

# Expert Managed Solutions - Investment Options

## Cautious Growth - August 2014

### Fund objective

To achieve capital growth over the medium to long term. The Fund has diversified investment predominantly within equities, fixed interest securities, property and cash. Investment will be through other collective investment schemes. Allocations to equities, fixed interest securities, property and cash will vary over time. Equity exposure will be restricted to 40% of the Fund. Investment may also be made in derivatives for hedging purposes.

### Past performance



Powered by data from FE

Source: FE, performance data up to 31/07/14, bid to bid, net income reinvested.

|                             | 3m  | 6m  | 1Yr | 3Yr  | 5Yr  |
|-----------------------------|-----|-----|-----|------|------|
| Fund (%)                    | 1.1 | 2.8 | 3.6 | 18.1 | 36.6 |
| Sector average (%)          | 1.4 | 3.3 | 4.0 | 17.1 | 41.4 |
| Quartile rank within sector | 3   | 3   | 3   | 3    | 4    |

Source: FE, performance data up to 31/07/14, bid to bid, net income reinvested.

### Year on year performance

|                             | 31/07/09<br>31/07/10 | 31/07/10<br>31/07/11 | 31/07/11<br>31/07/12 | 31/07/12<br>31/07/13 | 31/07/13<br>31/07/14 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fund (%)                    | 8.1                  | 7.0                  | 5.2                  | 8.4                  | 3.6                  |
| Sector average (%)          | 11.8                 | 8.0                  | 1.3                  | 11.1                 | 4.0                  |
| Quartile rank within sector | 4                    | 4                    | 1                    | 4                    | 3                    |

Source: FE, performance data up to 31/07/14, bid to bid, net income reinvested.

**Past performance is not a guide to the future.** The value of shares may fall as well as rise and is not guaranteed. The performance shown is net of tax and charges taken from the Fund. It does not take account of any additional product charges.

### Fund manager

#### Gavin Counsell

Manager of this fund since June 2013



### Fund manager report\*

Global equities fell, retreating from record highs set in June, as renewed banking troubles plagued the euro zone and as relations between Russia and the West soured further. The MSCI World returned -0.8 per cent in local currencies or -0.3 per cent in sterling. Investors' appetite for riskier assets ebbed as Portugal's largest lender, Banco Espirito Santo, teetered on the verge of collapse after reporting record losses amid allegations of accounting fraud. The news reignited concern about the financial health of other banks within the euro zone. The downing of a Malaysian airliner over Ukraine further dampened spirits. The West, blaming Russian backed separatists for the atrocity, responded by ratcheting up sanctions on Moscow. The danger this poses to share prices was clearly illustrated when a number of leading companies, including German sportswear group Adidas, and US financial outfit Visa, warned profits had been affected by other sanctions imposed earlier in the year. International government bonds were mixed. US Treasuries fell as figures showed the US economy had strengthened, prompting the head of the Federal Reserve to warn rates could rise earlier than expected. By contrast investors bid up the price of European government bonds on the news from Portugal and Ukraine. Sterling corporate bond prices rose, underpinned by a rally in UK government debt.

### Fund information (31/07/2014)

|                    |                                                                                      |
|--------------------|--------------------------------------------------------------------------------------|
| Fund size          | £400.1m                                                                              |
| Launch date        | 09/06/2008                                                                           |
| Charges            | see policy documentation or <a href="http://aviva.co.uk">aviva.co.uk</a> fund centre |
| SEDOL              | B2RJG61                                                                              |
| MEXID              | UYCGA                                                                                |
| Benchmark          | IMA Mixed Investment 20-60% Shares                                                   |
| Sector             | Mixed Investment 20-60% Shares                                                       |
| Distribution Yield | 1.00%                                                                                |

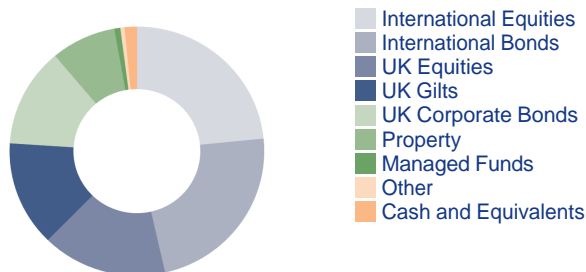
The Distribution Yield reflects the amount that is expected to be distributed over the next year as a percentage of the share price of the Fund on the date shown. It is based on the Fund on that day. This does not include Initial charges and tax on distributions. The Distribution Yield is also the Underlying Yield for this Fund.

\* The opinions expressed are based on the Fund Manager's own internal forecasts and should not be relied upon as indicating any guarantee of return from an investment in our funds. The information contained in this document should not be construed as a recommendation to purchase or sell stocks.

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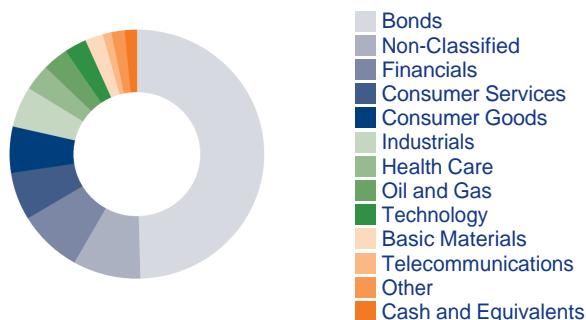
## Cautious Growth - August 2014

### Asset allocation



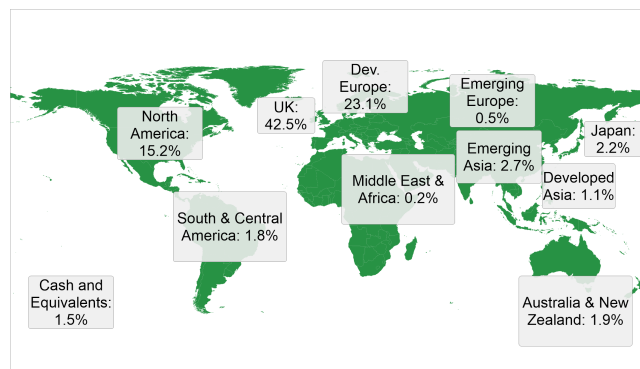
Source: Aviva Investors as at 31/07/2014

### Sector breakdown



Source: Aviva Investors as at 31/07/2014

### Regional allocation



Source: Aviva Investors as at 31/07/2014

### Top 10 managers

|       |                                        |       |
|-------|----------------------------------------|-------|
| 23.4% | Rogge Global Partners (Global Bond)    | 15.5% |
| 23.1% | Kames (UK Corporate Bonds)             | 14.9% |
| 15.9% | Aviva Investors (UK Gilt)              | 12.4% |
| 13.7% | INTECH (US Equity)                     | 8.4%  |
| 12.9% | 24 Asset Management (Corporate Bonds)  | 8.2%  |
| 8.3%  | Aviva Investors Property Trust Class 1 | 5.7%  |
| 0.8%  | Investec (UK Equity)                   | 5.3%  |
| 0.8%  | Standard Life (UK Equity)              | 5.2%  |
| 0.5%  | Lazard (European Equity)               | 4.8%  |
| 1.5%  | Baillie Gifford (UK Equity)            | 4.1%  |

Source: Aviva Investors as at 31/07/2014

### Top 10 holdings

|       |                                             |      |
|-------|---------------------------------------------|------|
| 49.6% | Aviva Investors Property Trust Class 1      | 5.7% |
| 8.6%  | 5% Treasury Stock 2014                      | 3.0% |
| 8.2%  | Aviva Investors European Property Class I £ | 2.2% |
| 6.2%  | 4½% Treasury Gilt 2019                      | 1.8% |
| 6.0%  | 4¾% Treasury Gilt 2030                      | 1.1% |
| 5.3%  | 3¼% Treasury Gilt 2044                      | 1.0% |
| 3.4%  | Royal Dutch Shell B                         | 0.9% |
| 3.3%  | 3¾% Treasury Gilt 2020                      | 0.9% |
| 2.8%  | 5% Treasury Stock 2025                      | 0.9% |
| 2.3%  | HSBC Holdings PLC (UK Reg)                  | 0.8% |

Source: Aviva Investors as at 31/07/2014