



# UK GOVERNMENT LONG MATURITIES BOND FUND

30 June 2019

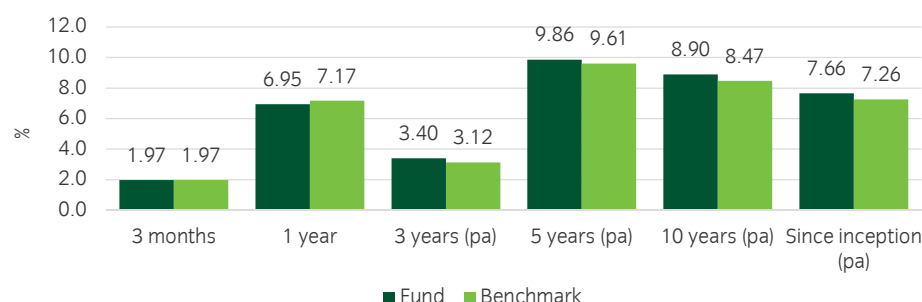
## FUND OBJECTIVE

The Fund aims to generate a return by investing principally in sterling denominated fixed interest securities with long maturities issued by the UK government

## FUND SUMMARY

- Actively managed to aim to deliver attractive total returns in excess of a UK government bond benchmark
- Aims to add value principally through duration, yield curve, country allocation and currency management
- Aims to add value by focusing on longer-dated assets
- Invests primarily in fixed income securities and currencies, either directly or via derivatives
- Rigorous, disciplined investment process drawing on a large team of fixed income and currency specialists

## SHARE CLASS PERFORMANCE



Source: Insight Investment and Rimes. Fund performance is shown for share class S £ Acc and is calculated as total return, including reinvested income, gross of fees and expenses. Gross of fees performance results do not reflect the deduction of charges, which will reduce investors' returns. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

## FUND MANAGER COMMENTS

The Fund delivered a positive return but underperformed its benchmark. Duration positioning contributed positively. We had overall duration exposure to the UK and US. We also held a relative-value position over the period favouring France over Germany; at different points over the quarter we also held it against the UK and Australia. In May, we had some tactical long exposure to the US, held against a position in the UK. Yield curve positioning contributed negatively. At the beginning of the period, we held a position in the UK favouring 30-year gilts over 20-year and 40-year maturities, a UK yield curve steepening position, and a US flattener. In June, we switched to a UK position favouring 30-year gilts over longer-dated maturities, and retained the US flattening position. Inflation positioning detracted from performance. We continued to hold a long position in US 30-year inflation breakevens.

## FUND FACTS

**Fund size:** £105.5m

**Inception date:** 19 November 2004

**Benchmark:** FTSE Actuaries UK Conventional Gilts Over 15 Years Index

**Fund manager:** David Hooker

**Target return:** Outperform benchmark by 0.75% pa (before tax, fees and expenses) over rolling five year periods. However, a positive return is not guaranteed and a capital loss may occur.

## FUND CHARACTERISTICS

	Fund	Benchmark
Yield (%)	1.35	1.39
Duration (years)	20.0	19.8

## DURATION EXPOSURE BY CURRENCY

(years)	Fund	Benchmark
Sterling	19.7	19.8
US dollar	0.2	0.0
Euro	0.0	0.0
Other	0.0	0.0
Total	20.0	19.8

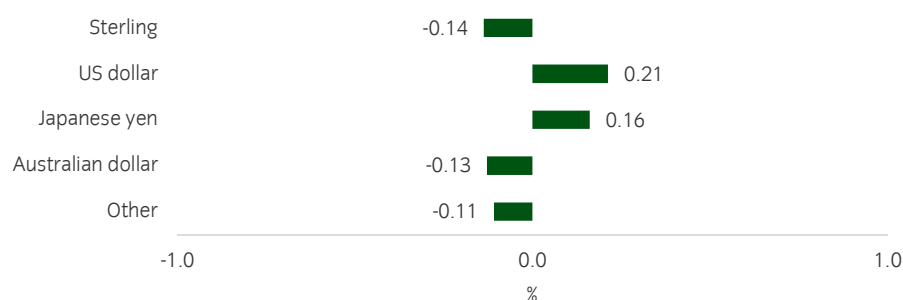
## DURATION EXPOSURE BY MATURITY

(years)	Fund	Benchmark
0-10	0.6	0.0
10-20	4.2	3.0
20-30	9.9	6.9
30-40	3.1	4.9
40-50	1.0	4.3
50+	1.3	0.7
Total	20.0	19.8

## FUND ALLOCATION

(%)	Fund	Benchmark
Government	91.4	100.0
Government index-linked	4.4	0.0
Emerging Market Debt Fund	2.6	0.0
Cash and other	1.6	0.0

## RELATIVE CURRENCY EXPOSURES



## TECHNICAL DETAILS

**Legal structure:** Open Ended Investment Company (UCITS)

**Domicile:** United Kingdom

**Share class currencies:** Sterling

**Dealing frequency:** Daily, Midday

**Settlement period:** T+3

**Pricing method:** Swinging single price

**Scheme:** Insight Investment Discretionary Funds ICVC

**Depository:** NatWest Trustee and Depository Services Limited

**Administrator:** The Bank of New York Mellon (International) Limited

**Ongoing charges:** 0.39% (represented by share class Gross P Acc, other share classes are available)



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