

ARTEMIS Strategic Bond (UT)

OBSR Fund Rating
AA / Silver



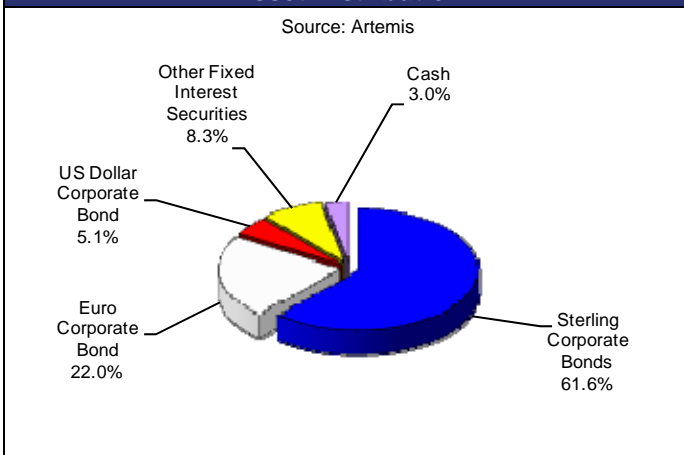
Key Information

Launch Date	1 June 2005	
Fund Size	£531.7m	
Type of Units Available	Income & Accumulation	
Distribution Dates	31 January, 30 April, 31 July, 31 October	
Distribution Yield	5.80%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.25%
	Annual	1.00%

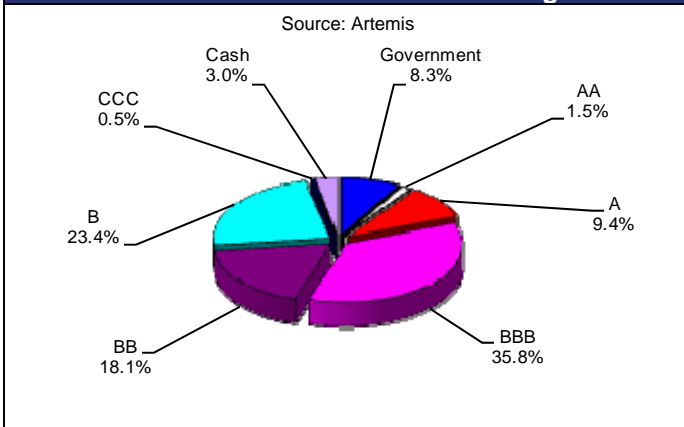
Classification

Sector	Sterling Strategic Bond
OBSR Category	Strategic
Benchmark/Index	iBoxx Sterling Non Gilt
Management/Investment Style	
Fund Managers	James Foster (June 2005) Alex Ralph (June 2005)
Offers investors a portfolio of fixed income securities managed to maximise total return and selected from across the fixed income spectrum, according to the managers' macroeconomic and stock specific outlook.	

Asset Distribution



Asset Distribution - Credit Rating



Top Ten Holdings

Top Ten Holdings	%
US Treasury 2% 2021	8.5
Eksportfinans ASA	1.7
Taylor Wimpey Plc 10.375% 2015	1.6
Imperial Tobacco Finance 5.5% GTD NTS 22/11/2016	1.6
BAA Plc 7.125% 2017	1.5
Henderson Group 6.5% 2012	1.5
National Express	1.5
GE Capital Trust V	1.5
Investec Bank Plc 9.625% 2022	1.5
Go-Ahead Group plc 5.375% 2017	1.5
Concentration (Top 10)	22.4
Total Number of Holdings	86

Source: Artemis

Investment Objective & Methodology

The fund seeks to achieve a total return by investing predominantly in fixed income markets. The aim is to maximise returns through investment across the bond spectrum, including government, investment grade, high yield and index linked bonds, where the managers deem appropriate. The fund's benchmark is the iBoxx Sterling Non Gilt All Maturities Index whilst its performance objective is to produce better returns than its immediate peer group.

The fund is managed by James Foster and Alex Ralph, who joined Artemis in 2005 from F&C. James Foster has over 15 years experience in fixed income markets and at F&C was Head of Credit and responsible for, among other things, the F&C Strategic Bond fund. Alex Ralph has worked with James Foster since 2002 and has specialised in high yield bonds, duration and investment grade positioning.

The fund managers believe that flexibility is the key to being able to deliver the fund's objective and thus are able to invest in any type of bonds in any combination. The investment approach embraces both macroeconomic considerations and stock specific issues. The macroeconomic picture is derived from the managers' interpretation of the current phase of the economic cycle and in particular the stages of the interest rate, credit and default rate cycles. This not only drives their investment policy but also enables them to focus on the appropriate types of bond to consider security selection. At the individual security level, the managers use a combination of in-house screens, broker research, proprietary analysis and their experience to determine the suitability of each bond for the portfolio. This will depend not only upon each stocks' attractiveness in its own right but also how it fits in with the top-down view. The main focus of the managers is on bonds issued in the UK and Europe although they may consider US and Emerging Markets issues if appropriate.

The managers aim to diversify portfolio risk by ensuring that there is a spread across issuers and sectors and this will have different influences at each stage of the economic cycle. The flexibility of the fund's investment mandate means that the primary risk control is the managers' ability to select a bond either to offer more security in adverse market conditions or more earnings and return in favourable market conditions.

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Data as at 31 December 2011
Last Updated January 2012