

Progressive Growth Fund



January 2012



Peter Hewitt
Fund Manager

Fund manager biography

Peter has over 29 years of industry experience. He joined F&C in 1999 from Murray Johnstone, where he was Head of UK Equities. Peter currently manages a number of investment trust Fund of Fund portfolios. He holds a BA (Hons) in Economics from the Heriot Watt University.

Key details

Fund Type	OEIC
Sector	UK Zeros
Average annual return	-0.06%
Launch Date	30 Oct 2001
Fund Size	£20.19m
Currency	Sterling
Year End	31 Dec
Distribution Policy	Annually
Payment Dates	28 Feb
Front End Fee	5.00%
Management Fee	1.00% p.a.
Minimum Investment	£1,000.00
Net TER (Inc/Acc)	n/a / 1.25%
Historic yield	0.00%
Fund Price(inc/acc)	n/a / 134.10p
Sedol : SC1 (acc)	3075094
Sedol : SC2 (acc)	3075102
ISIN : SC1 (acc)	GB0030750946
ISIN : SC2 (acc)	GB0030751027
Price listed	Financial Times, Daily Telegraph

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Fund overview

The Fund aims to provide long-term capital growth by investment primarily in low risk zero dividend preference shares of listed investment trusts and may also invest in other lower-risk securities.

The Progressive Growth Fund is designed to deliver genuinely low risk, consistent capital growth. The fund is not managed by reference to the zeros index or concern over performance relative to the peer group of other zeros funds, simply because both the index and the peer group have an inherently higher level of risk.

Importantly, the Fund will only invest in the best quality zeros, i.e. the safest. This is based on the premise that if investors wish to take on high risk in expectation of high reward they should choose aggressive equity focused funds.

We will seek out zeros and/ or other products e.g. synthetic zeros which offer the same type, nature and quantum of returns consistent with the current, extremely low risk portfolio characteristics. In practice this is likely to be mainly traditional zero dividend preference shares.

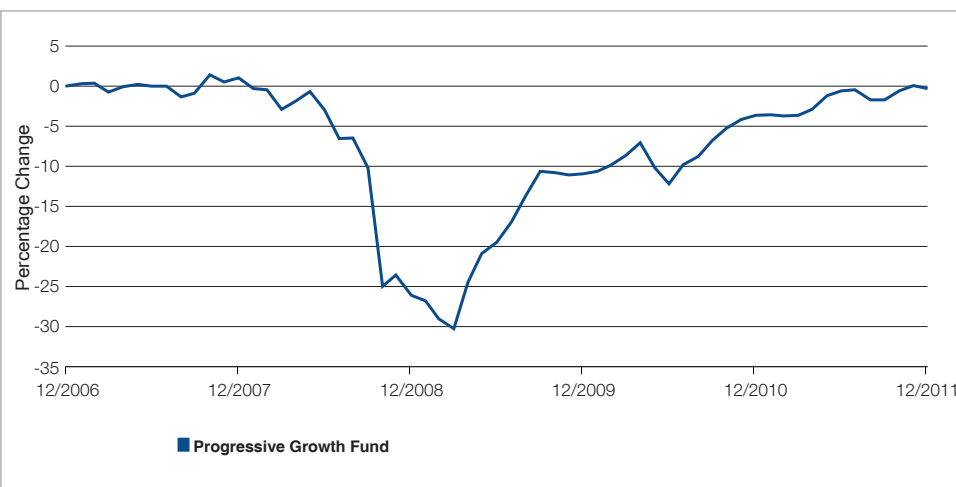
Standardised performance % as at 31.12.11

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011
Fund	1.04	-26.87	20.54	8.18	3.47
Benchmark	1.48	-11.44	16.89	22.18	4.81

Cumulative performance %

	1 Mth	YTD	1 Yr	3 Yrs	5 Yrs
Fund	-0.37	3.47	3.47	34.92	-0.30
Benchmark	0.01	4.81	4.81	49.68	34.53

Fund Performance over 5 Years

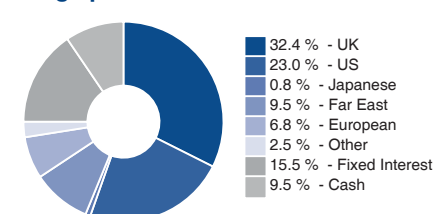


Past performance is not a guide to the future performance. Source: Lipper, percentage growth total return in Sterling, with no initial charges. For past performance data, updated quarterly, for the full range of F&C funds visit www.fandc.com. * This figure reflects funds that have been in this sector since the launch of the Fund. This differs from the chart above which shows sector performance including funds that have been in the sector since launch or a shorter period.

Top ten holdings

Holdings	%
JZ Cap Partners Zero	7.54%
Jupiter Second ZDP	7.48%
JP Morgan Pr Eq ZDF	7.15%
M&G High Income ZDP	6.75%
EW&PO Fin - Pref Shs	4.89%
F&C Private Equity Trust	4.87%
Aberforth Geared Inc	4.86%
JPM Inc & Cap ZDP	4.84%
NB Private Eq Fd	4.79%
Utilico Fin ZDP 16	4.65%
TOTAL	57.82%

Geographical 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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