

FUND FACTSHEET

September 2018

Investment Manager	Threadneedle Asset Management Limited
Investment Objective	To achieve a return of a combination of income and capital growth
Inception date/ Fund launch	3 February 2014
Ongoing charge figure as at 29 December 2017	0.49%
ISIN	GB00BDZR8B35
Sedol	BDZR8B3
AUM as at 28 September 2018	£1,062.15 million
Fund price as at 28 September 2018	A Inc Class 115.04p
Base Currency	Pounds Sterling
Type of Shares	A Income Shares
Distribution Dates	31 May 30 November
Fund Managers	Alasdair Ross Ryan Staszewski

Omnis UK Bond Fund Investment Manager Market Review Quarter 2, 2018



The Fund outperformed during the second quarter, aided by its higher relative duration (interest rate sensitivity). Credit selection also added value: positions in GKN and Tesco were especially beneficial here.

The sterling bond market strengthened marginally during the period. As investors sought safe havens, gilt yields (which move inversely to prices) were down overall, but the benefit from this move was offset by wider credit spreads. Globally, investors continued to weigh a robust economic backdrop and tightening US monetary policy against rising political uncertainty in Europe and fears of a global trade war. In the UK, concern around Brexit provided support for gilts, as the Bank of England's decision not to raise interest rates in May, previously considered a near certainty.

The UK gilt market remained underpinned by a relatively weak domestic economic environment. Inflation also seems to have peaked. Corporate earnings have been strong, though companies have been typically rewarding shareholders rather than shoring up their balance sheets. Credit spreads are also inside their long-run averages. Against this, monetary policy is tightening only gradually and strong demand for income without too much risk remains a powerful support for investment-grade corporate bonds. Given this background, the Fund retains a slight overweight in duration and a similarly modest overweight in credit risk.

Top 10 Holdings		Fund%
1 UK Treasury 1.5% 2026		8.73
2 UK Treasury 1.75% 2037		6.27
3 UK Treasury 1.25% 2027		5.01
4 UK Treasury 1.75% 2057		4.87
5 UK Treasury 3.75% 2052		4.77
6 UK Treasury 1.5% 2021		4.58
7 UK Treasury 0.75% 2023		4.07
8 UK Treasury 1.5% 2047		3.84
9 UK Treasury 1% 2024		3.71
10 UK Treasury 2.5% 2065		3.15

Source: StatPro as at 28 September 2018

Portfolio Breakdown		Fund%
1 Public		66.20
2 Financial		13.22
3 Industrial		9.26
4 Utility		6.34
5 Cash		4.98

Source: StatPro as at 28 September 2018

Historical Performance		Fund%
1 Month		-1.21
3 Months		-1.49
6 Months		-1.17
1 Year		0.48
Since Inception		22.73

All performance in this factsheet is based on income shares with income reinvested, in GBP. Past performance is not indicative of future results. Source: StatPro as at 28 September 2018

ABOUT THE FUND MANAGER

Alasdair Ross joined Columbia Threadneedle in 2003 and is Head of Investment Grade Portfolio Management and lead portfolio manager for UK, European and Global credit portfolios. Prior to becoming a portfolio manager in 2007, he had responsibility for covering the technology, media, telecommunications, utility and energy sectors, as well as the sterling whole business securitisation sector. Alasdair has a first class honours degree in Politics, Philosophy and Economics from the University of Oxford. He also holds the Chartered Financial Analyst designation.

Ryan Staszewski joined Columbia Threadneedle in 2012 and has responsibility for European credit portfolios. Previously, he worked as a credit analyst, undertaking fundamental analysis across a number of sectors within the investment grade universe. Ryan has a degree in Economics and Finance from Curtin University, Western Australia. He also holds the Chartered Financial Analyst designation.

INVESTMENT POLICY

The Fund intends to invest (directly or indirectly) primarily in non-Sterling denominated government and non-government fixed and variable interest rate securities. The Fund may also invest in other transferable securities (for example, Sterling denominated fixed and variable interest rate securities), units in collective investment schemes, money market instruments, deposits, derivative instruments and warrants as detailed in the Prospectus. No more than 10% of the Scheme Property of the Fund will be invested in other collective investment schemes.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

The Omnis UK Bond Fund is permitted to invest more than 35% of its assets in Government and Public Securities ("GAPS") listed in the United States, United Kingdom and Japan.

ABOUT OMNIS INVESTMENTS

Omnis Investments Limited is wholly owned by Openwork Holdings Limited, bringing established specialist providers together to create a tailored investment solution. It is focused on delivering maximum returns to investors for well-defined levels of risk via a series of funds.