

# Fund Factsheet

## ISA/CIP Portfolio 3 Medium

(Post 30/07/07)

As at 30 June 2011

### Market commentary

Fears over the outlook for global economic growth and Europe's sovereign debt difficulties weighed on equity markets in June. The FTSE All-Share index rose just over 1.5%, as fears over the strength of economic recovery prompted a move out of economically sensitive areas of the market into areas with more stable earnings. Gains on other markets were less pronounced. The US and Europe were only marginally ahead, while Japan, developed Asia and emerging markets were down.

Government bond yields fell over the quarter as a variety of factors, including nerves over Japan's nuclear crisis and the parlous financial state of peripheral eurozone nations, weighed on riskier assets. As a result, "core" markets such as the UK, US, and Germany reaped benefits, finding support in the form of investors' "flight to quality". Returns from corporate bonds were positive over the second quarter despite investors' diminished appetite for risk.

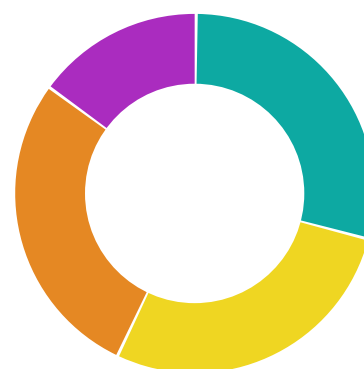
### Portfolio features

- Possible to achieve a better trade off between risk and return by spreading or diversifying investments.
- Your portfolio is diversified to get the best return for your own risk profile.
- This factsheet shows the split of your investments and the performance.
- The performance of all funds in your portfolio is constantly monitored and formally reviewed on a regular basis by a dedicated investment committee.

### Fund performance

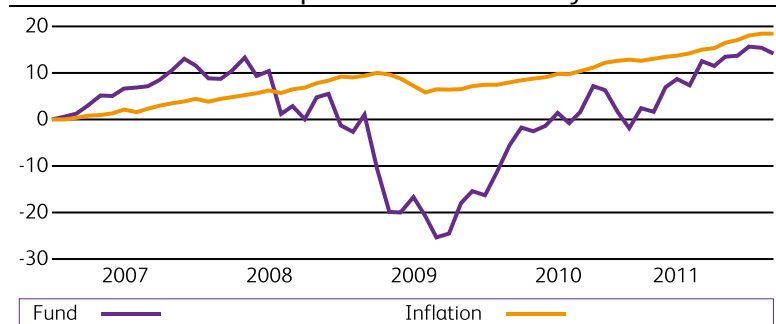
	30 Jun 06 29 Jun 07	29 Jun 07 30 Jun 08	30 Jun 08 30 Jun 09	30 Jun 09 30 Jun 10	30 Jun 10 30 Jun 11
Corporate Bond (OEIC)	0.4	-4.8	-8.3	16.3	4.7
UK Equity Income (OEIC)	15.7	-15.5	-15.2	18.3	21.0
UK Growth (OEIC)	15.2	-14.0	-20.2	17.7	21.7
International Growth (OEIC)	17.6	-10.3	-17.9	16.1	20.3
Portfolio Return	11.6	-11.3	-15.1	17.2	16.5

### Portfolio weights



- UK Growth (OEIC) 29.0%
- Corporate Bond (OEIC) 28.0%
- UK Equity Income (OEIC) 28.0%
- International Growth (OEIC) 15.0%

### Cumulative investment performance – over 5 years



Source all returns: Lipper, a REUTERS company Returns are shown net of annual management charges only, with net income reinvested. Inflation is represented by the UK Retail Prices Index

**Important notes:** Past performance is not a guide to future performance. The investment's value and the income from it will fall as well as rise and may be affected by market and currency movements. You may get back less than originally invested. Cash on deposit is more secure, generally more accessible and provides greater certainty of growth.

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision

**Contact details:** For further information please contact Adviser Services on 0870 607 6771 or visit [www.bankofscotland.co.uk/privateclients](http://www.bankofscotland.co.uk/privateclients)

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### Glossary

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**ABI Sector** – The Association of British Insurers classification scheme for life and pension funds that share similar characteristics, e.g. Balanced Managed

**Annual management charge** – A charge taken from the fund sometimes referred to as yearly management charge. The charge is expressed as a percentage per annum but is normally taken daily from the fund

**Asset allocation** – The process of dividing investments among different kinds of asset classes such as stocks, bonds, property and cash

**Benchmark** – A measure against which the performance of a fund is compared. The benchmark could be an index for example the FTSE 100, or a sector average

**Bid price** – The price at which you can sell units of a fund

**Bonds (Fixed Interest Securities)** – A bond can be issued by either a company (corporate bond) or a government (gilt) and is a way of raising capital. Most bonds promise to pay a fixed rate of interest for a given period of time, at the end of which the holders are repaid the capital sum

**Cumulative Performance** – Represents total return over a given period

**Discrete Performance** – Represents individual yearly performance

**Dividends** – A portion of a company's profit paid to the shareholders

**Equities** – Commonly used term for shares in a company

**IMA Sector** – The Investment Management Association classification scheme for OEIC/ISA funds that share similar characteristics, e.g. Cautious Managed

**Net Asset Value (NAV)** – The value of an entity's assets less the value of its liabilities

**OEIC (Open Ended Investment Company)** – An OEIC is a pooled investment fund of variable size set up as a company. It owns investment assets, for example stocks and shares, gilts, bonds and other financial instruments. The size of an OEIC varies reflecting the market value of its underlying investments

**Offer Price** – The price at which you can buy units of a fund

**Sector Average** – The average performance of all the funds within a particular sector, for example the IMA Balanced Managed sector

**Underweight/Overweight** – Funds have a target allocation to a particular sector or asset type, for example a managed fund may have a target allocation to equities of 50%. If the fund holds 52% in equities it is said to be overweight equities. Similarly if the fund holds 48% in equities it is said to be underweight equities

**Yield (Historical)** – reflects distribution declared over the past twelve months as a percentage of the mid market unit price, as at the date shown.

**Yield (Distribution)** – reflects the amount that may be expected to be distributed over the next twelve months as a percentage of the mid-market price of the fund as at the date shown. It is based on the snapshot of the portfolio on that day.