

Countrywide Assured GILT FUND (S&P Series)

Factsheet data as of 30 September 2016

INVESTMENT OBJECTIVE

To provide actively managed investment in UK gilt-edged and fixed-interest securities. The Fund seeks to achieve excess return through duration as well as sector and security selection.

FUND REVIEW

For most of the third quarter, financial markets were stable and uneventful, with risk assets performing well and US Treasuries selling off. Although the quarter began with uncertainty surrounding Brexit, the market impact of the UK's vote to exit the European Union was fairly muted. Negative and low-yielding global bonds continued to drive investors into the US credit market, leading to tighter credit spreads, despite heavy investment grade corporate bond supply in August and September.

The fund outperformed its benchmark over the quarter. Our overweight to investment grade credit benefited returns as risk assets outperformed over the quarter, with sterling spreads (Bloomberg Barclays Global Aggregate Corporate Index - U.K. Pounds Sterling) 43 basis points tighter. We started the quarter long duration via 10-year UK and 30-year US Treasury inflation-protected securities. We brought headline duration down in the quarter. We switched our long UK duration to a flattener position against the 20-year part of the yield curve. Although we remain constructive on duration, in the short term yields may head slightly higher on the back of better global economic data, increased inflation expectations and disappointment from the Bank of Japan and European Central Bank. Moreover, Brexit has not been a knockout blow for UK economic activity so far and the global reaction has been relatively muted. In periphery, we held onto our long 10-year Italy vs. Germany, which contributed positively as spreads tightened.

FUND OUTLOOK

Global growth is stabilising at sub-trend levels, and meaningful signs of inflation are few. Sub-trend recovery remains our base case, and we expect global GDP and inflation to grow in the range of 0%-3.5% and 0%-2%, respectively.

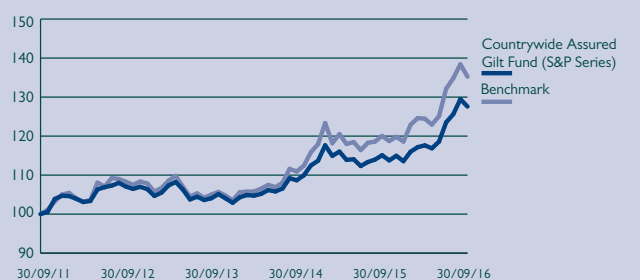
FUND STATISTICS

| | |
|----------------------------|-----------|
| Fund manager(s) | David Tan |
| Fund launch date | 12/76 |
| Fund size (as at 30/09/16) | GBP 12.4m |

PORTFOLIO BREAKDOWN

| | |
|----------------------|------|
| As at 30/09/16 | |
| Duration to maturity | % |
| 0-1 years | 3.1 |
| 1-3 years | 12.6 |
| 3-5 Years | 14.0 |
| 5-7 Years | 11.0 |
| 7-10 Years | 11.3 |
| 10+ Years | 48.0 |

CUMULATIVE PERFORMANCE (as at 30/09/16)

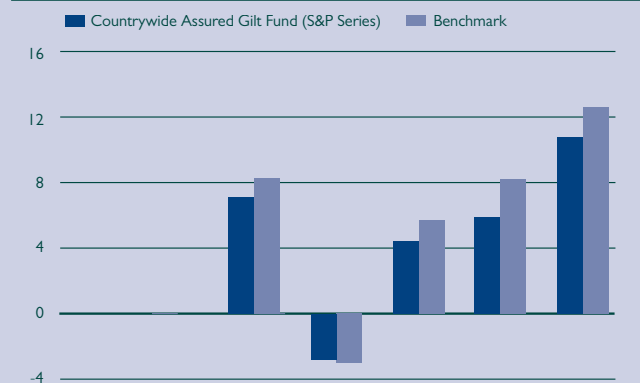


| | 3M | 1 Y | 3 Y | 5 Y | 10 Y |
|--|-----|------|------|------|------|
| Countrywide Assured Gilt Fund (S&P Series) | 3.3 | 10.8 | 22.6 | 27.6 | 59.4 |
| Benchmark | 2.3 | 12.6 | 28.8 | 35.2 | 86.8 |

BENCHMARK

FTA Government All Stocks (gross) Index

ROLLING 12 MONTH PERFORMANCE (as at 30/09/16)



| | 2012/2011 | 2013/2012 | 2014/2013 | 2015/2014 | 2016/2015 |
|--|-----------|-----------|-----------|-----------|-----------|
| Countrywide Assured Gilt Fund (S&P Series) | 7.1 | -2.8 | 4.4 | 5.9 | 10.8 |
| Benchmark | 8.3 | -3.0 | 5.7 | 8.2 | 12.6 |

Returns calculated on an offer to offer, net income reinvested basis.

Source: J.P. Morgan.



Countrywide Assured

For up to date information and performance data please contact our Customer Services Team on 0345 3000144. Telephone lines are recorded to ensure compliance with our legal and regulatory obligations and internal policies. The price of the fund is also published on the Countrywide Assured website each day.

You should remember that past performance is not a guide to the future. The price of investments and the income from them may go down as well as up and you may not get back the full amount invested. Investment in emerging markets may involve a higher element of risk due to political and economic instability and underdeveloped markets and systems. Investments in smaller companies may involve a higher degree of risk as markets are usually more sensitive to price movements. Exchange rate changes may cause the value of underlying overseas investments to go down or up. The value of property assets is a matter of valuer's opinion, not fact. These assets may be more difficult to realise and may not be realisable at all. The level of tax benefits and liabilities will depend on individual circumstances and may change in the future.

Countrywide Assured plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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