



Active Global Equity (inc. UK) Fund

December 2017

Fund information for quarter end 31st December 2017

(as at 31/12/2017)

Underlying fund launch date	06/02/1988
Unit price	966.50p
Underlying fund size (£m)	4028.65
Yearly fund charges*	1.000%
Investment Approach	Active

*The charges shown are the total charges that will be deducted from your Retirement Account while you are a member of the KPS-MP. For further information please refer to the scheme literature.

Fund holdings

Funds	Target fund holdings
Zurich' Schroder QEP Global Active Value	70.00%
Zurich' Invesco Perpetual High Income	30.00%

*Zurich is not a fund manager - the Zurich funds invest in the underlying fund.

Portfolio Manager

QEP Global Equities Team (Schroder)
Mark Barnett (Invesco)

Top holdings

BRITISH AMERICAN TOBACCO	1.84%
BP	1.71%
LEGAL & GENERAL GROUP	1.71%
UNITED STATES OF AMER TREAS BILLS 0% TB 11/01/18 USD100	1.20%
ASTRAZENECA	1.00%
BURFORD CAPITAL	0.90%
BTG	0.90%
AVIVA	0.77%
IMPERIAL BRANDS	0.77%
ROYAL DUTCH SHELL 'A'	0.76%

Fund objective

The fund aims to provide long-term growth by investing in the shares of UK and overseas companies. The benchmark is currently 70% MSCI AC World Index and 30% FTSE ALL Share

Who manages the funds?

Zurich delegates the investment management of the funds for the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) to underlying fund managers. This fund was created for the members of the Kingfisher Pension Scheme only. These funds are currently managed by Schroder Investment Management and Invesco Perpetual. Note that the Trustee has the flexibility to change the underlying fund manager(s) at any time.

Fund features

This fund invests approximately 30-40% in the shares of UK companies and the remainder in the shares of overseas companies.

Asset split

UK Equities	34.95%	
US Equities	26.50%	
International Equities	8.87%	
Japanese Equities	6.68%	
Money Market	4.45%	
Swiss Equities	2.61%	
French Equities	2.36%	
South Korean Equities	1.88%	
Chinese Equities	1.78%	
Australian Equities	1.61%	
Taiwanese Equities	1.58%	
Hong Kong Equities	1.48%	
German Equities	1.42%	
Canadian Equities	1.31%	
Others	2.52%	

This data is based on available data for the underlying Zurich pension fund(s) and target fund holdings as shown.

Commentary

Invesco Perpetual

The UK equity market rose through the final quarter of 2017, a period characterised by continued monetary tightening, improving global economic growth & rising commodity prices. At the start of November the BoE implemented the first UK interest rate rise in a decade as the central bank's Monetary Policy Committee voted 7 to 2 to increase the UK interest rate to 0.5% & unanimously to maintain interest rates at 0.5 per cent. Economic data provided mixed signals for the UK economy; inflation remained elevated. The UK manufacturing sector performed strongly in the fourth quarter of 2017, with the purchasing managers' index posting a three-year high for the three months to December. The oil price rose strongly through the quarter, initially on expectations that Organisation of the Petroleum Exporting Countries would extend their agreement to cap output. Metals prices also rallied, particularly copper. In aggregate, the upswing in commodity markets contributed to the UK market's positive momentum into the end of the year.

Schroder

2017's macroeconomic backdrop was generally supportive for equities, with low interest rates, stable economic expansion, benign inflation, and generally positive earnings releases allowing investors to overlook a comparatively turbulent geopolitical picture. As a result, global equity markets delivered 12 successive months of positive performance, a feat that has not been seen over the past 30 years. The final few months of the year, provided a better environment for the strategy and it finished the fourth quarter in line with the reference benchmark. The quarter's performance was driven by positive stock selection across both region and sector, with some of our favoured holdings adding value.

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Things you need to know

We've based this information on our current understanding of law and practice. We make every effort to ensure that this information is helpful, accurate and correct, but it may change or may not apply to your personal circumstances. All funds carry some risk and you should consider these risks before making an investment decision. Investment returns are not guaranteed and the value can fluctuate.

The main factors which may increase the risk of a fund include:

- * The amount invested in company shares
- * The split between government and corporate bonds
- * The extent to which the fund invests in high yield assets
- * The amount held in overseas assets
- * Any concentration in specific areas or sectors

All or some of the investments are made through a reinsurance arrangement so if the linked life insurance company(ies) were to fail you may lose some or all of your money and this will not be covered by the Financial Services Compensation Scheme.

What is the dealing cycle?

The fund is forward priced, which means that the member gets the next available price after they invest. The fund has a dealing cycle of T + 0. This means that the money received on day T buys units at the valuation date price applicable at close of business on the same day.

Who is this factsheet for and what does it do?

This factsheet is for the members of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP). Its purpose is to indicate how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included on this factsheet, then please contact an Independent Financial Adviser. If you do not have an Independent Financial Adviser you can find a local adviser at www.unbiased.co.uk. The commentary in this factsheet reflects the general views of the individual fund manager(s) and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

Cumulative performance of the growth phase (as at 31/12/2017)

	3 months	6 months	1 year	3 years	5 years
Fund	4.29%	3.48%	8.17%	38.85%	90.03%
Benchmark	4.75%	6.53%	12.23%	45.22%	93.93%

Discrete performance of the growth phase (as at 31/12/2017)

	31/12/2012 - 31/12/2013	31/12/2013 - 31/12/2014	31/12/2014 - 31/12/2015	31/12/2015 - 31/12/2016	31/12/2016 - 31/12/2017
Fund	24.11%	10.28%	2.87%	24.77%	8.17%
Benchmark	23.29%	8.32%	3.73%	24.74%	12.23%

Annualised performance of the growth phase (as at 31/12/2017)

	3 years	5 years	10 years
Fund	11.56%	13.70%	-
Benchmark	13.24%	14.16%	8.35%

Fund vs Benchmark

The graph below illustrates the performance of the fund from 31/12/2012 until 31/12/2017. The fund is designed to provide a return in line with the benchmark. This is expected to be the case over the long term. However, there may be times when the fund performance does not match the benchmark. This may be due to a number of reasons. For example, cash flows in and out of the fund resulting in unit price movements and slight timing differences for the period over which performance is measured.



31/12/2012 - 31/12/2017 © Financial Express Holdings 2018

Source: Financial Express as at 31/12/2017. You shouldn't use past performance as a suggestion of future performance. It shouldn't be the main or sole reason for making an investment decision. The value of investments and any income from them can fall as well as rise and will be reduced in real terms by the effects of inflation. You may not get back the amount you invested. HM Revenue and Customs (HMRC) practice and law are complex. Tax concessions are not guaranteed, their value will depend on individual circumstances and may change in the future.

Fund performance data is based on a unit price basis and doesn't take into account fees and expenses which are specific to individual plans.

For more
information please
contact the Trustee of
the KPS - MP

www.kingfisherpensions.com

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