

LEGAL & GENERAL Multi-Manager Balanced (UT)



OBSR Fund Rating
A / Bronze

Key Information

Launch Date	25 April 2008	
Fund Size	£29.3m	
Type of Units Available	Income & Accumulation	
Distribution Dates	15 March, 15 September	
Yield	0.50%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.00%
	Annual	1.00%*

Classification

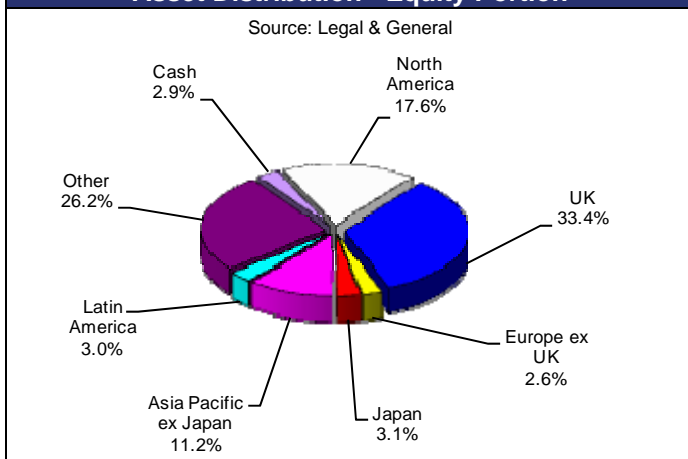
Sector	Balanced Managed
Multi-Manager Category	Active Asset Allocation, Relative Return Bias
Benchmark/Index	IMA Balanced Managed Sector

Management/Investment Style

Fund Managers	Alan Thein & Tim Gardner (April 2008)
---------------	---------------------------------------

Offers investors access to an unfettered multi-manager fund aiming to provide long-term growth of capital from a moderately diversified range of investment funds, including fixed interest holdings.

Asset Distribution - Equity Portion



Investment Objective & Methodology

The fund aims to deliver long-term growth, whilst at the same time safeguarding against excessive risks. It will invest in a wide range of collective investment schemes and will pursue an active asset allocation policy across all the countries, currencies and sectors. It may also invest directly in transferable securities, money market instruments, derivatives, near cash, cash and deposits. The fund aims to outperform the IMA Balanced Managed sector average over the medium to long term.

The fund has been managed by Alan Thein and Tim Gardner since its launch in April 2008. Prior to this they worked within Legal and General's Investment Management Research Unit and before that at Mercer Consulting. The multi-manager team sit outside of Legal & General Investment Management (LGIM), which they believe gives them autonomy and independence in their investment decision making.

In terms of their investment philosophy, the managers are long-term conviction led investors seeking to generate performance from active asset allocation and fund selection decisions. The investment process starts by identifying their own independent macro view of the world and the implications this will have across their multi-asset universe. The managers utilise a number of external sources they regard highly as well as talking extensively to the fund managers they meet during their review meetings. While asset allocation can change at any time, they meet formally on a monthly basis to review their asset allocation, the investment thesis for their positions, and to consider counter arguments to their positions. The fund selection process is a combination of both quantitative and qualitative analysis but with greater weight on the latter. Quantitative analysis is used primarily as part of a screening process to filter and monitor their wider investment universe. However by far the most important part of the process is the fund manager meetings carried out by the managers where they aim to identify those managers who are truly talented, who have a sustainable competitive advantage and whose own interests are aligned with those of fund investors. Portfolio construction for the fund is a fluid result of both the asset allocation and fund selection process. Having determined their central case for the economic and market environment, asset allocation decisions are taken and underlying funds are then selected to dovetail with their view as well as meet their risk/return objectives for the fund. The managers explore "what if" scenarios to help them achieve the optimal balance and risk. Implementation is carried out by a separate team of dealers who focus on the execution of their trades.

The portfolio will typically hold between 15-20 underlying funds. The fund is managed on a benchmark aware but not benchmark constrained approach. Portfolio and risk monitoring analysis is formally reviewed monthly although risk awareness is embedded within the investment process. The fund has a performance fee of up to 1% with a high water mark for outperformance of the sector over 1 year up to a maximum fee to 2% per annum.

Funds

Funds	%
Jupiter Absolute Return	Not disclosed
GLG (Dublin) Alpha Select Alternative Strategy	
GlaxoSmithKline	
AstraZeneca	
Newcrest Mining	
Vodafone Group	
Roche Holding	
Reynolds American	
BP	
Goldcorp	

Source: Legal & General

* plus performance fee

www.obsrfundratings.co.uk

Data as at 31 December 2011
Last Updated February 2012