

HENDERSON Cautious Managed (OEIC)

OBSR Fund Rating
AA / Silver

obsr FUND
RATINGS

Key Information

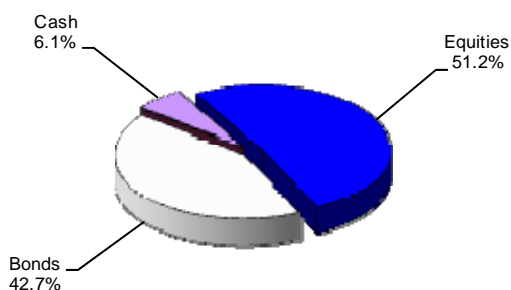
Launch Date	31 January 2003	
Fund Size	£813.1m	
Type of Shares Available	Income & Accumulation	
Distribution Dates	31 March, 30 June, 30 September, 31 December	
Yield	4.23%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.00%
	Annual	1.25%

Classification

Sector	Cautious Managed
Benchmark/Index	50% FTSE All-Share Index 50% Merrill Lynch GBP Non Gilt Index
Management/Investment Style	
Fund Manager	Chris Burvill (January 2003)
Offers a predominantly UK portfolio of equities and bonds, where the equities will not exceed 60% of total assets. The equity portion is managed using a contrarian, value approach and will include stocks throughout the cap range; the bonds within the portfolio are selected to complement the equity portfolio.	

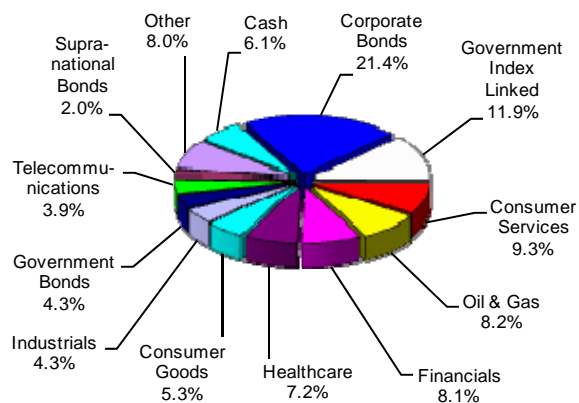
Asset Distribution

Source: Henderson



Asset Distribution - Sector

Source: Henderson



Top Ten Holdings

	%
UK Treasury 1.875% IL 22/11/2022	5.6
GlaxoSmithKline	3.6
UK Treasury 2.5% IL 26/7/2016	3.4
BP	3.4
Royal Dutch Shell B	3.1
UK Treasury 5% 7/9/2014	3.0
HSBC Holdings	2.9
US Treasury 2.375% IL 15/1/2025	2.9
Vodafone Group	2.5
AstraZeneca	2.2
Concentration (Top 10)	32.7
Total Number of Holdings	127

Source: Henderson

Investment Objective & Methodology

The fund aims to provide a combination of income and long-term capital growth through investment in a diversified portfolio of equities, bonds and other related investments.

Chris Burvill has managed the fund since launch. He established a credible track record with the Investec Cautious Managed Fund from its launch in June 1993 until July 2002, at which time he left Investec to join Henderson. Henderson Global Investors acquired Henderson in 2011, and as a result of this acquisition Mr Burvill joined Henderson. He is responsible for all decisions relating to the Cautious Managed fund but he should benefit from the wider support of the Henderson bond team as well as other teams within Henderson.

The manager has a contrarian approach to equity investment. He assesses key factors such as a company's trading background, its market position, its balance sheet and the value of its assets. He then looks at longer-term valuation yardsticks such as price to sales, believing that sales are less variable than earnings. However, he also seeks those companies being ignored by the market as he believes value can be present in those stocks being overlooked. He overlays this with his top-down view of the economy, using both internal and external inputs. The portfolio will reflect the manager's view and portfolio construction approach and will not necessarily follow the Henderson house view. The portfolio has a core of longer-term holdings but he will take short-term views in certain areas if his analysis shows there is value to be found. The manager has full discretion over the asset allocation of the portfolio and also manages the bond portfolio. Bonds are analysed to the same degree of scrutiny as equity holdings and the manager will often hold an individual bond issue in favour of the equity if he thinks it offers better risk/reward prospects.

The equity portion is limited to a maximum 60% of the portfolio and will comprise between 70 and 75 names. Individual stock weightings are restricted in accordance with their weighting in the FTSE All-Share index: FTSE 100 stocks at +/-3.5%, mid caps at +/-1.5% and small caps at +/-1.5%. The manager looks to keep the FTSE 100 weight in line with the FTSE All-Share index and does not go more than 10% over or underweight on a relative basis. The bond portion will be diversified and will include gilts, index linked, corporate bonds and high yield corporate bonds.

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Data as at 31 December 2011
Last Updated January 2012