

# fund news

## fund launches

|                 | Fund Category | Life    | Pension | MultISA | MultiPEP | MultiFUND | Royal Skandia |
|-----------------|---------------|---------|---------|---------|----------|-----------|---------------|
| JPMF New Europe | Self Select   | 26 July | 26 July | 26 July | 26 July  | 26 July   |               |
| M&G Property    | Self Select   |         |         |         |          |           | 2 Aug         |

## fund closures

|   | Fund Category | Life    | Pension | MultISA | MultiPEP | MultiFUND | Royal Skandia |
|---|---------------|---------|---------|---------|----------|-----------|---------------|
| Schroder Japan Alpha Plus –<br>closed to New Business | Self Select   | 19 July | 19 July | 19 July | 19 July  | 19 July   |               |

## fund events

|   | Fund Category | Life  | Pension | MultISA | MultiPEP | MultiFUND | Royal Skandia |
|---|---------------|-------|---------|---------|----------|-----------|---------------|
| Newton Intrepid<br>becomes Newton Absolute Intrepid | Self Select   |       |         |         |          |           | 30 July       |
| M&G Innovator<br>merges into M&G Smaller Companies  | Self Select   | 3 Sep | 3 Sep   | 3 Sep   | 3 Sep    | 3 Sep     |               |

## the guaranteed pension fund

guaranteed pension fund bonus  
announcement as at 1 August 2004:

|                                  | Monthly Bonus Rates |
|----------------------------------|---------------------|
| Bonus rate on contribution units | 0.06%               |
| Bonus rate on bonus units        | 0.00%               |

*Due to the extreme and prolonged deterioration of stock market conditions, this month's bonus rate on contribution units is less than would normally be expected from a deposit fund. Further information, including historical bonus rates is available on the Skandia web site. Investors should be aware that the value of the investment may fall as well as rise, although units in the Guaranteed Pension Fund have their value guaranteed at a pre-selected date. Bonuses are calculated after deducting an annual management charge of 0.9%. A discount may apply if units are redeemed prior to the Selected Guarantee Date.*

# other fund statistics in informer

## Risk Evaluator

The Risk Evaluator is a tool provided by Skandia which compares the volatility of fund sectors. The sectors have been arranged in ascending order according to their volatility numbers, which have been calculated over five years, and the entire range has been divided into ten segments, each representing 10% of the range. The sectors have been placed into the relevant segment, depending on where their volatility numbers fall. Each segment has been colour-coded to represent the risk associated with each sector.

## Quartile Rank

Quartile rank is a rating of performance on a scale of 1 to 4, where 1 is best and 4 is worst. The entire performance range of a sector is divided into 4, with each quartile rank corresponding to 25% of the range.

## Total Expense Ratio (TER)

The Total Expense Ratio (shown for Life and Pension funds) represents the true cost of running a fund. It includes the fund AMC (which is shown for Skandia MultiFUNDS Ltd fund links) as well as the depository and custodial charges, and audit, registration and compliance fees.

## S&P Fund Management Ratings

The S&P Fund Management Ratings are based on an evaluation of quantitative (historic performance, volatility, and portfolio construction) and qualitative (management, corporate status and investment process) factors that contribute to long-term performance.

- AAA the fund demonstrates the highest standards of quality in its sector based on its investment process and management's consistency of performance, as compared to funds with similar objectives.
- AA the fund demonstrates very high standards of quality in its sector.
- A the fund demonstrates high standards of quality in its sector.

## Bond Fund Volatility Ratings

The Bond Fund Volatility Ratings are a current opinion of a fixed-income fund's sensitivity to changing market conditions relative to the risk of a portfolio composed of government securities\* and denominated in the base currency of the fund. Volatility ratings evaluate the fund's sensitivity to interest rate movements, credit risk, investment diversification or concentration, liquidity, leverage, and other factors.

The Bond Fund Volatility Ratings range from S1 to S6, with S1 rated funds possessing the lowest sensitivity to changing market conditions and S6 rated funds possessing the highest sensitivity.

\* Note: For S1 through S4 categories government securities are intended to signify the most liquid, highest quality securities issued by a sovereign government.

## S&P Star Ratings

The S&P Star Rating is calculated using a fund's monthly performance relative to its sector average for the past 36 months. The average and volatility of these 36 numbers is used to calculate a fund's star ranking.

- 5 ★ - funds in the top 10% of the sector
- 4 ★ - funds in the top 11-30% of the sector
- 3 ★ - funds in the top 31-50% of the sector
- 2 ★ - funds in the next 25% of the sector
- 1 ★ - funds in the bottom 25% of the sector