Threadneedle Equity & Bond Fund

Co-Fund Managers

In 1980, Alex Lyle joined Hambros Bank’s Unit Trust Division, which was acquired by Allied Dunbar in 1981 and subsequently became part of Threadneedle in 1994. He managed UK Equity portfolios for more than 20 years. In December 1999, he was appointed Joint Head of Threadneedle’s Pan European Equity team. In May 2003, Alex was appointed Head of Managed Funds. Alex graduated from Oxford University with a degree in geography.

Mark Burgess joined Threadneedle in November 2010 and took over as the company’s Chief Investment Officer in January 2011. Prior to joining Threadneedle, Mark was Head of Equities at Legal & General Investment Management. Mark has over 25 years’ experience as a fund manager and gained a degree in Economics and Philosophy from Keele University and is an associate of the Institute of Investment Management and Research.

Threadneedle Equity & Bond Fund Investment Process

Our range of managed funds is designed to reflect different attitudes to risk and reward and invests in a blend of assets including bonds, cash and equities. This allows investors to choose between a very cautious, risk-averse fund, through to a fund with a higher attitude to risk with higher potential returns or somewhere in between.

Threadneedle Equity and Bond Fund sits at the mid point of our managed funds range on the potential risk/return spectrum. This is because the portfolio is built using a combination of Threadneedle funds which will normally include less volatile funds from the range.

Please see the graph overleaf.

Please note that Threadneedle does not provide investment advice and investors should discuss their risk attitude with a financial adviser prior to investing.

Key risks

Market risk: The value of investments can fall as well as rise and investors might not get back the sum originally invested, especially if investments are not held for the long term. Investment in other funds Where funds invest into other funds, investors should consider the underlying assets (please view the latest factsheet for up to date information) when assessing their portfolio exposure.

Currency risk: Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

Issuer risk: The fund invests in securities whose value would be significantly affected if the issuer either refused to pay or was unable to pay.

Inflation risk: Most bond funds offer limited capital growth potential and an income that is not linked to inflation. Therefore, inflation can affect the value of capital and income over time.

Interest rate risks: Changes in interest rates are likely to affect the fund’s value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa. Duration is a measure of the extent to which this is the case, with a longer duration suggesting higher sensitivity to interest rate moves. The fund may exhibit significant price volatility.

Investor Profile

The Fund may be suitable for investors with a long term investment horizon seeking capital growth with some income who are prepared to tolerate large price fluctuations. Please see key risks section which apply specifically to this Fund.
Why consider this Fund?

- Threadneedle Investments has been running managed funds since 1994 and currently manages over £30billion of assets (as at 31.03.2012)
- Co-managed by Alex Lyle, Head of Asset Allocation and Mark Burgess, Chief Investment Officer.

The Fund benefits from access to Threadneedle Investments’ range of funds from which the co-managers select to construct the portfolio.

- Well-resourced investment team – the co-fund managers operate within Threadneedle Investments’ wider team of more than 120 investment professionals.

Fund ratings

Threadneedle Equity & Bond Fund has been highly rated by independent fund research agency Morningstar OBSR and has achieved a bronze rating. This highlights the robust investment process of our team.

About Threadneedle

Founded in 1994, Threadneedle is fully-owned by Ameriprise Financial, a publicly quoted investment company that is listed on the NYSE.

As we have grown from our origins in the UK insurance industry, Threadneedle has continued to innovate and now manages assets on behalf of clients across Europe, Asia and the US, including pension schemes, insurance companies, private investors, corporations, mutual funds and affiliate companies.

Our dedicated investment team covers all of the world’s major markets and asset classes – from equity, fixed income and property to absolute return and alternative investments. Their expertise and wide range of investment opportunities is backed up by robust risk controls, the highest levels of customer service and support. Above all, our culture of sharing ideas and information, both inspires and drives their aim to out-think and out-perform.

Keen to find out more?

For more information on the underlying funds within the portfolio, please visit the website for an up to date factsheet and to view the full prospectus or refer to an Authorised Financial Adviser.