

# FUND FACTSHEET

February 2018

<b>Investment Manager</b>	Threadneedle Asset Management Limited
<b>Investment Objective</b>	To achieve a return of a combination of income and capital growth
<b>Inception date/ Fund launch</b>	3 February 2014
<b>Ongoing charge figure as at 29 December 2017</b>	0.49%
<b>ISIN</b>	GB00BDZR8B35
<b>Sedol</b>	BDZR8B3
<b>AUM as at 28 February 2018</b>	£976.60 million
<b>Fund price as at 28 February 2018</b>	A Inc Class 115.30p
<b>Base Currency</b>	Pounds Sterling
<b>Type of Shares</b>	A Income Shares
<b>Distribution Dates</b>	31 May 30 November
<b>Fund Managers</b>	Alasdair Ross Ryan Staszewski

## Omnis UK Bond Fund Investment Manager Market Review Quarter 4, 2017



The sterling bond market enjoyed a positive last quarter to 2017, largely driven by a fall in UK government bond yields. Brexit-related uncertainty continues to provide support for gilts, seen as safe-haven investments. Credit spreads over gilts tightened marginally over the period: globally, strong company results and economic growth have buoyed sentiment towards corporate bonds. The Fund outperformed the market. Strategies relating to the outlook for interest rates aided performance, as did favourable credit selection, where holdings in bonds issued by Bupa and Digital Realty were especially beneficial.

Gilt yields remained close to historic lows but the market remains underpinned by Brexit worries and a relatively weak domestic economic outlook. Meanwhile, corporate earnings have been strong, but bond holders are not seeing the benefit in terms of more robust company balance sheets: with debt cheaper than equity, management teams are instead choosing to reward shareholders. Increased merger and acquisition activity (M&A) is also impacting credit quality. Against this, monetary policy is tightening only gradually, cash rates are still very low, and ongoing demand for income without too much risk remains a powerful support for investment-grade corporate bonds. Given this environment, the portfolio went into 2018 positioned fairly cautiously, with a neutral duration position and a marginal overweight in credit risk.

Top 10 Holdings			Fund%
1	UK Treasury 0.75% 2023		12.02
2	UK Treasury 1.75% 2037		9.94
3	UK Treasury 4.25% 2055		7.63
4	UK Treasury 1.5% 2047		6.29
5	UK Treasury 1.25% 2027		5.70
6	UK Treasury 2% 2020		5.59
7	UK Treasury 4.25% 2027		5.02
8	UK Treasury 4.25% 2046		2.90
9	UK Treasury 4.5% 2034		2.50
10	UK Treasury 2.5% 2065		1.52

Source: StatPro as at 28 February 2018

Portfolio Breakdown		Fund%
1	Public	66.47
2	Financial	15.74
3	Industrial	10.70
4	Utility	6.20
5	Cash	0.89

Source: StatPro as at 28 February 2018

Historical Performance		Fund%
1 Month		-0.64
3 Months		-0.25
6 Months		-2.46
1 Year		-0.45
Since Inception		22.16

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 February 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.