

January 2012



**Malika Gulabani**  
Fund Manager

### Fund manager biography

Malika is a Fund Manager in International Government Bonds having joined F&C in 2006. Prior to this, she was responsible for the Cash/Gilt portfolios at Morley Fund Management, and previously spent nearly 5 years at Schroders Investment Management. Malika has a MA (Hons) History from the University of Edinburgh.

### Key details

Fund Type	OEIC
Sector	Global Bonds
Benchmark	JP Morgan Global GBI ex Japan
Average annual return	7.94%
Launch Date	27 Dec 1981
Fund Size	£565.12m
Currency	Sterling
Year End	31 Aug
Distribution Policy	Bi-annually
Payment Dates	30 Apr, 31 Oct
Front End Fee	5.00%
Management Fee	1.00% p.a.
Minimum Investment	£1,000.00
Net TER (Inc/Acc)	1.78% / 0.98%
Gross distribution yield	0.40%
Fund Price(inc/acc)	80.70p / 97.17p
Sedol : SC1 (inc)	3313857
Sedol : SC1 (acc)	3313868
ISIN : SC1 (inc)	GB0033138578
ISIN : SC1 (acc)	GB0033138685
Price listed	Financial Times, Daily Telegraph

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### Fund overview

The Fund focuses on investing in an international portfolio of interest bearing securities including those issued or backed by the UK Government. Whilst the benchmark is 100% Government bonds the Fund is permitted to invest in corporate bonds. We use this flexibility to add yield using a diversified mix of sterling corporate bonds.

From 30 June 2010 the portfolio moved from an un-hedged to a hedged basis – a shift that allows us to counter exposure to overseas currency risk which can be significant given that around 90% of the portfolio is invested in non-sterling assets. We believe that this change is prudent given our view that sterling is unlikely to experience the same level of depreciation it has endured relative to other major currencies in recent years.

Fixed income investment lies at the very heart of F&C, providing us with a breadth and depth of experience that few in the City of London can match. As a result, we've been able to develop a suite of corporate bond funds spanning the credit universe.

We are one of the largest fixed interest managers in the UK. This means that we are one of the first points of call for companies looking to raise additional funds, ensuring us access to the best new issues.

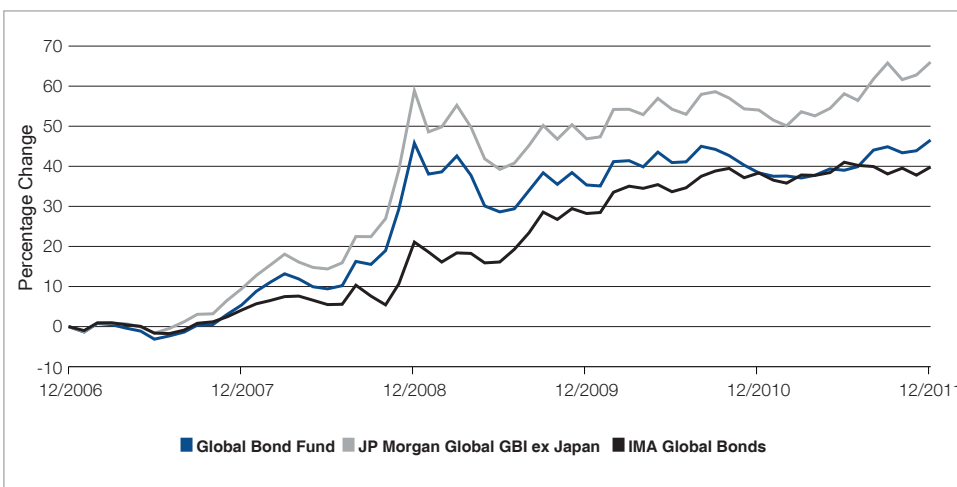
### Standardised performance % as at 31.12.11

	2006/ 2007	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011
<b>Fund</b>	5.39	38.33	-7.17	2.23	5.92
<b>Benchmark</b>	9.45	45.16	-7.56	4.89	7.76

### Cumulative performance %

	1 Mth	YTD	1 Yr	3 Yrs	5 Yrs
<b>Fund</b>	1.86	5.92	5.92	0.52	46.55
<b>Benchmark</b>	1.97	7.76	7.76	4.48	66.00

### Fund Performance over 5 Years

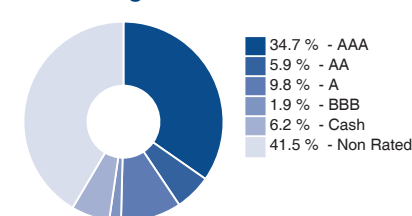


Past performance is not a guide to the future performance. Source: Lipper, percentage growth total return in Sterling, with no initial charges. For past performance data, updated quarterly, for the full range of F&C funds visit [www.fandc.com](http://www.fandc.com).

### Top ten holdings

Holdings	%
US Treasury 4.625% 151116	10.66%
US Treasury 8% 15/11/21	9.29%
US Treasury 4.5% 15/05/17	7.31%
US Treasury 4.75% 150514	7.06%
UK 5% 070312	5.44%
Italian Govt 4.5% 01/02/18	4.95%
UKT 3.75% 07/09/20	4.91%
German Govt 4% 04/01/37	4.81%
French Govt 4.25% 25/04/19	4.77%
US 4.625 150240	4.34%
<b>TOTAL</b>	<b>63.54%</b>

### 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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