

CAZENOVE CAPITAL MANAGEMENT UK Growth & Income (OEIC)

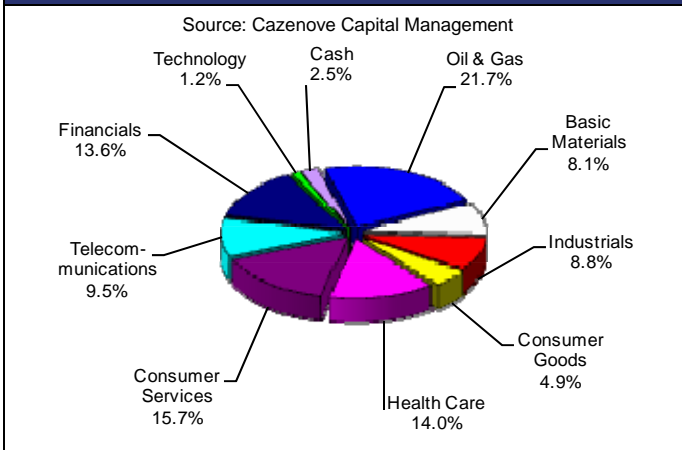
OBSR Fund Rating
A /  Bronze

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Key Information

Launch Date	31 December 2002	
Fund Size	£411.0m	
Type of Shares Available	Income & Accumulation	
Distribution Dates	30 June, 31 December	
Historic Yield	3.30%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.00%
	Annual	1.50%

Asset Distribution - Sector



Top Ten Holdings

	%
Vodafone Group	8.1
BP	7.9
GlaxoSmithKline	7.1
BG Group	4.7
Royal Dutch Shell	4.6
AstraZeneca	4.0
Anglo American	3.6
Xstrata	3.3
Barclays	2.8
HSBC Holdings	2.7
Concentration (Top 10)	48.8
Total Number of Holdings	61

Source: Cazenove Capital Management

Classification

Sector	UK All Companies
Market Cap / Style	Large Cap Bias / Blend
Benchmark/Index	FTSE All-Share

Management/Investment Style

Fund Manager	David Docherty (January 2009)
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The fund offers investors a core portfolio of large and medium-sized UK equities and is managed using a blend of bottom-up stockpicking and tactical business cycle management.

Investment Objective & Methodology

The fund aims to achieve long-term capital and income growth through investment primarily in the United Kingdom. Investments will be made predominantly in UK equities. The manager aims to generate outperformance of the benchmark index of 1.5% on a rolling 12-month basis.

The fund is managed by David Docherty who joined Cazenove in 2000 from M&G where he was a fund manager and chairman of the UK model portfolio committee. Mr Docherty forms part of the wider pan-European equity team headed up by Chris Rice. The team previously worked at HSBC where they built a very successful reputation and track record in managing a number of UK and European funds. The move to Cazenove was prompted by the desire to preserve the integrity of the investment process and philosophy.

The team's investment process is founded on the philosophy that the business cycle has an important impact on future investment returns. Thus the investment process combines both top-down and bottom up analysis in order to anticipate changes in the business cycle and their impact on share prices. This approach provides a framework to consider how stocks behave in different stages of the cycle and enables the fund manager to blend his investment style accordingly. Top-down factors include GDP growth, interest rates and inflation with the direction rather than the magnitude generally having greater importance and the team is able to draw upon Cazenove's strategy and economics resource in formulating its view. At the stock specific level the team divides the responsibilities of coordinating research by sector. It believes that the key drivers of returns are forward looking earnings, in particular relative earnings growth, and its research seeks to enable it to identify and understand the key drivers of a company's profitability. It will assess the outlook for each particular industry and then each company's relative position within it and relate these to the stages of the business cycle.

The fund will typically comprise between 70 and 100 stocks and, in order to achieve the target performance, will have a tracking error range of 2.5-4.5%. The fund will focus on stocks within the FTSE 350. There are portfolio risk management controls that limit exposure to a minimum 50% relative weight in each of the top five stocks in the index, a maximum of 5% in the next six to 30, a maximum 2.5% in the next 31 to 350 and a maximum of 1.5% in a smaller company. There are no specific sector weightings although market-cap exposure is limited to a maximum of index weighting in smaller companies, a maximum double weighting in mid caps and up to 15% in cash.

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Data as at 31 December 2011
Last Updated January 2012