



Investment objective

The Trust aims to provide a balance of income and capital growth by investing in a wide range of asset classes, such as shares, bonds and commodities. The Trust can invest both directly and indirectly into shares and bonds, and indirectly into asset classes such as commodities. Indirect investment is achieved through the use of a range of collective investment schemes and derivatives. The Trust is managed on behalf of St. James's Place by Pacific Investment Management Company LLC, one of the world's largest and most respected investment management firms, based in the United States. Their forward-looking investment strategy combines a risk-diversified multi-asset class portfolio, with active management decisions within a given asset class designed to add value above and beyond general market returns. They also use derivatives to seek to protect the portfolio from the potentially severe effects of market accidents and mistakes.

Manager commentary as at 31 December 2012

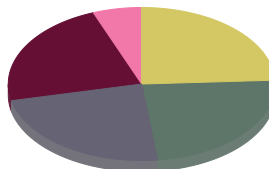
The fourth quarter saw a relatively calm start as risk assets took a breather and mixed earnings results and ongoing macro risks dampened a central bank-fuelled rally. Facing the US elections, the Chinese leadership transition and concerns about the future of the Eurozone, markets cooled further mid-quarter to remain in a wait-and-see mode as the quarter approached its end. Investors seemed to weigh the downsides of the fiscal cliff with the upsides of a recovering housing sector in the US, news about a structural growth program with uncertainty following the transition in China, as well as slowing economic growth with the hope for political solutions in Europe. The fund continues to take tactical positions in anticipation of policy-driven market movements in addition to a strategic bias for high quality sovereigns with comparatively healthy balance sheets and sound economic growth prospects. The portfolio is also maintaining exposure to commodities as inflationary concerns increase due to loose monetary policy. Emerging markets remain a strategic conviction and the fund invests selectively in equities and fixed income across those markets. In an increasingly uncertain market environment driven by idiosyncratic risks, the portfolio continues to use a diverse range of tail risk hedges to protect the portfolio from adverse market movements.

Top 10 holdings

1	PIMCO GIS Income Fd	10.7%
2	PIMCO Unconstrained Bd Fd	9.4%
3	Vanguard Emerging Mkt ETF	7.1%
4	PIMCO Pathfinder Fd	7.1%
5	PIMCO Dividend Fd	6.8%
6	PIMCO Emerging Markets Fd	5.2%
7	FTSE/Xinhua China 25 ETF	5.1%
8	PIMCO Em Mkt Local Bd Fd	4.2%
9	US TIPS 0.75% 2042	4.1%
10	Physical Gold ETF	4.1%

Asset allocation

EM Bonds	24.2%
Developed Equities	23.9%
EM Equities	23.4%
Dev Bonds, Cash, & Other	22.6%
Commodities	5.9%



The Financial Services Authority does not permit fund performance to be shown for funds less than 12 months old.

Manager



Curtis Mewbourne, Mohamed El-Erian,
Vineer Bhansali
PIMCO

Fund facts

Fund manager start date

10 April 2012

Units Acc / Inc

Currency classes GBP

Inception date of the fund

10 April 2012

Fund size £198m (at 28 February 2013)

Mandate size* £834m

Yield 1.7%

Distribution dates Feb, May, Aug, Nov

Sector IMA Specialist

Risk rating Low - Medium

Bloomberg -

ISIN GB00B1KHKR43

SEDOL B1KHKR4

MEX BPINIV

*This is the total funds under management for the investment mandate across all of the product wrappers.

Asset allocation data is calculated by PIMCO and is based on exposure generated by their holdings, which includes derivatives.

Your St. James's Place Partner can provide you with a copy of 'Understanding the balance between risk and reward', which explains investment risk and our risk ratings in more detail.