

Selestia Investment Solutions and MultiFUND/MultiISA fund performance in informer

From this month, the Selestia Investment Solutions fund performance pages are available in the main body of *informer*, starting on page 48.

The MultiFUND/MultiISA pages are no longer available as a single listing, but can be easily referenced using the 'available through MultiFUND/MultiISA' tick column within the Selestia Investment Solutions pages.

Tick indicates that the fund is available through MultiFUND/MultiISA.



fund launches

	Fund Category	Life	Pension	MultiISA/ MultiFUND	Selestia Investment Solutions	Royal Skandia £
Investec Africa & Middle East	Self Select	4 Aug	4 Aug	-	5 Aug	-
HSBC Climate Change	Self Select	-	-	-	-	5 Aug
HSBC Brazil Equity	Self Select	-	-	-	-	5 Aug
HSBC Korean Equity	Self Select	-	-	-	-	5 Aug
HSBC Russia Equity	Self Select	-	-	-	-	5 Aug
GAM Star Continental European Equity	Self Select	-	-	-	-	11 Aug
GAM Star US All Cap Equity	Self Select	-	-	-	-	11 Aug
Premier Sentinel Defensive	Self Select	15 Aug	15 Aug	15 Aug	15 Aug	-
Premier Sentinel Enterprise	Self Select	15 Aug	15 Aug	15 Aug	15 Aug	-
Premier Sentinel Universal	Self Select	15 Aug	15 Aug	15 Aug	15 Aug	-

fund closures

	Fund Category	Life	Pension	MultiISA/ MultiFUND	Selestia Investment Solutions	Royal Skandia £
New Star Tri-Star	Self Select	7 Aug	7 Aug	7 Aug	7 Aug	-

other events

	Fund Category	Life	Pension	MultiISA/ MultiFUND	Selestia Investment Solutions	Royal Skandia £
Investec Managed Distribution – Objective Change	Self Select	-	-	1 Aug	1 Aug	-
Investec UK Alpha – Objective Change	Self Select	-	-	-	1 Aug	-
Investec UK Smaller Companies – Objective Change	Self Select	-	-	1 Aug	1 Aug	-
Investec Managed Growth – Objective Change	Self Select	-	-	-	1 Aug	-
Investec UK Blue Chip – Objective Change	Self Select	-	-	-	1 Aug	-
Investec UK Special Situations – Objective Change	Self Select	1 Aug	1 Aug	1 Aug	1 Aug	-
Credit Suisse Alpha Income – Objective Change	Self Select	8 Aug	8 Aug	-	8 Aug	-
New Star Tri-Star – Merges into New Star Cautious Portfolio	Self Select	11 Aug	11 Aug	11 Aug	11 Aug	-
Fidelity Sterling Bond – Objective Change	Self Select	18 Aug	18 Aug	18 Aug	18 Aug	-
Fidelity Managed International – Name Change to Fidelity Global Focus	Self Select	18 Aug	18 Aug	18 Aug	18 Aug	-
Fidelity Japan Special Situations – Name Change to Fidelity Japan Smaller Companies	Self Select	18 Aug	18 Aug	18 Aug	18 Aug	18 Aug
BlackRock US Opportunities – Objective Change	Self Select	-	-	31 Aug	31 Aug	-

the guaranteed pension fund

guaranteed pension fund bonus announcement as at 1 August 2008

	Monthly bonus rates
Bonus rate on contribution units	0.2000%
Bonus rate on bonus units	0.0000%
Additional bonus	0.0000%

Due to the continued uncertainty experienced by the fixed interest and equity markets, the Fund is currently experiencing what we consider to be abnormal or extreme conditions. The bonuses declared since April have been modified to take account of this as is evident from the table of bonus rates.

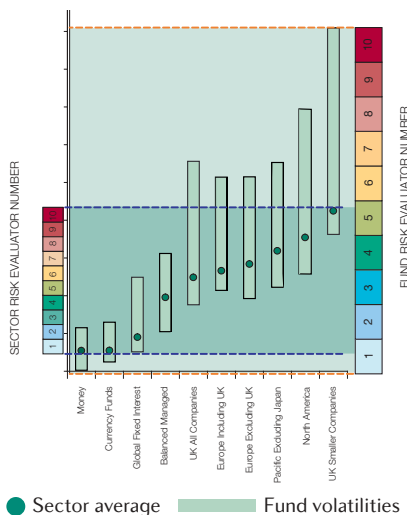
Further information, including historical bonus rates, is available on the Skandia website. Investors should be aware that the value of the investment may fall as well as rise, although units in the Guaranteed Pension Fund have their value guaranteed at a pre-selected date. Bonuses are calculated after deducting an annual management charge of 1.1%. A discount may apply if units are redeemed prior to the Selected Guarantee Date.

fund statistics in informer

Fund Risk Number

You are familiar with the Risk Evaluator – telling you the volatility of sectors. The Fund Risk Number takes this idea and applies it to individual funds.

As the universe for Fund Risk and Sector Risk numbers is so different, as shown on the graph below, you should not seek to compare one to the other. By virtue of being grouped averages, the spread of sector volatilities will be compacted, whereas an individual fund may be some way from the average, as highlighted on the scale below.



The Skandia Fund Risk Number has been calculated by taking the volatility values of an entire fund universe and arranging them in ascending order. The ordered volatility range has subsequently been divided into ten segments, each representing 10% of the range. The funds have been placed into the relevant segment, depending on where their volatility numbers fall. The fund risk number will not be shown for funds with less than five years of performance history.

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.

OBSR Ratings

Ratings awarded are AAA, AA or A. There are several key factors which lead to the final OBSR Rating determination. These are:

- Strength of investment process and length of time it has been in place.
- Continuity of investment personnel.
- Investment style that has proven durable over time.
- Clearly defined investment objectives.
- Strong and consistent past performance record.
- Favourable risk adjusted returns.

The OBSR Ratings are more focused towards qualitative appraisals.

OBSR Ratings – multi-manager funds

Ratings are awarded to MultiManager funds ('Funds of Funds' and 'Manager of Manager' funds only). The ratings are reviewed quarterly and are based on quantitative and qualitative analysis. Ratings awarded are AAA, AA or A. Skandia currently only has permission to show Skandia Investment Management OBSR ratings. These can be found in the OBSR column, marked with a '+' symbol.

Financial Express Crown Ratings*

The Financial Express Crown Ratings are designed to highlight funds that have had superior consistent performance in relation to risk, relative to their peer groups. Peer groups are deemed to be the sectors as defined by the IMA and ABI.

- 3👑 Awarded to the top 20% of funds (in terms of overall score) within each sector.
- 2👑 Awarded to the next 30%.
- 1👑 Awarded to the bottom 50%, all rated funds get a crown rating.

*It may not be possible to provide Crown Ratings for funds within certain sectors. This is because either the sector contains varied types of funds, which does not allow for a meaningful comparison, or because the sector does not have sufficient members to allow calculation of Crown Ratings.

Citywire Ratings

Citywire considers all managers who run actively managed retail funds, assigning ratings to managers who achieve or exceed demanding performance thresholds based on their 36-month risk records. Of the hundreds of active fund managers only 20% receive a rating.

- AAA fund managers in the top 5%
- AA fund managers in the top 6%-13%
- A fund managers in the top 14%-20%

Sector averages

Sector averages denote the average performance of all funds within that particular sector. Sector classifications are governed by the Association of British Insurers (ABI) for Life and Pension funds and by the Investment Management Association (IMA) for MultiISA, MultiPEP and MultiFUND investments. The two bodies do not provide the same sectors. Our Royal Skandia fund range uses the sectors defined by Financial Express.

A new sector will only display sector averages after three months of performance data has been collated.