in constructing the portfolio, a top-down perspective is taken –

the fund manager believes that the wider macro-economic picture has a significant impact on areas such as a bank's performance. The manager will then take a bottom-up approach, looking to identify those companies that he believes offer the best opportunity and unrecognised growth in that particular environment.

The portfolio will be run on a conviction basis with individual holdings generally being in the region of 3 to 7% of the portfolio. The total number of holdings within the portfolio is generally in the region of 70.

Movers & Shakers

August will be remembered for the volatility and turmoil of global financial markets. The US was downgraded by Standard & Poor's, and in Europe the debate over whether Greece would default continued. Opinion remains divided on this, although European leaders are aware of the need to identify and implement solutions, until agreements are reached, the uncertainty within markets will remain.

The number one fund traded in August was a new entrant, the Legg Mason Japan Equity fund. The region is still being repaired after the devastation of the earthquake, but many of the supply chain issues have been resolved, enabling a faster recovery than many had predicted. But investment within this region is not for the faint hearted.

Dropping down to second place is Legal & General UK Index, the default option for those who had their child trust fund voucher invested via The

Share Centre. Next is a new entrant, Legal & General MM Income fund.

Fourth place goes to the Jupiter Merlin Balanced Portfolio, a regular within the top 10, and managed by the highly respected John Chaffield-Roberts. The fifth place goes to T-Bailey Growth.

The next three funds show real diversity in investor appetite. In sixth place is the acclaimed M&G Recovery fund run by Tom Dobell, which has been in existence since 1969. In seventh place, indicating a shift in investor appetite, is the First State Asia Pacific Leaders. Despite dropping a number of places, the Aberdeen Emerging Markets fund remains one of the most popular for investors seeking all round exposure to emerging markets.

The Jupiter Global Managed fund is run by John Chaffield-Roberts and is his second entry within this month's top 10. The final place was taken by an emerging market region specific fund: the First State Latin America fund.

Top funds purchased in June

- Legg Mason Japan Equity Acc
- Legal & General UK Index Acc
- Legal & General MM Income Inc
- Jupiter Merlin Balanced Portfolio Acc
- T-Bailey Growth Acc
- M&G Recovery Acc
- First State Asia Pacific Leaders Acc
- Aberdeen Emerging Markets Acc
- Jupiter Global Managed Inc
- First State Latin America Acc

Top funds sold in June

- Legg Mason Japan Equity Acc
- BlackRock Gold & General Acc
- Invesco Perpetual Monthly Income Plus Acc
- Marlborough UK Micro-Cap Growth Acc
- Jupiter India Acc
- Invesco Perpetual High Income Inc
- Aberdeen Emerging Markets Acc
- First State Greater China Growth Acc
- First State Indian Subcontinent Acc
- Invesco Perpetual High Income Acc



Slater launches new equity fund

Slater investments has launched a new UK equity income fund. The fund will aim to achieve an attractive and increasing level of income, whilst also seeking capital growth. The manager will be seeking to achieve the income objective through investing in companies from across the entire market cap spectrum, and not merely relying on those from within the FTSE 100.

New launch from Artemis

Just launched is the Artemis European Opportunities fund, which will be managed by Mark Page and Laurent Millet.

The portfolio will be based around 60 stocks. Long term capital growth is the main objective of the fund, with individual stock selection being crucial to achieving this. Sector and geographical exposure is of secondary importance.

The sovereign debt issues facing Europe are enabling fund managers to identify businesses trading on valuations which have never been seen. However, investors should be aware that investment within this region should definitely be seen for the longer term.

Aegon to Kames

With effect from 1 September 2011, Aegon Asset Management has changed its name to Kames Capital.

Those holding investments in any of what were previously 'Aegon' funds do not have to do anything. There has simply been a change of name, replacing 'Aegon' with 'Kames'. The changes do not alter any of the investment mandates or the underlying fund management of the investments.

Legg Mason goes stateside

Legg Mason has announced the launch of a new US Equity Income fund. The fund will be managed on its behalf by Clearbridge Advisors, Legg Mason's largest US equity manager. The underlying investment three-strong team has a combined total of more than 60 years investment experience.

There are a number of key reasons why the US is becoming an attractive proposition for income seekers. US corporate balance sheets are typically in the strongest state they've been for years. This has led to an increasing number of companies electing to reward shareholders through dividend payments rather than initiate share

buyback schemes. Since the beginning of 2011, 117 S&P 500 companies have initiated or raised their dividends.

The US population is ageing. Over the next 20 years, the number of over 65s will double, which means that shareholders are increasingly demanding dividends to help supplement their retirement income. This demographic shift is forcing companies to change their attitude and stance on dividend payments.

Changes to the US taxation rules have helped accentuate this trend and companies are seeing the return of capital through dividends to shareholders as an increasingly attractive proposition.



from the editor

This issue of Fundholder may be looked back upon in times to come as the Ampersand issue. Who else spontaneously comes to mind in the fund industry when you mention the word 'ampersand' other than L&G and M&G? Or is it just me who thinks like that?

Legal & General Investment Management features in our house profile on pages 4-5. It seems that their secret to success is the combination of size (over £360 billion in assets) with a focus on the needs of their investing customers. L&G continues to launch new funds, one of which we include in three of their funds we feature here.

The other mighty ampersand fund house, M&G, squares up one of its funds against one from L&G in our funds radar piece on pages 8-9. These are both income funds which we know from reader feedback are popular in these times of interest rate austerity. Both these funds sit within our popular Platinum 120 range, all of which currently have no initial charge and are free of purchase commission.

Speaking of the Platinum 120, on pages 6-7 we consider the benefits of diversification and present three new funds to the range with very different investment exposures: US smaller companies, international companies and UK property.

But enough about individual funds. How do you put them together to meet your personal investment aims? On pages 10-12, we help you to identify the type of investor you are by describing three

different profiles: cautious, positive and adventurous. We tell you the kind of investments those investor types should be making and the various considerations they should take into account.

And if you keep putting off doing something about all that matching investments to your profile, we make it easy on pages 13-15 where we detail three funds of funds from Sharefunds and drill into a couple of funds in each of their portfolios.

But if DIY fund investing is absolutely your bag, go straight to page 16 for a reminder of all the goodies in the sweetie shop otherwise known as the Fund Centre on our website, share.com/fundcentre. Here you can search for funds in six different ways, get charts and data, see our featured fund and much, much more.

& finally (always time for one last ampersand), if you have a spare moment please let us know what you think about both of our magazines by dropping us a line to marketing@share.co.uk. Please clarify which magazine(s) you are giving us feedback about as your opinion is invaluable.

As the leaves continue to fall from the trees and as the birds, bees and plants become totally confused about the seasons, I wish you every success and total clarity with your investing in the run up to Christmas. Not that many shopping days left now...

Guy Knight
Group Sales and Marketing Director

house profile

Legal & General Investment Management



Across Europe, Legal & General Investment Management (LGIM) is one of the biggest institutional asset managers. And looking beyond Europe's borders, it is a major global investor. But what is the secret of its success?

Its size brings with it certain benefits, of course. But it focuses on being accessible too, and, above all, concentrates on providing what clients tell it they need most. Its size also entails certain responsibilities, and the organisation actively engages with the companies it invests in.

LGIM focuses on delivering its investment expertise consistently, whether that means reliably providing a market return through its index funds, or establishing a bespoke actively managed solution that fits a client's needs. So let's take a closer look.

Client focus

Throughout the past 40 years, LGIM has built its business through understanding what matters most to its clients and transforming this insight into valuable, accessible investment products and solutions. As a leading provider of defined contribution solutions, it continues to innovate as the market evolves, and, in the process, concentrates on building strong relationships with clients and their consultants.

Does this strategy work? More than 80% of new business comes from LGIM's established clients – a record that LGIM believes demonstrates the company's belief in growing with clients and serving them well.

Size

LGIM manages £362 billion in assets for more than 3,000 clients (as at 30 June 2011). It provides investment expertise across a full spectrum of asset classes including equities, fixed income, commercial property and cash. Its capabilities range from index-tracking and active strategies to liquidity management and liability-based risk management solutions.

Responsibilities

The scale of its investments brings responsibilities. Being very much aware of this, LGIM plays an active role in the companies in which it invests,

from exercising shareholder voting rights to directly engaging with companies at a board level. That is also why it seeks to ensure that companies are based on sound business models, and generate long-term, sustainable profits.

Overall approach

LGIM is at the forefront of developments in liability-driven risk management solutions for defined benefit pension schemes, and offers a large variety of strategies to help clients manage their investment objectives.

It offers a diversified range of pooled index funds, providing a wide choice and the ability to pursue specific benchmarks efficiently, underpinned by a value-enhancing philosophy. In addition, it offers segregated solutions to institutional clients around the world providing large scale customisation against established market capitalisation weighted and alternative indices.

Services

Fixed income: With around 50 investment professionals, LGIM's Active Fixed Income team offers investors the strength of a well-resourced capability. It aims to add value consistently through a fully integrated team approach, which combines dedicated macroeconomic and strategic analysis with rigorous fundamental credit research, disciplined portfolio construction and risk management.

Active Equity: The LGIM Active Equity business comprises focused teams of highly experienced, specialised individuals managing stock selection across different regions. It offers a boutique approach to managing equity portfolios, which benefits from being part of a large and established investment manager. This scale is leveraged through its trading capability and is reflected in exceptional access to corporate management.

Real estate fund manager: It is also the third-largest real estate fund manager in the UK and its strength is built upon the diversity of

knowledge and skills within the business, together with a market presence giving access to unique opportunities. Fund managers in the property team are expert in a range of forms of access to real estate exposure, with an average career experience of more than 15 years. The business is based around in-house sector specialists with a dedicated research team.

Retail Arm: Legal & General Investments is the retail arm of LGIM, responsible for the distribution and marketing of LGIM's retail funds. LGIM fund managers manage the retail funds alongside their institutional ones. The retail fund range reflects the diversity of LGIM's fund capabilities, from absolute return funds to cash to active equity, fixed income, index, multi manager and property funds. Legal & General Investments launched its own brand and logo in 2010 in order to emphasise the importance of Unit Trusts and stocks and shares ISAs, both to the Legal & General Group and to the retail investment market as a whole.

Conclusion

The Legal & General Investments team, led by Managing Director Simon Ellis, is keen to continue expanding the product set and demonstrated this by launching the Global Emerging Markets Index fund, the Equity Income fund and the Global Environmental Enterprises fund over a 7 month period from the end of 2010 to the summer of 2011. With its combination of core active and passive funds, and now the newer funds that capitalise on major trends in an increasingly connected global marketplace, the retail investments arm, with LGIM behind it, is well placed as a one-stop shop for all types of investors, whatever their investment goals.

Opposite we have highlighted three funds from Legal & General Investment Management, which we think are especially interesting because of the diversity of the range they cover. This includes a fund targeting small to mid-cap companies, one offering exposure to property, and a third that focuses on energy and resource efficiency.

Please remember that past performance is not a guide to future performance. The capital value of funds and the income they generate can go down as well as up and you may not get back your original investment.

Legal & General UK Alpha

Manager: Richard Penny

Aim: To provide the potential for long term growth by investing in a concentrated portfolio of UK equities from larger companies, as well as small to medium capitalised companies which may be selected from all economic sectors.

Opinion: The fund has been managed since launch in May 2005 by Richard Penny. It offers investors a tried and tested hybrid approach to investing in value and growth companies, and focuses on companies that have fallen out of favour with the market, or are in the process of restructuring with the potential for rapid growth.

Overall the fund has an unusual mandate in that it can invest across the complete market cap spectrum, albeit with a strong AIM bias. The fund has a focused portfolio of 30 to 50

stocks, therefore showing conviction in the choices made. Richard hopes the companies he selects will double in value over two to three years.

With a key focus on small to mid cap companies, when markets are defensive or risk averse, the fund will suffer to a greater extent than a UK fund focusing primarily on key blue chip companies. However, as the economic cycle starts to turn, the fund should potentially benefit as small to mid cap companies tend to rally first.

This fund is suitable for those investors who are seeking value and opportunity whilst looking for longer term gains, but, because of the significant exposure to more volatile smaller/mid cap stocks, it should not be seen as the only UK equity fund holding within a portfolio.

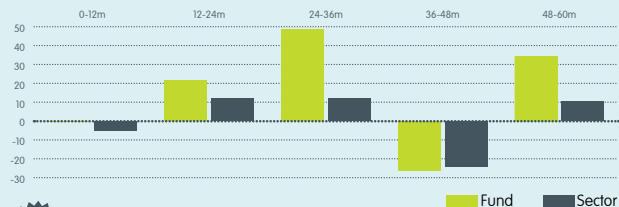
Fund facts

Our risk rating	M4	OBSR	-
Launch date	27/05/2005	Standard & Poor's	AA
Size	£191.4m	Platinum 120	Yes
Yield	-	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-0.19	21.50	48.38	-26.25	34.00
IMA UK All Companies	-5.24	12.04	12.01	-24.01	10.44

Performance chart



Legal & General UK Property Trust

Manager: Michael Barrie

Aim: To provide long term capital growth by focusing on property selection and active management, and to achieve income and capital growth through investing generally in physical commercial property in the UK.

Opinion: Managed by Michael Barrie, the Legal & General UK Property Trust invests directly into property. It is commonly known as a 'bricks and mortar' property fund.

There have been a variety of mixed views on the value that should be placed on primary property in 2011, but for those investing for the longer-term, bricks and mortar funds offer investors real asset diversification in a well balanced investment portfolio regardless of short-term market noise.

Investors should appreciate that the phenomenal growth returns witnessed in property some five years or so ago, are highly unlikely to be repeated. The Legal & General Property Trust should provide reasonable levels of growth and income over a 5 year plus investment period.

This fund is suitable for those investors who want exposure to the UK retail, commercial, industrial, office and warehousing property market via physical assets, and who want an income with the potential for capital growth over the long-term, whilst having the capacity to accept at least a medium level of risk.

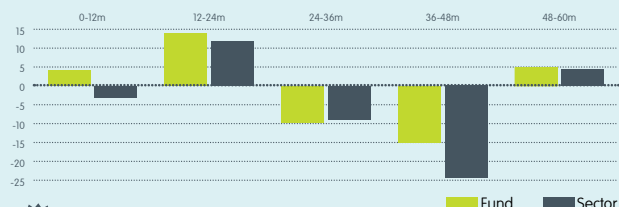
Fund facts

Our risk rating	M4	OBSR	-
Launch date	28/02/2006	Standard & Poor's	-
Size	£560.2m	Platinum 120	Yes
Yield	3.00%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	4.03	13.88	-9.68	-14.98	4.86
IMA Property	-3.09	11.80	-8.84	-24.39	4.39

Performance chart



Legal & General Global Environmental Enterprises

Manager: Robert Dowling

Aim: To provide capital growth through investment primarily in companies that produce goods or provide services relating to energy and resource efficiency; low carbon energy production; or water, waste and pollution control.

Opinion: This fund was launched in June of this year, with the principal aim of identifying the best investment opportunities around long-term global trends.

The fund is targeting companies that are likely to benefit from the impact of resource depletion, increasing global population, rising global wealth levels, and increased regulation and legislation to improve resource efficiency.

Returns are driven from a rules based system that has a global equity screen developed in conjunction with Osmosis Investment Management, an expert in this area. The screening process essentially aims to capture returns from companies that derive 50% or more of their income from energy efficiency, low carbon energy and water, waste and pollution control.

The screening also ensures that a third of the fund is invested in North America, a third in Europe, and a third in Emerging Markets. In terms of market cap size, the portfolio is equally split across small, mid and large cap companies. Investors should note that this fund is not an ethical fund as it has no ethical overlays.

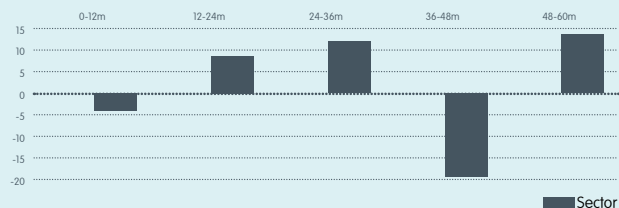
Fund facts

Our risk rating	H10	OBSR	-
Launch date	16/06/2011	Standard & Poor's	-
Size	£30.4m	Platinum 120	No
Yield	0.10%	ISA eligible	Yes

Discrete annual performance (%) to 30 June 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-	-	-	-	-
IMA Global	-4.90	8.61	11.98	-19.30	13.64

Performance chart



Platinum 120: the range is broad and diverse

Andy Parsons gives an update on Platinum 120 and warns investors not to make the mistake of having all their eggs in one basket.

In the past three months, markets have been subject to severe turmoil. Major indices all around the world have been falling significantly as concerns over economic growth and the European crisis continue.

The market uncertainty has largely been caused by global and sovereign issues. Unfortunately, by their very nature, these factors often create indiscriminate selling off within the markets. Consequently, for investors who prefer to invest directly into equities, the pain of such falls can be intense. Such unpredictability illustrates the truth in that old adage about putting all of your eggs in one basket. This pain is also felt by experts themselves as equity Fund Managers see significant values wiped off their portfolios.

However, amongst all the despair and commotion, a silver lining awaits these experts. After diligent research and often face to face meetings with management, many of the companies that they selected are now trading at even cheaper values.

The Share Centre's Platinum 120 range aims to assist investors in selecting the investments that are appropriate for their own personal requirements, whilst removing the concerns that come with direct equity ownership. Instead, the responsibility is placed in the hands of an investment expert, namely the Fund Manager.

We firmly believe that global markets will continue to demonstrate bouts of volatility for the foreseeable future. Furthermore, returns can never be guaranteed when investing within the equity markets. However, over the medium to longer term, meaning a time horizon in excess of five years, we believe funds selected from our Platinum 120 range offer some of the more appealing long-term prospects for a healthy return. These funds are selected by employing the very best ideas and after thorough analysis.

So that's the Platinum 120, and opposite are three funds new to the range for consideration. In keeping with our diversification theme, they cover a broad spectrum: US smaller companies, income via exposure to international assets, and UK property.

Please remember that past performance is not a guide to future performance. The capital value of funds and the income they generate can go down as well as up and you may not get back your original investment.

Benefits of the Platinum 120

For those investors who buy into funds listed within the Platinum 120 range, there are several important advantages:

- Hand-picked and regularly reviewed by our experts
- Each fund is risk rated making it easier for investors with different risk appetites to make a choice
- See the reasons why we like each fund on our website share.com/p120
- None currently has an initial charge meaning £10,000 invested means exactly that!
- Views and research available at share.com/p120



Legg Mason US Smaller Companies

Manager: Royce & Associates

Aim: To achieve capital growth, principally through investment in smaller US companies' shares.

Opinion: Shares in smaller companies are often hit especially hard in a market sell-off, particularly during the early stages. However, the reverse is often true on a market rally, with mid and smaller caps generally benefiting from the biggest rises.

Furthermore, a variety of myths and misconceptions abound in relation to investing in smaller companies. One such myth is the view that all small companies are extremely fragile in times of economic uncertainty and downturns as they have poor balance sheets, meaning they will be financially stretched. This is not necessarily the case, as many of these companies are

astutely run and often targeted by much larger organisations looking to expand and diversify.

Investors looking at this area need to be fully aware of certain risks. The underlying investments will primarily be focused on smaller companies. In the case of this particular fund, generally those with a market cap between 500 million and 5 billion dollars. Investors need to remember that, in terms of market capitalisation, the US market is on a very different scale from that of the UK. In addition, exposure will be predominantly to just one geographical region which itself means a currency risk needs to be factored in.

Ecclesiastical Amity International

Manager: Rob Hepworth

Aim: To achieve long term capital appreciation and a reasonable level of income by investing principally in international companies. The Amity International Fund seeks to invest in a portfolio of companies which make a positive contribution to society and the environment through sustainable and socially responsible practices. The Fund seeks to avoid investment in certain areas, such as companies which have a material involvement in alcohol, tobacco and weapon production, gambling and publication of violent or explicit materials.

Opinion: There are an increasing number of issues that influence investment choice, although the desire for good returns on investment often overtakes moral principles.

The fund is considered a pioneer within the Socially Responsible Investing (SRI)

arena. It focuses on companies that offer value, and subjects potential investments to positive and negative screens.

The negative screen relates to certain areas that many ethical investors like to avoid, including companies which operate in alcohol related sectors, gambling, pornography, strategic armaments and tobacco, as well as animal testing and intense farming. The positive screen checks for compliance with broader conditions, and will examine such issues as corporate governance, human rights, labour relations, community relations, education and healthcare.

All investment ideas are initially generated by the Fund Manager. The SRI team is then responsible for the due diligence work, including the various screens.

Threadneedle Property

Manager: Don Jordison

Aim: To provide unit-holders with indirect investment exposure to a diversified portfolio of property assets in the United Kingdom.

Opinion: There are two types of property funds. There are those that invest in actual properties and those that invest in shares (equity) of property companies (companies that are involved in property development, maintenance, servicing or a combination). The funds that invest in property equity tend to exhibit higher levels of liquidity than those that invest in the physical property. This means that a large call for return of capital is more likely to be serviceable by an equity-based property fund than a fund invested in the physical asset.

Managed by Don Jordison, the Threadneedle UK Property Trust invests

in actual properties and is therefore more commonly known as a 'bricks and mortar property fund'.

There are many mixed views on the value that should be placed on primary property in 2011, but investment for the longer term in a bricks and mortar fund offers investors real asset diversification in a well-balanced investment portfolio, regardless of short-term market noise.

This fund may be suitable for investors seeking property exposure within the UK's retail, commercial, industrial, office and warehousing property market. It should be noted that it focuses on the market for existing buildings, and not new build primary developments.

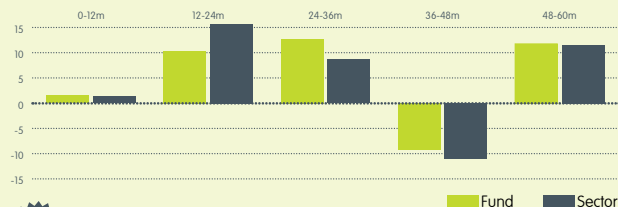
Fund facts

Our risk rating	M7	OBSR	AA
Launch date	29/03/2004	Standard & Poor's	AA
Size	£145.4m	Platinum 120	NEW Entry
Yield	-	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	1.54	10.34	12.68	-9.18	11.75
IMA North American Smaller Co	1.28	15.66	8.62	-11.09	11.52

Performance chart



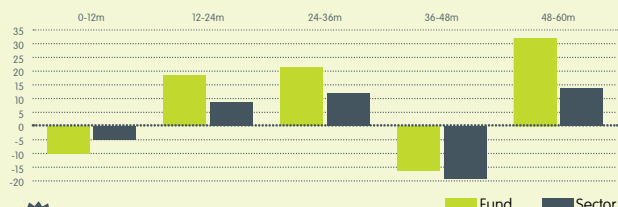
Fund facts

Our risk rating	M5	OBSR	-
Launch date	13/09/1999	Standard & Poor's	-
Size	£163.2m	Platinum 120	NEW Entry
Yield	1.56%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-9.99	18.49	21.34	-16.27	31.73
IMA Global	-4.90	8.61	11.98	-19.30	13.64

Performance chart



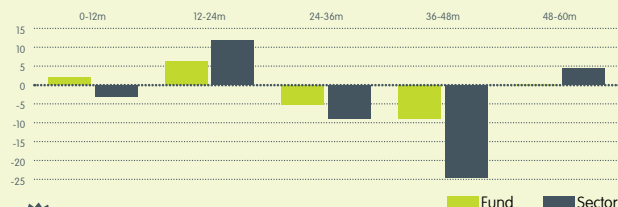
Fund facts

Our risk rating	M4	OBSR	-
Launch date	19/02/2007	Standard & Poor's	-
Size	£378.0m	Platinum 120	NEW Entry
Yield	3.60%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	1.98	6.19	-5.18	-8.88	-
IMA Property	-3.09	11.80	-8.84	-24.39	4.39

Performance chart



funds radar

Andy Parsons, Advice team manager, looks at two fixed income funds.



M&G Optimal Income Manager: Richard Woolnough

Aim: To provide a total return to investors based on exposure to optimal income streams in investment markets.

Opinion: M&G has long been known for its income producing funds. Many investors are aware of its Corporate Bond funds and the impressive management skills of Jim Leaviss and Richard Woolnough.

Compared to other debt based funds within the M&G range, this fund is one of the youngest. It was established in December 2006.

The fund is reasonably unconstrained since it allows Richard flexibility to invest as much as 100% in Gilt or High Yield debt. However, equity exposure is capped to a maximum of 20% and non-sterling currency exposure is also limited to a maximum of 20%. Investors should be aware that the manager has the ability to actively use derivatives and in particular credit-default swaps to manage risk and potential default risk. An added benefit of being so unconstrained means the manager can arrange and re-arrange his portfolio to generate returns based on his ideas regarding the economic outlook.

Investors should note that this fund will exhibit many similar investment themes to the other M&G funds run by Richard. However, due to the wider investment scope of this fund, those ideas and strategies may well be more aggressive.

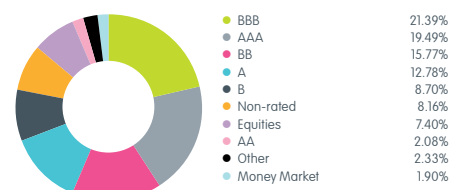
The fund is suitable for investors looking to add additional spice to their income portfolio and who wish to do so through the investment experience and knowledge of a well respected fund manager and fund house. The fund's current yield is distributed twice a year.

Please remember that past performance is not a guide to future performance. The capital value of funds and the income they generate can go down as well as up and you may not get back your original investment.

Three reasons to buy this fund:

- M&G's reputation for income producing funds, specifically its Corporate Bond funds, and the impressive talents of Jim Leaviss and Richard Woolnough.
- This fund is particularly suited to investors who welcome the fund's flexibility to potentially generate returns regardless of the direction of interest rates.
- Despite being a debt based fund, Richard manages this fund on a total return basis therefore there is no specific targeted income return or yield.

Sector weightings as at 31 August 2011



Asset weightings as at 31 August 2011



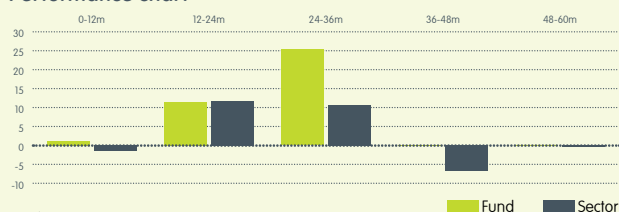
Fund facts

Our risk rating	L3	OBSR	AA
Launch date	08/12/2006	Standard & Poor's	AAA
Size	£5,183.1m	Platinum 120	Yes
Yield	4.75%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	1.07	11.41	25.32	-0.23	-
IMA Sterling Strategic Bond	-1.48	11.80	10.77	-6.76	-0.41

Performance chart



From the manager

I believe that huge problems remain within the banking sector and in peripheral Eurozone countries. The fund retains very low exposure to both sectors. However, the sell-off has been indiscriminate. Non-financial investment grade and high yield corporates have also experienced spread widening despite being fundamentally more sound than many sovereigns and financials.

At an index level, sterling BBB (including financials) spreads have risen to 386bps and euro BBBs to 375bps, whilst high yield spreads have widened to 845bps (Source: Bloomberg as at 1 September 2011).

We believe spreads at these levels are pricing in too pessimistic an outlook and therefore that credit risk is currently very attractive.

We have also increased the high yield exposure in the M&G Optimal Income Fund to 42%, and also increased equity exposure to 7%.



Legal & General Dynamic Bond Manager: Richard Hodges

Aim: To achieve a total return by investing principally in a range of fixed and variable rate income securities.

Opinion: Unlike many core mainstream corporate bond funds, which generally focus on UK based debt, the fund is unconstrained, meaning it can invest in investment grade debt, high yield debt and securities listed in overseas companies. An added benefit of its unconstrained status is that the manager, Richard Hodges, can arrange and re-arrange his portfolio to generate returns based on his ideas regarding the economic outlook.

Richard takes a global view on all fixed income securities and is prepared to seek the best opportunities at the right price, whilst always looking to achieve returns in all market conditions.

To help minimise the risk that an underlying investment may have, he will often purchase derivatives to protect against that individual investment. In this way the risk is all but eliminated. The fund has full regulatory authorization to use instruments such as derivatives. It can therefore make money in a falling market.

This fund should not be confused with a standard corporate bond fund, as Richard has a wide mandate allowing him to utilise the flexibility of his active approach, thereby aiming to achieve returns in all forms of market conditions through various trading strategies.

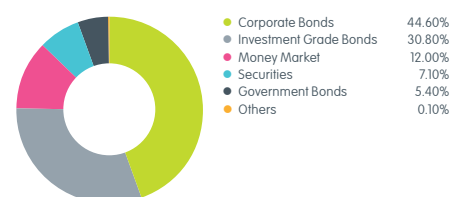
The fund's performance since launch has clearly demonstrated the manager's ability to outperform in rising markets and to also help minimise losses during tough economic conditions.

Please remember that past performance is not a guide to future performance. The capital value of funds and the income they generate can go down as well as up and you may not get back your original investment.

Three reasons to buy this fund:

- Legal & General is the largest investor in UK companies within the UK. Tracker funds are its main focus. This investment power allows its fund managers easy access to company boards and management. They are also afforded the ability to have input into the business direction and strategy of the companies they invest into.
- Richard has a wealth of experience in managing bond funds involving debt markets, including roles at Chase Manhattan, NatWest Investment Management and Gartmore. He joined L&G in 2007.
- This fund is particularly suited to investors who are seeking additional income from a debt fund with a truly flexible investment mandate and the ability to generate returns in any market conditions.

Sector weightings as at 31 July 2011



Asset weightings as at 31 July 2011



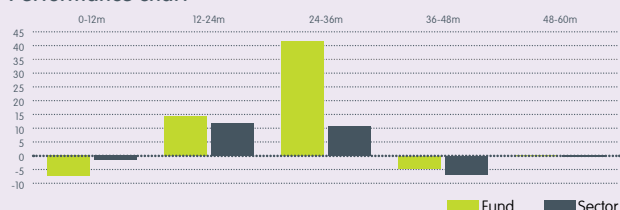
Fund facts

Our risk rating	L3	OBSR	AA
Launch date	30/04/2007	Standard & Poor's	AAA
Size	£1,732.7m	Platinum 120	Yes
Yield	5.50%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-7.27	14.35	41.68	-4.65	-
IMA Sterling Strategic Bond	-1.48	11.80	10.77	-6.76	-0.41

Performance chart



From the manager

If one has an investment horizon which is longer than the 'month to month' focus which currently prevails, then there are good opportunities out there, but the market will remain volatile in the near future. As part of the management of the fund we do not make investment decisions expecting every asset to give their best performance today or indeed tomorrow, but try to look through the extremes of the indiscriminate pricing today to identify assets that will give a future return.

For instance we lowered overall exposure to financials, with sales in issues from Barclays and AIG. However, towards month end, we made selected purchases in some banks after valuations were pumelled to more attractive levels, taking advantage of distressed selling of a Citigroup issue. We also acquired an attractively-yielding bond from Banque Populaire Caisse d'Épargne, a well-managed French mutual savings and private banking group benefiting from ongoing restructuring.

building a funds portfolio

From foundations to elegant roof terraces:
the investment portfolio needs to be solid,
but it can still dazzle



Imagine designing and building your next home. What would you want? Some houses offer stunning views, others just feel secure, stable, solid. No one construction is right; it depends on what you want. Some people want modern; others traditional. Some want to be in the centre of activity; others in the middle of the country. It is like that when you're building a portfolio too. It depends on your time horizon, and what you want. Is your priority a steady, certain income flow? If so, that means you need your portfolio to be constructed in a certain way. If your priority is growth, and you are looking at a much longer time horizon, then your priorities can be quite different.

In this feature we are taking a closer look at three different investment strategies you may want to adopt. Then, once you have identified an overall approach that is right for you, on pages 13-15 we have some suggestions.

Diversification is critically important when constructing a portfolio. However, it might not be as easy as you might think. We have some thoughts on this vital topic too, on page 12.

But let's start with the portfolio type we would normally describe as cautious.

The cautious investor: deep foundations

The cautious investor needs foundations; foundations that are strong enough to withstand an economic earthquake.

For that reason, we would usually say that a large portion of the cautious investor's portfolio should be in the form of assets that provide a fixed and steady income stream. So that's government and corporate bonds, PIBS (Permanent Interest Bearing Shares) and preference shares. (Strictly speaking there is more to preference shares than just providing fixed interest, but they fit the criteria of this asset group close enough for us to include them.)

But don't be fooled into thinking these so called safe assets are all the cautious investor needs to build into a portfolio. It may sound oxymoronic, but low risk investments can sometimes be risky. The danger is partly posed by inflation. When the rate of interest is as low as it is right now, there is a risk that a safer portfolio's value will be eroded by the ravages of inflation.

So to counteract this threat, investors may want to consider including an element of equity investments. If income is your priority, then equities that pay out good dividends are the key. Companies that operate in mature industries, such as utilities, usually tick the box that says high dividends. Assets of this type often produce a solid performance, even in times of austerity. Such equities are usually referred to as defensive shares.

Not all defensive shares offer the same benefits. However, in certain cases, given the product/service on offer, investors have the potential for their portfolio to grow with inflation and for the yield to rise with the cost of living, whilst limiting the downside risk that may come in times of economic stress.

And that's the basis of a cautious investor's portfolio: fixed interest assets and equities, especially equities in defensive stocks.

A cautious portfolio will usually focus on the UK. In this way, the portfolio is largely sheltered from the risk that can come from exposure to assets valued in other currencies, and whose value will therefore be influenced by unpredictable changes in the currency markets. See page 13 for more details.

The positive investor

The portfolio described above can usually provide the investor with a high degree of certainty, even in times of uncertainty. But some investors want to see a higher potential upside. They realise that this may entail more risk, but see this as a price worth paying.

The positive investor's portfolio would usually differ from the cautious portfolio in several ways. Firstly, there will normally be fewer assets providing fixed income and more equities. Secondly, the equities held within the portfolio are likely to be more diverse, with less emphasis on defensive stocks, although such companies will still be an important part of the positive portfolio.

The positive portfolio will also include a degree of exposure to the property market.

As for geographical exposure, we would usually recommend including some investments outside the UK's shores, but as a rule we suggest sticking to European and US investments.

The adventurous investor

If growth is your priority and you have a somewhat longer time horizon, and you are willing for your portfolio to be exposed to more risk, then we have some additional suggestions.

The adventurous portfolio would usually include all the assets described above, but commodities, currencies and some exposure to international markets further afield, such as China, may well be added.

It is worth bearing in mind that the adventurous portfolio can have exposure to assets that offer a degree of counter-cyclical coverage. Currencies and commodities, for example, can give access to more volatile assets providing a greater potential upside, although, at the same time, assets which in some cases may rise, when others are falling and vice-versa.

Bonds and gold

At the moment, both bonds and gold offer obvious attractions. There are, however, reasons for caution.

Currently, UK, US and German government bonds are seen as low risk, and so have been proving extremely popular with investors, which has pushed up bond prices. But, at some point, quantitative easing may have to go into reverse or be unwound. This may lead to falls in the price of bonds.

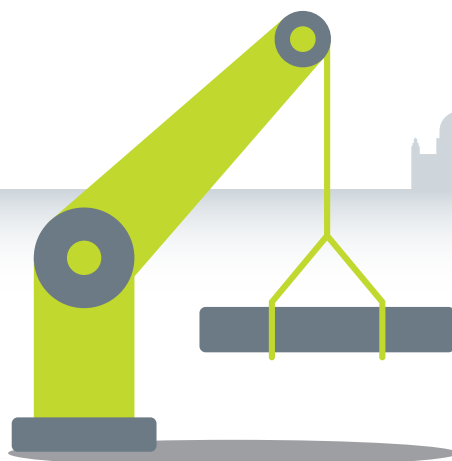
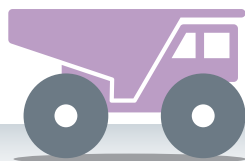
Furthermore, bonds are not delivering the yield investors usually expect, and for those seeking income they are providing an inadequate return. Right now, deposit accounts in banks are offering higher interest on investors' money. These are perceived to be as safe as bonds because bonds rely on stable governments, who in turn typically guarantee bank deposits to a certain level.

As for gold, this is seen as the ultimate safe haven, and generally rises when there is a broader sell-off. Of late it has been passing new all-time highs with regularity, with simultaneous fears over inflation and deflation and possible government default by certain Eurozone countries rattling the markets.

But, while gold is seen as the safe refuge for times of extreme uncertainty, it is possible that in the event of a major market meltdown even this asset may fall in price as investors are forced to liquidate their assets to fund margin calls and losses.

At the moment banks typically hold three months' liquidity. In the event that several countries default, banks may well find that they have to eat into their cash reserves rapidly. In such circumstances, banks will need to buy gilts (they are, after all, required to do so) and to meet their commitments they may be forced to sell gold.





Investing in property

As far as investing in property is concerned, we currently favour funds that offer exposure to London. In a recent survey carried out by the Economist's sister magazine Intelligent Life, London was voted as the closest the world has to a global capital city. London itself boasts many unique selling points, and, from the point of view of constructing a diversified portfolio, it has its own micro investment climate.

For one thing, London happens to sit in what is quite possibly the best time zone in the world for conducting business globally. Its working day overlaps with those in the Far East and California.

London also boasts an extraordinary level of cultural diversity. This in turn helps to promote variety, and cement the city's position as a global hub.

For many companies, a London head office provides kudos, especially if it boasts a high profile location. And many of its more famous buildings - the Gherkin, Shard and Cheese Grater, for example - never sleep, different traders can be at work 24 hours a day.

And finally, London boasts good property management systems.

Put all this together and we are left with a city whose economy is at least partially uncorrelated with the rest of the UK.



The view that the developed world and, in particular, the West is more stable than so-called emerging countries may need revising. Enormous steps have been taken in countries such as China, and perhaps even more so in Brazil, towards stability and a good deal more certainty. Not all fund managers have yet factored these developments into the criteria they employ when making investments.

Industry norms and accepted views of what constitutes safe and risky assets may need revising. We watch the changing attitudes closely.

Key considerations

Diversification is important - of course it is. But there is always a danger that assets, apparently quite different in style, may move up and down in tandem. They call it correlation. For example, in a downturn investments in different sectors, in different corners of the world may fall simultaneously.

For that reason we recommend constructing a portfolio made up of non-correlated assets.

Take property as an example.

Some property funds, for example those that focus on property portfolios or Real Estate Investment Trusts (REITS), may be buying assets that are likely to move up or down with wider equity movements. So, if you are interested in investing in property it is better, in our view, to consider funds which invest directly into premium commercial property which is less correlated with movements in equity (see investing in property on this page).

Currencies and commodities can also reduce the extent of asset correlation within a portfolio, with some commodities, for example, often rising when other assets are falling. Other investors look to limit correlation through investing in government bonds, which are generally seen as safe assets and consequently often rise in uncertain times (at least bonds related to the US and UK do). Some fund managers use derivatives to protect or enhance returns, and select in accordance with their view of global conditions. Also, certain other derivatives can offer returns when markets are falling, thereby helping limit correlation.

Time - the risk leveller

Another technique that can help to reduce risk, and can limit correlation is what is known as pound cost averaging. Markets rise and fall, sometimes for the flimsiest of reasons. By drip feeding investors' money into funds, it should be possible to limit the dangers that can come with what, in hindsight, may seem like bad timing. Regular investing allows you to benefit from changes in the unit price. If the unit price falls, you will buy more units and if it rises you will buy fewer units. Over the long term, this evens out the highs and lows of your investment.

Conclusion

When constructing a portfolio there is much to consider and take into account. The cautious, positive and adventurous investor should opt for certain asset types, but always diversify, and selecting non-correlated assets wherever possible is vital.

Investment conditions year to date have proved challenging for a variety of reasons, most notably the ongoing uncertainty and clamouring within Europe relating to sovereign debt issues. Also adding to market turbulence has been the squabbling within the US over how to tackle its ever increasing debt burden, with decisions being taken to the wire and a ratings agency deciding that the nation's credit status should be downgraded. We have also witnessed two Black Swan events, namely the tragic devastation caused by the Tsunami in Japan, and the uprisings within North Africa and the Middle East.

To help investors in the quest to meet their objectives, while providing diversification, The Share Centre's sister company Sharefunds provides three funds of funds: SF Cautious, SF Positive and SF Adventurous. Over the following pages we look at the funds in more detail and also highlight two investment choices relating to the each of the three funds.

Remember that past performance is not a guide to future performance. The value of funds and the income they generate can go down as well as up and you may not get back your original investment.

SF Cautious fund



Managers: Andy Parsons & Sheridan Admans

The fund has an overall aim of achieving a combination of income distributions of approximately 4% gross per annum in addition to capital growth in excess of the IMA Cautious Managed Index.

The portfolio has therefore been structured so that, in respect of fixed interest, the managers have sought exposure from managers with flexible and strategic bond mandates such as the L&G Dynamic Bond fund (see page 9) and the Invesco Perpetual Monthly Income Plus fund (managed by the highly respected trio of Paul Read, Paul Caser and Neil Woodford).

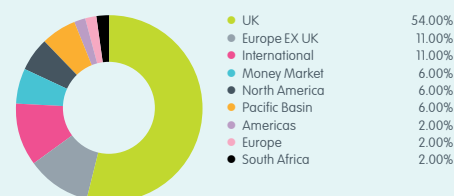
As the year began, conditions looked favourable for equities. The managers believe that many of these characteristics still remain. They have therefore focused on those equity based funds which have strong management teams at the helm and who they believe are best suited to help steer the funds through the wider global economic uncertainty, whilst not losing sight of the investment objective.

Investors will therefore be unsurprised to see that funds such as the Invesco Perpetual High Income (see below) and the JO Hambro Equity Income fund (albeit that this fund has now been soft closed) hold key positions within the overall portfolio.

Fund facts

Launch date	03/03/2008
Size	£1.4m
Yield	4.0%
ISA eligible	Yes

Region weightings as at 31 August 2011



Asset weightings as at 31 August 2011



Investec Monthly High Income

Managers: Kieran Roane & John Stopford

Aim: To provide investors with a high monthly income, primarily through investment in highly rated and/or high yield bonds from around the world, and through investment in derivatives, the underlying assets of which are highly rated. The portfolio will be managed to minimize any currency risk in sterling.

Opinion: The fund is managed by Kieran Roane and John Stopford. Interest rate movements and inflation pressures strongly influence their investment decisions, along with the volatility, valuation and price behaviour of individual stocks. The team carries out thorough credit analyses to understand potential risks.

The fund takes advantage of the opportunities in the increasingly popular high yield bond market, which includes market-leading companies from emerging markets, and SMEs in developed economies. It can invest in investment-grade and government bonds when market conditions are right.

This is one of only a handful of funds, which can pay income monthly. But in return, investors must accept some risk, particularly as the fund includes higher yielding corporate bonds, which carry a higher risk of capital loss through default. Worldwide investments mean that political turmoil and currency fluctuations also pose a greater risk.

Fund facts

Our risk rating	L3	OBSR	-
Launch date	17/12/2001	Standard & Poor's	-
Size	£178.1m	Platinum 120	Yes
Yield	9.10%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-8.28	13.56	14.53	-6.42	2.31
IMA Sterling High Yield	-5.48	14.44	15.86	-9.02	2.79



Invesco Perpetual High Income

Managers: Neil Woodford

Aim: To achieve a high level of income, together with capital growth and invest primarily in companies listed in the UK, with the balance invested internationally. In pursuing this objective, the fund managers may include investments that they consider appropriate, which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

Opinion: This fund, which is run by Neil Woodford, is the UK's largest actively managed fund, with assets currently totalling over £10.8bn. Neil backs his own convictions, as shown by his long-held negative view of the banks playing out to

benefit the fund in 2007. He now believes the main challenges for the UK economy are the repair of the banking sector and the government's austerity measures.

The fund reflects Neil's caution over the UK economy. He selects robust companies; strong balance sheets, resilient and transparent earnings and the potential to deliver consistent dividend growth. Many holdings derive significant earnings from overseas.

The fund currently favours sectors such as pharmaceuticals, utilities and telecoms. Neil's proven ability to make judgement calls means investors should see long-term rewards.

Fund facts

Our risk rating	M5	OBSR	AAA
Launch date	06/02/1988	Standard & Poor's	AAA
Size	£10,432.0m	Platinum 120	Yes
Yield	4.12%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	5.73	11.34	5.41	-17.80	12.84
IMA UK Equity Income	-2.04	10.47	9.78	-23.49	7.23



SF Positive fund



Managers: Andy Parsons & Sheridan Admans

The fund has an aim of achieving a combination of income distributions of approximately 2% gross per annum and capital growth in excess of the FTSE All-Share Index.

As indicated by the pie charts, in terms of asset class and geographical spread, the underlying portfolio is more diverse than the SF Cautious fund. For reasons explained in the main article, this portfolio looks to adopt additional risk over and above that employed in constructing the SF Cautious fund.

In addition, this portfolio includes exposure to an absolute return fund in the shape of the Newton Real Return, which has a truly global investment mandate which we detail below.

Other key notable holdings within the portfolio are the BlackRock European Dynamic (again more information can be found below), US exposure through holdings within the Investec American and

Schroder US Mid Cap fund, whilst the inclusion of property as already described is via the L&G UK Property Trust, of which greater details can be found on page 5.

Fund facts

Launch date	03/03/2008
Size	£2.8m
Yield	2.0%
ISA eligible	Yes

Region weightings as at 31 August 2011



Asset weightings as at 31 August 2011



Newton Real Return

Manager: Iain Stewart

Aim: To achieve significant real rates of return in sterling terms predominantly from a portfolio of UK and international securities. The sub-fund may also invest in deposits, money market instruments, derivative instruments, forward transactions and collective investment schemes.

Opinion: Much has been written about absolute return funds, whether they serve a purpose and how they should be compared with each other. Whatever your views, the Newton Real Return fund has the longest track record. It targets cash +4%, using a three-pronged approach: unconstrained stock picking, diversification through global investment

across several asset classes, and strong defensive qualities with a bias towards capital preservation.

With £4.3bn assets under management, the fund is one of the largest of its type. It has a track record of steady returns and low volatility, and is easy to understand as it does not use complex computer modelling, shorting or leverage strategies.

This fund has remained a popular choice as a long-term core holding within the SF Positive for some time. It will appeal to investors seeking a return over inflation, low volatility with exposure to most asset classes, but managed to minimise risk.

Fund facts

Our risk rating	M5	OBSR	A
Launch date	01/09/1993	Standard & Poor's	AAA
Size	£4,320.4m	Platinum 120	Yes
Yield	3.36%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	0.89	9.46	17.04	-1.02	15.07
IMA Absolute Return	0.15	2.80	7.22	-1.72	7.91



BlackRock European Dynamic

Managers: Alister Hibbert

Aim: To achieve long-term capital growth for investors. It invests primarily in the shares of companies incorporated or listed in Europe, excluding the UK, and showing growth or value investment characteristics, the emphasis of which is determined by market outlook. The Fund may also invest in collective investment schemes.

Opinion: Investing in Europe may currently be anathema to many investors, but this fund, which is one of the largest core holdings within the SF Positive, is worth inclusion and consideration. The fund invests in small, medium and large capitalised markets, with a portfolio of 35 to 65 companies.

The investment team believes that markets are not efficient and therefore, through rigorous analysis, it can identify opportunities.

Fund manager Alister Hibbert has delivered a first quartile performance over each period since he took over in 2008. He takes account of economic conditions and overlays them with companies he believes are best suited to deliver the returns he thinks are achievable in those conditions. Alister looks for companies that he believes can deliver earnings significantly higher than have been discounted by the market over a five year time horizon.

Fund facts

Our risk rating	M6	OBSR	AA
Launch date	02/10/2000	Standard & Poor's	AAA
Size	£953.6m	Platinum 120	Yes
Yield	0.15%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-9.37	9.32	45.81	-20.42	19.41
IMA European Excluding UK	-11.11	1.12	16.26	-21.95	18.00



SF Adventurous fund



Managers: Andy Parsons & Sheridan Admans

The fund aims to achieve capital growth in excess of the MSCI World index.

For those investors seeking a portfolio with truly global exposure, of the three ready-made packages on offer, this one certainly fits the bill, although it does carry a much greater degree of risk and volatility.

Whereas the UK has been a core geographical region within the other two portfolios, overseas exposure features significantly within this portfolio (as shown in the pie charts on the right), whether that be through developed western economies, those of the Far East or the much talked about emerging markets.

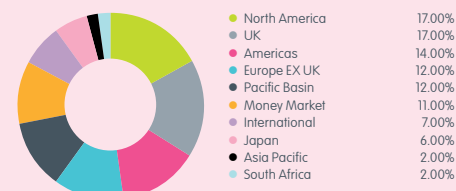
Two key notable holdings within the portfolio include the Invesco Perpetual Global Smaller Companies fund and the Aberdeen Emerging Markets fund, both of which are featured below.

Other notable holdings include the Investec Global Energy fund, the recently soft closed Standard Life UK Smaller Companies fund, and the Investec Emerging Markets Local Currency Debt fund.

Fund facts

Launch date	03/03/2008
Size	£2.2m
Yield	-
ISA eligible	Yes

Region weightings as at 31 August 2011



Asset weightings as at 31 August 2011



Invesco Perpetual Global Smaller Companies

Managers: Bob Yerbury

Aim: To achieve capital growth through a portfolio of investments in international securities. It intends to invest mainly in shares of smaller companies, which are quoted on the world's stock markets. In pursuing this objective, the fund managers may include investments that they consider appropriate, which include transferable securities, money market instruments, warrants, collective investment schemes, deposits, and other permitted investments and transactions.

Opinion: Smaller businesses that have a strong management team and proven track record afford new opportunities and deserve inclusion within an adventurous, well diversified portfolio.

This fund invests mainly in smaller companies from around the world. Given the challenges that many smaller sized companies will have faced recently, one could argue that the survivors have proven to be well managed and financially sound, with good products or services. And it is often a combination of these that make them attractive targets for larger organisations.

While smaller companies appear to suffer when markets are volatile, history shows that when markets and global economic conditions start to settle, smaller and mid-sized companies have the biggest rallies.

Fund facts

Our risk rating	M5	OBSR	A
Launch date	22/09/1984	Standard & Poor's	A
Size	£340.6m	Platinum 120	No
Yield	0.19%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-4.48	20.35	27.24	-22.97	18.25
IMA Global	-4.90	8.61	11.98	-19.30	13.64

Aberdeen Emerging Markets

Managers: Global Emerging Markets Team

Aim: To provide long term capital growth from direct or indirect investment in emerging stock markets worldwide, or companies with significant activities in emerging markets.

Opinion: Investing in around 50 to 60 large and mid-cap companies, the fund gives broad coverage of emerging markets. Unusually, the fund is managed by a team, who are involved with the participants in these markets on a daily basis. The main emphasis of company selection is on absolute returns rather than having the constraints of a benchmark. Investments are generally held for the longer-term.

Emerging markets often suffer when investors seek safer havens. However, regions such as China, India and Brazil will eventually become global superpowers. In addition, investors should consider the growing numbers of smaller nations that are becoming equally important: Indonesia, South Africa, South Korea, Turkey, Taiwan, Mexico and Chile - to name but a few.

This fund has been held within the SF Adventurous portfolio for the past couple of years, providing the broad emerging market exposure which has been sought.

Fund facts

Our risk rating	H9	OBSR	AAA
Launch date	16/03/1987	Standard & Poor's	AA
Size	£2,700.0m	Platinum 120	Yes
Yield	0.50%	ISA eligible	Yes

Discrete annual performance (%) to 30 September 2011

	0-12m	12-24m	24-36m	36-48m	48-60m
Fund	-8.92	29.96	43.03	-15.54	37.93
IMA Global Emerging Markets	-15.04	20.56	32.64	-25.43	42.56



the features of our Fund Centre

Searching for what you want couldn't be easier with our extensive search features.

In the spring 2010 edition of The Fundholder, we covered exciting new developments within our Fund Centre. To recap, our Fund Centre aims to help you make sense of the huge fund market and has more than 2,000 funds available. In this issue, we're focusing on our easy to use and sophisticated search facility.

Six easy ways to search

Fund name, company or symbol

If you know your L&G's from your M&Gs, this is the simplest way to search. Use the quick search box to find the funds you want.

Ready-made packages

If you find choosing funds difficult, our sister company Sharefunds has put together three funds of funds – Cautious, Positive and Adventurous – predominantly using funds from our Platinum 120 (see pages 13-15). These cater for different investment objectives with varying degrees of risk and there's no purchase commission, a 1% annual management fee and no initial charge.

Platinum 120 funds

The Platinum 120 is our range of individual 'best of breed' funds specially selected for their long-term prospects and strong management by our in-house experts Andy Parsons and Sheridan Admans. Their selections are based on careful monitoring and regular meetings with fund managers. When you click on the list of funds in Platinum 120, you will see the results page, which gives you even more research options.

Don't forget that there is no purchase commission on funds within the Platinum 120 range, and currently they all have no initial charge either.

Fund Market Radar

An easy way to view the fund market from different angles is through our 'Fund Market Radar'. Here we show you the top five funds according to a number of pre-selected criteria. You can then expand on the results to see the top 30 funds in your chosen selection.

Fixed Income funds

If you're interested in Fixed Income funds, then our sortable list could be right for you. Aimed at giving you additional income, they allow you to spread your overall investment risk by investing in a number of different Fixed Income funds expertly chosen by a professional fund manager.

Advanced search

One of the major features of the Fund Centre is the advanced search tool. This gives you an opportunity to search for a fund using a huge range of different criteria, ranging from fund size to quartile ranking, to the age of a fund. Simply select the options that are important to you, click on search and the results that meet your selection criteria will then be displayed.

And there's more...

Featured fund

Every week we look in-depth at one of the funds in the Platinum 120 in what we call 'Featured Fund'. You can choose to receive this by email without charge by signing into your account and going to the 'My Profile' tab and choosing 'Email advice tips'. You will also receive two share tips as well.

Buying a Fund

Once you have read the key features document and decided which funds to buy, it's easy to place a deal. All you have to do is click on the pink buy button within the 'Fund fact sheet', and you can buy the fund online. You can, of course, call our dealing team to place your deal instead. They can be contacted on 01296 41 42 43. Please note we always inform you both before and after the transaction of our own earnings from the fund manager.

So, our Fund Centre gives you the tools you need to research and choose the funds you want to invest in. To make the most of this facility just visit our website share.com/fundcentre.

Remember that past performance is not a guide to future performance. The value of funds and the income they generate can go down as well as up and you may not get back your original investment.

Search results

The most important part of any research is the information you can view once you have narrowed down your selection, and this is where our 'results' help.

Click on the name of the fund to view the 'fund fact sheet'. This will give you in-depth information and enables you to read full details on the specific fund, such as:

- Key features document
- Fund Manager's biography
- Top holdings within the fund
- Discrete annual performance and annual management charge.

If the fund is within our Platinum 120 range, you can read 'our advice team's view' as well.

