

Maximum Income Bond Fund



January 2012



Fatima Luis
Fund Manager

Fund manager biography

Fatima has over 14 years of investment experience and is Head of UK High Yield Credit. She joined F&C in 1998 and has managed the Fund since launch. Fatima has an MA from the London School of Economics and a BA in International Relations from Wheaton College, Massachusetts

Key details

Fund Type	OEIC
Sector	IMA £ High Yield
Benchmark	IMA £ High Yield Median
Average annual return	2.61%
Launch Date	20 Nov 2000
Fund Size	£53.94m
Currency	Sterling
Year End	30 Apr
Distribution Policy	Quarterly
Payment Dates	31 Mar, 30 Jun, 30 Sep, 31 Dec
Front End Fee	5.00%
Management Fee	1.25% p.a
Minimum Investment	£1,000.00
Net TER (Inc/Acc)	1.13% / n/a
Gross distribution yield	6.10%
Fund Price(inc/acc)	41.74p / n/a
Sedol : SC1 (inc)	0205300
ISIN : SC1 (inc)	GB0002053006
Price listed	Financial Times, Daily Telegraph

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Fund overview

The Fund aims to maximise returns through investment primarily in high-yielding global fixed interest securities denominated in US dollars, sterling and Euros. A widely diversified portfolio will focus on non-investment grade bonds.

High yield bonds can enhance a wider investment portfolio. Offering a yield advantage over investment grade and government bonds they have the potential to provide investors with a reliable and attractive income stream, as well as scope for capital growth.

Fixed income investment lies at the very heart of F&C, providing us with a breadth and depth of experience. In bond markets size matters - F&C is one of the largest fixed interest managers in the City. Our global expertise is crucial in high yield investment as we can access highly developed and diverse high yield markets like the US.

One of the key strengths of F&C is its research capability and the use of our own proprietary investment model. The only way to make clear and informed investment decisions is to undertake detailed, proprietary, fundamental research of companies we are considering for inclusion in the Fund. Bottom up analysis and the assessment of the balance sheet and the franchise value of each business being considered plays a crucial role in stock evaluation. In particular, we look for companies that are able to pay their coupon throughout the lifetime of the bond and which can demonstrate improving credit fundamentals.

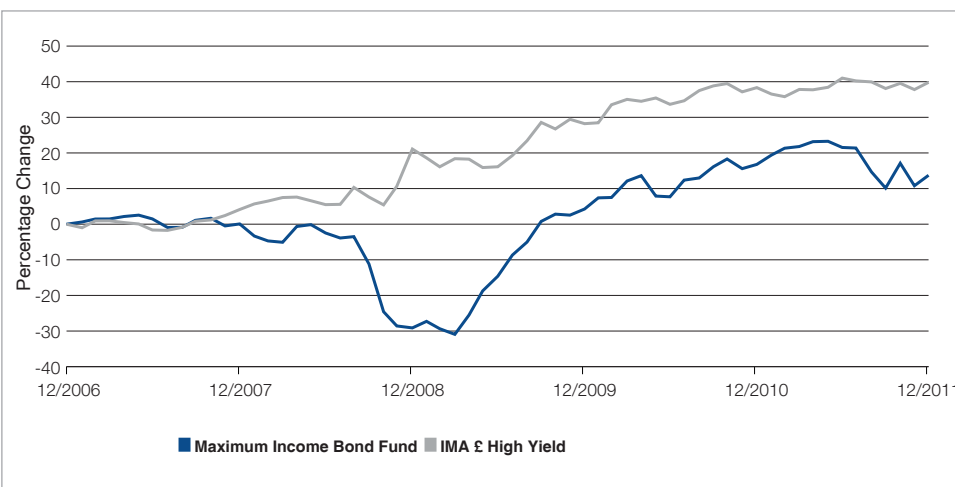
Standardised performance % as at 31.12.11

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011
Fund	0.07	-29.17	47.11	12.01	-2.61
Benchmark	0.22	-28.96	50.52	11.86	-4.07

Cumulative performance %

	1 Mth	YTD	1 Yr	3 Yrs	5 Yrs*
Fund	2.66	-2.61	-2.61	60.46	13.73
Benchmark	2.31	-4.07	-4.07	60.59	13.73

Fund Performance over 5 Years



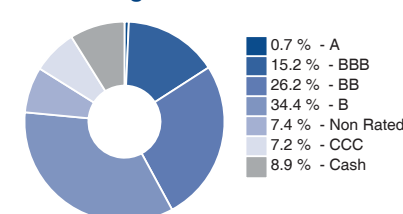
Past performance is not a guide to the future performance. Source: Lipper, percentage growth total return in Sterling, with no initial charges. For past performance data, updated quarterly, for the full range of F&C funds visit www.fandc.com.

* This figure reflects funds that have been in this sector for the full five year period. This differs from the chart above which shows sector performance including funds that have been in the sector for five years or less

Top ten holdings

Holdings	%
Barclays 4.875% 29/12/49	2.37%
Central Euro Media FRN 14	2.01%
Rexam 6.75% 29/06/67	1.87%
Interxion 9.5 120217	1.71%
Columbus 11.5% 14	1.63%
Channel Link FRN 50	1.62%
Prologis 5.875% 14	1.56%
BOGAEI 5.75 14	1.52%
Investec 9.625 0222	1.43%
Petrohawk 7.25% 18	1.37%
TOTAL	17.09%

Credit rating breakdown



All data as at 31.12.11. This factsheet is intended for Financial Advisers and existing investors only. Reference to investment activity is not intended as a recommendation of any investment action.

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