

# Pre-Retirement Inflation Sensitive Fund

Unit-Linked Life Insurance Reported in GBP



## FUND AIM

The fund aims to improve inflation adjusted outcomes for investors likely to purchase fixed annuities, by providing diversified exposure to fixed interest and inflation-linked bonds.

## RISK AND REWARD PROFILE



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as class 3 out of 7, which is a medium-low class. This summary risk indicator is based on historical data which may not be a reliable indication of the fund's risk category in the future.

For more information, please refer to the Key Risks section on page 3.

## WHO IS THIS FUND FOR?

- The trustees of UK registered and certain non-UK registered defined benefit or defined contribution occupational pension schemes, which may be classified as either retail clients or professional clients.
- Although investors can take their money out at any time, the recommended minimum holding period is 5 years.
- Please refer to your professional advisor who should be able to advise you on the suitability of this fund for your scheme.

## FUND FACTS

Fund size <b>£8.7m</b>	Base currency <b>GBP</b>	Benchmark <b>Composite (see note)</b>
Launch date <b>May 2014</b>	Domicile <b>United Kingdom</b>	

## PERFORMANCE (%)



Fund	YTD	3m	6m	1y	3y	Launch
Fund	3.57	2.51	2.25	3.57	6.04	7.79
Benchmark	3.69	2.43	2.29	3.69	6.14	7.88
Relative	-0.12	+0.08	-0.04	-0.12	-0.10	-0.09

## ANNUAL PERFORMANCE (%)

12 months to 31 December	2017	2016	2015	2014	2013
Fund	3.57	16.65	-1.29	-	-
Benchmark	3.69	16.66	-1.16	-	-
Relative	-0.12	-0.01	-0.13	-	-

All performance periods over a year will be annualised. Performance based on daily close mid-market prices after the deduction of our standard investment management fees, which may or may not be the same for your scheme. Please refer to your scheme literature, or to your scheme administrator, for the fee rate that applies to your scheme. **Past performance is not a guide to future performance and the value of investments can go down as well as up.**

## FUND CHARACTERISTICS

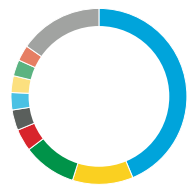
The fund invests in LGIM index-tracking funds. The fund cannot provide full, inflation-adjusted protection against changes in fixed annuity rates for individual members or changes in actual and expected inflation due to a number of factors (for example, its assets are not sensitive to changes to mortality assumptions). The asset allocation is reviewed quarterly by the Portfolio Solutions team and the fund will not take short-term, tactical asset allocation positions.

### Benchmark note

The benchmark asset allocation for the Fund is a composite of gilts and corporate bond funds.

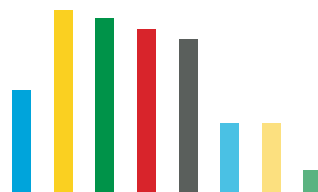
## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



### SECTOR (%)

Unclassified	43.7
Financials	11.1
Utilities	9.8
Consumer Services	4.1
Industrials	3.8
Health Care	3.2
Housing Associations	3.1
Telecommunications	3.0
Consumer Goods	2.9
Other	15.3



### YEARS TO MATURITY (%)

0 to 5	11.0
5 to 10	19.5
10 to 15	18.6
15 to 20	17.4
20 to 25	16.4
25 to 30	7.4
30 to 40	7.4
40+	2.4



■ Top 10 holdings 39.2%  
■ Rest of portfolio 60.8%

### TOP 10 HOLDINGS (%)

Gilts I-L 1.250% 2032	9.4
Gilts I-L 0.125% 2024	7.9
Gilts I-L 1.125% 2037	5.8
Gilts I-L 0.625% 2042	5.8
Gilts I-L 0.750% 2047	3.0
Gilts I-L 0.50% 2050	2.8
Gilts I-L 1.250% 2027	1.5
Treasury I-L 2.00% 2035	1.3
Treasury I-L 4.125% 2030	0.9
Treasury I-L 2.50% 2024	0.9

### CREDIT RATING (%)

AAA	6.5
AA	10.3
A	24.0
BBB	15.5
NA	0.1
NR	43.6

### COUNTRY (%)

United Kingdom	68.4
United States	8.0
France	4.6
Netherlands	3.2
Jersey	2.3
Cayman Islands	1.9
Germany	1.8
Australia	1.0
Mexico	0.9
Other	7.7

### FUND MANAGERS

The Fund's strategic asset allocation is set and maintained by LGIM's Portfolio Solutions team. This team has a wealth of experience and is drawn from financial, actuarial and consultancy backgrounds. They are involved in asset allocation work for a wide range of LGIM's clients, typically large pension and insurance funds.

The allocation is managed by the Allocation Strategy Management team. Management oversight is provided by the Director, Allocation Strategy Management. The team of 10 has an average industry experience of 13 years, of which six years has been at LGIM.

## KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up. You may get back less than the amount you originally invested.
- The return from your investment is not guaranteed and therefore you may receive a lower or higher return than you anticipated. There will be a variation in performance between funds with similar objectives due to the different assets selected.
- PMC's charges and associated transaction costs are subject to change, with notice for the former and without notice for the latter. Charges and transactions costs deducted from the policy reduce your potential for capital growth in the future.
- Tax rules and the treatment of income and capital gains could change in the future and may be applied retrospectively.
- Inflation reduces the purchasing power of money over time as the cost of purchasing goods and services increases, if the rate of inflation exceeds the rate of return on your portfolio, it will erode the value of your portfolio and its investments in real terms.
- In extreme market conditions it may be difficult to realise assets held for a fund and it may not be possible to redeem units at short notice. We may have to delay acting on your instructions to sell or the price at which you cancel the units may be lower than you anticipated.
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made.
- PMC seeks to mitigate counterparty risk wherever possible on behalf of its policyholders through a variety of measures which include; each fund's non-cash assets being held with independent custodians, sweeping cash (where appropriate) overnight into the LGIM's range of Liquidity funds (above a de minimus level), using the delivery versus payment system when settling transactions and the use of central clearing for exchange traded derivatives and forward foreign exchange transactions. However, in the event of the failure of a counterparty, custodian or issuer there is a residual risk that a fund may suffer asset losses which are unrecoverable.

For more information, please refer to the Description of Funds [↗](#)



### SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT

We are one of Europe's largest asset managers and a major global investor, with assets under management of £983.3 billion (as at 31 December 2017). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management includes derivative positions and assets managed by LGIMA, an SEC Registered Investment Advisor.

## DEALING INFORMATION

Units can be purchased, sold or switched on a designated dealing day. Funds are offered on a daily basis at close of business and/or midday as below:

Daily close	Yes
Daily midday	No

For further information, please refer to your scheme literature or contact your scheme administrator.

## TO FIND OUT MORE

 Visit [www.lgim.com](http://www.lgim.com)

 Call **+44 (0) 20 3124 3277**

We may record and monitor calls. Call charges will vary.

## Important information

Issued by Legal and General Assurance (Pensions Management) Limited ("PMC") which is a life insurance company and manages this investment using an insurance policy notionally divided into a number of Funds. Registered in England and Wales No. 01006112. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised by the Prudential Regulation Authority and Regulated by the Financial Conduct Authority and the Prudential Regulation Authority No. 202202. Legal & General Investment Management Limited has been appointed as the discretionary investment manager for this Fund, it is authorised and regulated by the Financial Conduct Authority No. 119272. All features described in this factsheet are those current at the time of publication and may be changed in the future. Nothing in this factsheet should be construed as advice and it is therefore not a recommendation to buy or sell securities. If in doubt about the suitability of this product, you should seek professional advice. Copies of the Key Features Document, Descriptions of Funds and associated policy documents are available free of charge on request. This document is only directed at investors resident in jurisdictions where our funds are registered for sale. It is not an offer or invitation to persons outside of those jurisdictions. We reserve the right to reject any applications from outside of such jurisdictions.

Source: Unless otherwise indicated all data contained in this factsheet is sourced from Legal & General Investment Management Limited. Where this document contains third party data ("Third Party Data"), we cannot guarantee the accuracy, completeness or reliability of such Third Party Data and accept no responsibility or liability whatsoever in respect of such Third Party Data.

**Internal Fund Code: CYAC**