



**Positive Wealth Creation Ltd**

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Positive Wealth Creation Ltd is authorised & regulated by the Financial Conduct Authority: 481182.

## **SEPTEMBER 2019: INVESTMENT FUND BULLETIN**

- **Aberdeen UK Property:** Long standing manager Gerry Ferguson retired in 2018, replaced by former deputy, Tim Sankey. Changed objective and investment policy, and Aberdeen **rebranded to ASI**, from 7 August 2019.
- **Aviva Investors:** Many funds changed objectives and investment policies from 7 August 2019.
- **AXA Framlington UK Select Opportunities:** Long standing manager Nigel Thomas retired in March 2019, replaced by deputy, Chris St John, from January 2019.
- **Blackrock Gold & General:** Fall in value from 2012 until early 2016 owing to oil and commodity price instability. No longer a purchase recommendation from January 2015. **Only the longest term investors should not consider an alternative.**
- **Cash or Deposit funds** within pensions or insurance bonds should be aware that their holdings are unlikely to be growing once the annual management charge is deducted. Investors should review their holdings in these funds.
- **Cofunds:** Rebranded as **Aegon** from May 2018 together with substantial technology upgrade. **Legal & General Pension and Bond products detached from the Aegon platform from 1 July 2019** – investor communications issued.
- **Fidelity Moneybuilder Growth:** Merged into Fidelity UK Opportunities on 21 June 2019. **Affected investors contacted.**
- **Fidelity MoneyBuilder Income:** Long-standing manager, Ian Spreadbury retired at the end of 2018.
- **Invesco Perpetual:** Became **Invesco** from October 2018.
- **Invesco High Income:** Owing to investment in domestically focussed companies, performance below average over one, three and five years. **Investors may wish to consider an alternative.**
- **Invesco Tactical Bond:** Performance below average over one, three and five years. **Consider an alternative.**
- **Investec Cautious Managed:** Performance below average over one, three and five years. **Consider an alternative.**
- **JP Morgan Natural Resources:** Fall in value from 2012 until early 2016 owing to oil and commodity price instability. No longer a purchase recommendation from January 2015. **Only the longest term investors should not consider an alternative.**
- **Janus Henderson UK Property:** Moved to a 'full spread' pricing basis from 25 March 2019, which means investors entering the fund bear all costs of property acquisition. This is expected to be around 4.5%. Existing investors are unaffected.
- **Jupiter European:** Manager Alexander Darwall leaves to set up his own business on 1 October 2019. Mark Heslop joined from Columbia Threadneedle as replacement on 1 July 2019
- **Kames Diversified Monthly Income fund:** Change of objective and investment policy from 7 September 2019.
- **Kames Ethical Cautious Managed fund:** Change of objective and investment policy from 7 September 2019.
- **Kames Fixed Interest Team:** Departure of four managers at the end of November 2018, moving to Artemis.
- **Kames Property Income:** Moved to cancellation basis pricing from 21 December 2018 as more money leaving the fund than entering. This means the selling price reflects all expected costs of selling property.
- **Legal & General Distribution Trust:** Performance below average over one, three and five years. **Consider an alternative.**

- **Legal & General:** Sold part of its business to Swiss Re in January 2018, with transfer to be completed in November 2019. This will affect Legal & General branded pensions and Investment Bonds, which will become administered by **Reassure UK**.
- **M&G Recovery:** Returns below average over one, three and five years. [Consider an alternative.](#)
- **Neptune:** To be acquired by **Liontrust** subject to regulatory approval.
- **Old Mutual Wealth** to be rebranded as Quilter Wealth Solutions in 2020.
- **Prudential PruFund Cautious: New investment aim from 29 July 2019.** The fund aims for steady and consistent growth over the medium to long term (5 to 10 years or more) through a cautious approach to investing. The fund invests in UK and international equities, property, fixed interest securities, index-linked securities, cash and other specialist investments. The fund will aim to invest 50-75% (**currently 70%**) in fixed interest securities, index-linked securities and cash, although we may occasionally move outside this range to meet the fund objectives.
- **Prudential PruFund Cautious: Prudential changed the smoothing process with effect from 25 November 2018.** The smoothing works by comparing the actual value of the assets into which Prudential invests with the value paid out. When this is within plus or minus 5% at a quarter date, there is no change to the price. When there is a change in the price it is known as a Unit Price Adjustment. If the price ever goes outside of plus or minus 10% at any time there can be an immediate change. Prudential intends to change the quarter date range to plus or minus 4% and plus or minus 8% at all other times. Prudential has made this change because there has been less volatility than it expected when it formulated this fund. Further, to lessen the unit price movements when boundaries are exceeded in whichever direction. **Affected investors notified.**
- **Prudential PruFund Cautious:** Reduction in Expected Growth Rate by 0.3% for Bonds and 0.4% for Pensions / ISAs on 25 August 2019. Unit Price Adjustment of -2.4% on 25 November 2018 for Pensions / ISAs. Those investors taking regular withdrawals notified.
- **Prudential PruFund Growth:** Reduction in Expected Growth Rate by 0.2% for Bonds and 0.3% for Pensions / ISAs on 25 August 2019. Those investors taking regular withdrawals notified.
- **Scottish Widows UTM High Income Bond:** Performance below average over one, three and five years. [Consider an alternative.](#)
- **Standard Life:** Sold part of its business to **Phoenix** in February 2018, which completed on 3 September 2018. This affected Standard Life branded pensions and Investment Bonds.
- **Standard Life Investments: Rebranded ASI** from 7 August 2019.
- **ASI High Yield Bond (formerly Standard Life Investments Higher Income):** Performance below average over one and three years since fund manager change in 2016. [Consider an alternative.](#)
- **Threadneedle Strategic Bond fund:** Performance below average over one, three and five years. [Consider an alternative.](#) Also changed objective and policy from 7 August 2019. **Affected investors notified.**
- **Threadneedle UK Corporate Bond fund:** Changed objective and investment policy, and new fund name, from 31 August 2019. **Affected investors notified.**
- **Woodford Equity Income fund dealing suspended on 3 June 2019.** **Affected investors notified.** Performance suffered and investor redemptions increased as the portfolio's positioning is based on an outlook for the UK economy after Brexit that is better than most think it will be. As a result, the portfolio is tilted to domestically orientated companies. **Only the longest term investors should not consider an alternative when it reopens.**

**Reference to past performance is not a reliable guide to the future and is stated on a cumulative basis for the period shown to the issue date of this publication sourced from FE Trustnet.**

**If you require specific advice about how the fund guidance offered in this document affects your personal circumstances, please contact us at your convenience.**

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