

INVESCO PERPETUAL High Income (OEIC)

OBSR Fund Rating
AAA /  Gold

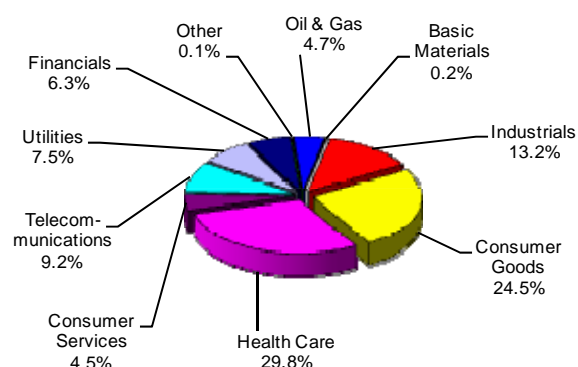
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RATINGS

Key Information

Launch Date	6 February 1988	
Fund Size	£11221.9m	
Type of Shares Available	Income & Accumulation	
Distribution Dates	28 February, 31 August	
Yield	3.93%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	5.00%
	Annual	1.50%

Asset Distribution - Sector

Source: Invesco Perpetual



Top Ten Holdings

	%
GlaxoSmithKline	8.4
AstraZeneca	8.1
Reynolds American	6.5
British American Tobacco	5.9
Vodafone Group	4.9
BG Group	4.8
Roche Holding	4.8
BT Group	4.4
Imperial Tobacco	4.0
Reckitt Benckiser	3.7
Concentration (Top 10)	55.6
Total Number of Holdings	110

Source: Invesco Perpetual

Classification

Sector	UK Equity Income
Market Cap / Style	Large Cap Bias / Value Bias
Benchmark/Index	FTSE All-Share

Management/Investment Style

Fund Manager	Neil Woodford (October 1988)
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Combines an unusual degree of awareness of global macro influences on UK equity market prospects with painstaking evaluation of UK sectors and stocks. The fund is managed more on a total return basis than primarily as an income vehicle.

Investment Objective & Methodology

The fund aims to achieve rising income with capital growth from investment primarily in the shares of UK companies, with the balance being invested internationally. In pursuing the investment objective, the manager may include other investments such as units in collective investment schemes, warrants and other permitted investments as deemed appropriate.

The manager is Neil Woodford, who heads up Invesco Perpetual's Henley-on-Thames based UK Income team. He runs this fund with a minimum income yield target of 120% of the dividend yield on the FTSE All-Share Index. However, he stresses that he views optimising the fund's total return as more important than pursuing a progressive income distribution policy regardless of economic or market conditions.

The investment process begins with the formation of a robust macro view and, in doing this, the manager has due regard to developments and trends within the global economy as well as purely UK-centric influences. He believes it is very important to select investments against clear views of the expected bigger picture and hence scenario analysis forms a critical part of his investment approach. A distinctive feature of the portfolio construction process is the willingness to shift the fund's emphasis between defensive and cyclical areas of the UK market, depending on the manager's macro views. Potential investors should be aware that short-term performance can be volatile as a result of the manager's macro views, however, he has demonstrated an excellent long-term track record in the management of income portfolios.

While the manager might reasonably be described as index aware, he is by no means index driven, and the emphasis is on delivering a competitive overall return for unitholders across a range of investment conditions by the pursuit of an open-minded and pragmatic style of active fund management.

At a sector level the fund's weightings may deviate significantly from those of the FTSE All-Share Index. At a stock selection level, the manager employs fundamental analysis of a company's operations, management, and strategy, combined with the general preferences implicit in the macro view and thorough consideration of a range of valuation parameters.

www.obsrfundratings.co.uk

Data as at 30 December 2011
Last Updated January 2012