

**OLD MUTUAL  
Corporate Bond (OEIC)**

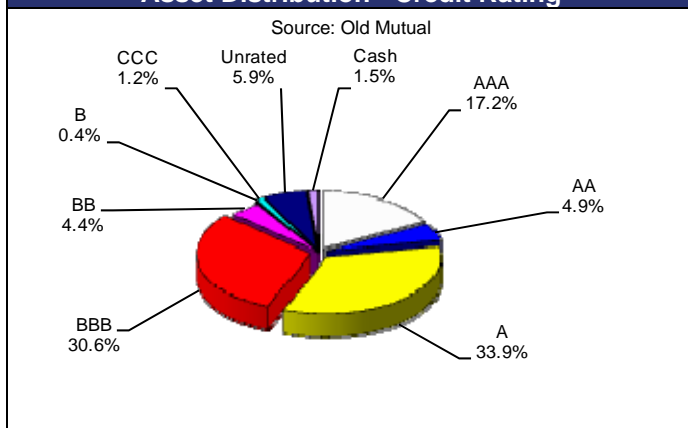
**OBSR Fund Rating  
AA**



**Key Information**

<b>Launch Date</b>	10 July 2000	
<b>Fund Size</b>	£772.1m	
<b>Type of Shares Available</b>	Income & Accumulation	
<b>Distribution Dates</b>	31 March, 30 June, 30 September, 31 December	
<b>Yield</b>	4.80%	
<b>ISA</b>	Yes	
<b>ISA Transfer</b>	Yes	
<b>Standard Fund Management Charges</b>	<b>Initial</b>	3.50%
	<b>Annual</b>	1.10%

**Asset Distribution - Credit Rating**



**Top Ten Holdings**

	%	
KFW	5.55% 7/6/2021	4.5
EIB	5.375% 7/6/2021	4.4
UK Treasury	4.75% 7/12/2038	3.6
Highbury Finance	7.017% 20/3/2023	2.1
HSBC	6.75% 11/9/2028	1.9
Siemens Finance	6.125% 14/6/2066	1.9
Barclays	10% 21/5/2021	1.8
Punch Taverns	7.274% 15/4/2022	1.8
THPA Finance	7.127% 15/3/2024	1.8
Sutton Bridge	8.625% 30/6/2022	1.2
Concentration (Top 10)		25.0
Total Number of Holdings		120

Source: Old Mutual

**Classification**

<b>Sector</b>	Sterling Corporate Bond
<b>OBSR Category</b>	Investment Grade
<b>Benchmark/Index</b>	iBoxx Sterling Non Gilt

**Management/Investment Style**

<b>Fund Manager</b>	Stephen Snowden (February 2004)
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The fund offers a benchmark aware, actively managed portfolio of fixed interest securities. It consists predominantly of investment grade corporate bonds and may include up to 20% in high yield bonds.

**Investment Objective & Methodology**

The fund aims to maximise total return by investing in a diversified portfolio of predominantly sterling-denominated fixed interest securities. The fund is benchmarked against the iBoxx Sterling Non Gilt Index; the performance objective is to be ranked in the top quartile within the IMA Sterling Corporate Bond sector over successive rolling 12-month periods.

The manager, Stephen Snowden, joined Old Mutual in January 2004 from AEGON Asset Management where he had established a good track record. He is assisted by Rachid Semaoune, who joined OMAM in February 2008.

The investment philosophy is founded on the belief that fundamental bottom-up research will lead to the identification of mis-priced assets. By combining this with a top-down macroeconomic assessment, the manager believes he can generate long-term outperformance. The fixed interest team undertakes macro analysis, focusing on monetary, fiscal and economic policy, interest rates, growth, inflation, and supply and demand factors. Economic considerations are debated within the Old Mutual fixed income team and external inputs are also used. This macro analysis establishes a framework for the duration and yield curve positioning of the portfolio. Credit analysis seeks to identify long-term fundamentals of both company and the sectors within which it operates. The predictability of earnings, cash flow generation and covenant strength are regarded as the key characteristics of attractive credits. The management team is assessed, along with their strategy and its inherent risks and the likely borrowing needs and demands of issues and sectors. The portfolio will be constructed with a dominant weighting towards investment grade corporate bonds, with some exposure to gilts, which are used for duration management as well as from a tactical and strategic viewpoint.

The portfolio is reasonably diversified and typically consists of core and more tactical positions. Predominantly invested in investment grade bonds, the manager is able to invest up to 20% of the fund's assets in stocks of below investment grade. Foreign-denominated and convertible securities may be included within the portfolio; convertibles are usually purchased when they trade like bonds rather than equities, but with the linkage to the underlying equity offering upside potential. The maximum weighting per issuer is usually limited to 3% for investment grade corporate bonds, with up to 6% being permitted for those issuers which account for more than 3% of the benchmark. Lower maximum limits apply for high yield, unrated or foreign-denominated bonds and convertibles. Duration relative to the index will be held within +/-50% limits. The portfolio will generally be managed with a low level of cash.

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Data as at 31 December 2010  
Last Updated February 2011