



# UK INDEX-LINKED BOND FUND

30 September 2021

## FUND OBJECTIVE

The Fund aims to generate a return by investing principally in sterling denominated index-linked securities

## FUND SUMMARY

- Actively managed to aim to deliver attractive total returns in excess of a UK index-linked government bond benchmark
- Aims to add value principally through duration, yield curve, country allocation and currency management
- 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

## FUND FACTS

**Fund size:** £93.1m

**Inception date:** 17 November 2004

**Benchmark:** FTSE Actuaries UK Gilts Index-Linked Over 5 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 (%)	-1.95	-2.35
Duration (years)	23.1	23.4

## SHARE CLASS PERFORMANCE (%)

	3 months	1 year	3 years (pa)	5 years (pa)	10 years (pa)	Since inception (pa)
Fund	2.23	0.63	6.94	3.78	7.98	8.26
Benchmark	2.30	0.24	6.58	3.29	7.46	7.55

	Calendar year returns					12-month rolling returns				
	2020	2019	2018	2017	2016	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Fund	13.26	7.78	-0.99	3.48	28.21	0.63	1.62	19.59	1.73	-3.22
Benchmark	12.38	6.79	-0.40	2.54	27.39	0.24	0.42	20.28	1.41	-4.23

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 underperformed over the review period. Country allocation, short UK real yields versus long US real yields, was a small negative for performance. A short position in UK breakeven inflation, which was added to during the quarter, detracted from performance as inflation pricing rose sharply. UK yield curve positioning contributed positively to performance. Our 15s30s real yield curve 'flattener' position detracted from performance but this was more than offset by a positive contribution from our 40s50s 'steepener' position. Stock selection decisions had no impact on performance and the Fund had no exposure to investment grade credit, high yield or EMD. Currency exposure detracted from performance due to our preference to be long USD during the first two months of the review period.

## DURATION EXPOSURE BY CURRENCY

(years)	Fund	Benchmark
Sterling	22.8	23.4
US dollar	0.3	0.0
Euro	0.0	0.0
Other	0.0	0.0
Total	23.1	23.4

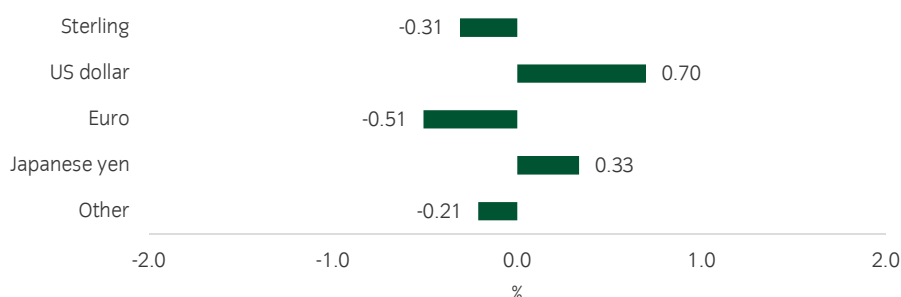
## DURATION EXPOSURE BY MATURITY

(years)	Fund	Benchmark
0-10	1.3	1.0
10-20	2.7	4.2
20-30	7.2	6.5
30-40	5.8	5.3
40-50	6.1	6.3
Total	23.1	23.4

## FUND ALLOCATION

(%)	Fund	Benchmark	Fund	Benchmark
Government	4.8	0.0	Emerging Market Debt Fund	0.0
Government index-linked	89.5	100.0	Cash and other	5.6

## 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:** 0.36% (represented by share class Gross P Acc, other share classes are available)



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