

# Pre-Retirement Inflation Linked Fund

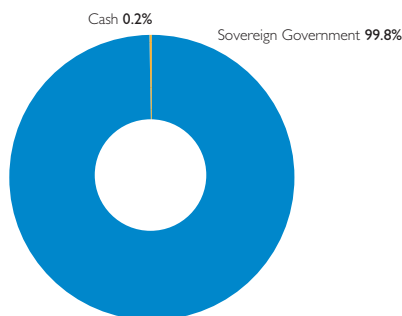


## Fund description

This fund invests in UK government bonds (Gilts) where the interest payable on the bond is linked to the rate of inflation.

This fund currently invests in the State Street Global Advisors Limited As Of Priced Index Linked Gilt Over 5 Year Index sub-fund.

## Underlying fund breakdown



The asset mix is likely to vary in future.

Maturity Distribution	Fund %	Benchmark %
1 0-5 Years	0.2	0.0
2 5-7 Years	13.3	13.4
3 7-10 Years	6.8	6.8
4 10-20 Years	34.8	34.8
5 20+ Years	45.1	45.1
6 Other	0.0	0.0

Source: State Street Global Advisors Limited  
All figures are as at 31 December 2009, unless otherwise stated.

## Performance

As this fund, and the underlying fund in which it currently invests, were only launched on 1 December 2009 performance figures for the Quarter to 31 December 2009 have not been included.

Past performance of the fund over each of the last 5 years to the end of December:

Percentage change	31/12/08 – 31/12/09	31/12/07 – 31/12/08	31/12/06 – 31/12/07	31/12/05 – 31/12/06	31/12/04 – 31/12/05
Pre-Retirement Inflation Linked Fund	–	–	–	–	–
Benchmark	5.6	3.3	8.6	2.7	9.6

## Key facts

Underlying fund size	£2,694 (this reflects the fact that this is a new fund by State Street Global Advisors Limited)
Underlying fund launch date	01/12/2009
Portfolio Manager	State Street Global Advisors Limited – Team Approach
Benchmark	Mirrors the benchmark of the underlying fund (currently the FTSE Actuaries British Government Over 5 Years Index Linked Gilts Index)
Investment Approach	Passive
Performance Objective	To track the performance of the benchmark

## Commentary

The gilts market as a whole slipped back in the fourth quarter as yields rose across the whole of the yield curve. Two year- and ten-year yields were both up by over 40 basis points leading all-maturity gilt indices down by more than 2%. Longer-maturity indices fell by even more. One key reason for the market's decline is the expectation that gilt issuance will be extensive for some time to come. October saw the issue of a new 50-year bond, the 4% gilt maturing in January 2060 with an initial issue amount of £7 billion. Index-linked gilts performed well during the quarter as a whole as real yields fell to new lows.

As expected, the Bank of England held rates unchanged throughout the quarter and current expectations are that the Monetary Policy Committee will be content to wait for some time before beginning a reversal of policy.

Past performance of the fund to 31 December 2009.

\*annualised

Percentage change	Quarter	1 Year*	3 Years*	5 Years*
Pre-Retirement Inflation Linked Fund	–	–	–	–
Benchmark	1.5	5.6	5.8	5.9

The Pre-Retirement Inflation Linked Fund was created specifically for members of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) in December 2009. We have shown the performance of the benchmark to provide an indication of how the fund may have performed in the past.

Source: Prudential and State Street Global Advisors Limited.

Based on percentage change in unit price and gross of charges. It is important to remember that past performance is not a reliable indicator of future performance. The value of your investment may go down as well as up and the fund value at retirement may be less than the payments you have made.

# Pre-Retirement Inflation Linked Fund

---

## Prudential risk rating

---

### Lower

#### What type of funds are in this risk category?

These funds may invest in fixed interest securities including gilts, index-linked and an element of corporate bonds. These types of investment are generally recognised as lower risk.

---

## What is the risk rating?

---

- Risk ratings have been developed by Prudential to help provide an indication of the potential level of risk and reward that is attributable to a fund based on the type of assets which may be held within the fund. Other companies may use different descriptions and as such these risk ratings should not be considered as generic across the fund management industry.
- Prudential will keep the risk ratings under regular review and as such they may be subject to change in the future. We therefore recommend that before making any fund choice in the future you understand the appropriate risk rating before making a decision.
- You should also consider discussing your decision and the appropriateness of this risk rating with an adviser

---

## Important information

---

#### Who manages the funds?

Prudential delegates the investment management of the funds for the Kingfisher Pension Scheme Money Purchase Section (KPS-MP) to a range of underlying fund managers.

This fund is currently managed by State Street Global Advisors Limited.

Please note that the Trustee has the flexibility to change the underlying fund manager(s) at any time.

#### How are the fund prices calculated?

The fund has a single price based on the valuation of the underlying assets and the cashflows into and out of the fund. This valuation price will be the published price.

#### What is the dealing cycle?

The fund is forward priced, which means that the member gets the next available price after they invest.

The fund has a dealing cycle of T+0. This means that the money received on day T buys units at the valuation date price applicable at close of business on the same day.

#### Who is this factsheet for and what does it do?

This factsheet is for the members of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP).

Its purpose is to indicate how investment markets and funds have performed over the period and is provided for information only. If you are not familiar with any of the investment terminology included on this factsheet, please contact an Independent Financial Adviser.

#### Can I get advice?

This factsheet should not be considered as a financial promotion and any changes to investment arrangements should be discussed with an Independent Financial Adviser. If you do not have an Independent Financial Adviser you can find a local adviser at [www.unbiased.co.uk](http://www.unbiased.co.uk). It is not our intention to give an indication of how any particular funds will perform in the future.

The commentary in this factsheet reflects the general views of the individual fund manager and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

#### How are the performance figures calculated?

Performance is measured on the fluctuation of the daily unit price. The performance shown overleaf is based on the daily published price on the dates shown.

For the purposes of comparison with the benchmark we have used unit prices with the closest valuation point to that of the benchmark, taking into consideration the relevant dealing cycle.

To obtain unit price and performance information for all available funds, simply log on to [www.kingfisherpensions.com](http://www.kingfisherpensions.com)

**Issued by the Trustees of the Kingfisher Pension Scheme Money Purchase Section (KPS-MP).  
The information contained within this factsheet and the risk ratings are provided by Prudential.**