



## Managed Portfolio Service

January 2012

### >> MPS Income

The Managed Portfolio Service (MPS) is a discretionary management service that invests solely in collective securities (unit trusts and OEICs).

The MPS is managed by a dedicated team, headed up by lead fund manager Charles Hepworth, based in our London office.

The minimum investment is £25,000.

### Investment Objective

The investment objective of the Income Strategy is to secure the return from a rising stream of income together with the prospect of future capital and income growth. This strategy is managed with a medium attitude to risk.

### Income

Payable on a monthly, quarterly or half yearly basis or reinvested in the portfolio.

### Benchmark

FTSE APCIMS Stock Market Income Portfolio Index.

### Reporting

On a six-monthly basis a full portfolio valuation is issued, it includes:

- >> an outline of each individual investment
- >> a fully itemised transaction list

Additionally, at the end of the financial year a detailed summary is issued comprising:

- >> financial year end portfolio valuation
- >> consolidated tax certificate
- >> fully itemised capital gains tax schedule (please note that MPS is not managed within CGT constraints)

### Fees

There will be charges for this service, some of which may be used to pay commission to your financial adviser (if applicable). The applicable charges are set out in our fee schedules, which are available on request.

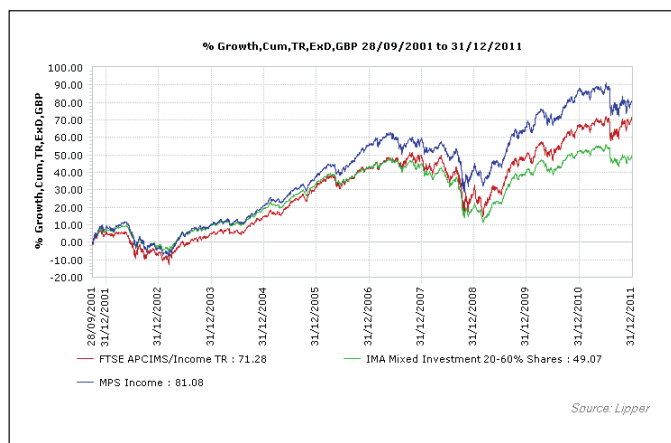
Investors should remember that the value of investments and the income from them can go down as well as up and that past performance is no guarantee of future returns. You may not recover what you invest. Capital in the portfolio is at risk. Investments or investment services referred to may not be suitable for all recipients.

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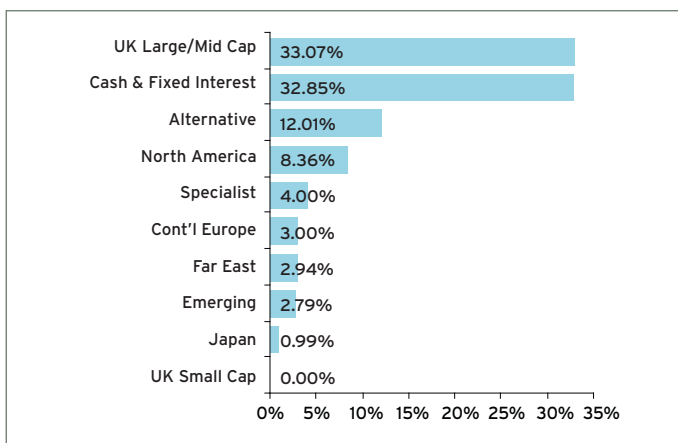
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### Performance from Inception - Sept 2001



Source: Quilter, Lipper

### Asset Class/Geographic Allocation



Source: Quilter, Lipper

MPS Model Performance 1 Year	-3.17%
Benchmark Performance 1 Year	3.15%
1 Year Relative Performance	-6.32%
MPS Model Performance 3 Years	26.08%
Benchmark Performance 3 Years	31.35%
3 Years Relative Performance	-5.26%
MPS Model Performance 5 Years	16.35%
Benchmark Performance 5 Years	19.94%
5 Years Relative Performance	-3.60%

Inception	Sept 2001
Positive Months %	69.11%
Correlation with benchmark returns	93.15%
Alpha (annualised since inception)	1.27%
Beta (since inception)	0.92
Tracking Error (annualised since inception)	3.03%
Volatility of returns (annualised since inception)	8.10%

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### Fund

1	Invesco Perpetual Income (No Trail) Inc	11.26%
2	Henderson UK Equity Income I Net Inc	10.93%
3	Artemis Income I Inc	10.89%
4	Investec American I Acc Net	8.36%
5	Allianz Pimco Gilt Yield C Inc	8.32%
6	M&G Corporate Bond I Inc	8.20%
7	BNY Mellon Em Mkts Debt Local Curr C GBP Inc	7.00%
8	AXA US Short Duration High Yield SI Inc Net	6.35%
9	Standard Life Inv Glo Abs Ret Strategies Inst Acc	4.04%
10	Threadneedle Absolute Return Bond Inst Net Acc	3.99%
11	SWIP Property Trust B Inc	3.99%
12	Cazenove European X Acc	3.00%
13	Cash - Sterling	2.97%
14	Aberdeen Asia Pacific I Acc	2.94%
15	JPM Emerging Markets I Acc	2.79%
16	JPM Natural Resources A Acc	2.05%
17	BlackRock Gold & General D Inc	1.96%
18	CF Morant Wright Japan B Inc	0.99%

Source: Quilter, Lipper

**Portfolio Yield (Net) 3.03%**

Performance and fund constituent data up to end December 2011

### Notes

Alpha: The excess return after adjusting for market/benchmark risk. The intercept of the regression line of returns between the benchmark and the strategy.

Beta: Ratio of a market move that is captured by the strategy. The slope of the regression line of returns between the benchmark and the strategy.

Tracking Error: The standard deviation of the performance differentials between the strategy and the benchmark.

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