

Countrywide Assured DISTRIBUTION BOND FUND (S&P Series)

Factsheet data as of 30 September 2017

INVESTMENT OBJECTIVE

To invest in equities and bonds to achieve high and increasing income with the prospect of capital growth.

FUND REVIEW

Brexit uncertainty continues to present challenges for the UK economy. Despite this, UK equities ended the quarter higher with the FTSE All-Share up 2.1% in the quarter. Positive contributors to relative returns in the equity portfolio included stock selection in household goods & home construction and an overweight position in industrial metals & mining. Detractors included an underweight position in oil & gas producers and stock selection in travel & leisure. An underweight in Reckitt Benckiser was positive for performance as the company lowered guidance for 2017 due to cyber-attacks, poor product launches and on-going difficult conditions in the consumer health market. An overweight position in the integrated steel and mining company Evraz was also positive as the company doubled its profit during the first half of 2017 due to high coking coal and steel prices. An overweight position in leisure travel company Carnival was negative as its revenue was negatively impacted by the Caribbean hurricanes and Mexican earthquakes. An overweight position in Qinetiq, the defense and security company was also negative as the company said visibility on orders had declined following the general election.

After a strong rally early in the quarter, government bonds sold off in September as central banks started talking up the prospect of monetary tightening despite inflation that for the most part has remained surprisingly low. This left government bonds broadly flat over the quarter whilst risk-on sentiment, that pushed equities higher also saw credit spreads tighten. Whilst the portfolio maintained a neutral duration position, we continued to prefer investment grade credit to government bonds which allowed the portfolio to outperformed the benchmark by 0.2% of the quarter. We continue to see global growth running at a healthy pace, although it is likely to moderate to around trend levels over the course of 2018 and with inflation remaining subdued credit should continue to be well supported.

FUND OUTLOOK

Sterling's weakness has been a key support for the UK market as it not only makes exports more competitive for UK companies, but the value of any overseas earnings is enhanced. Currency weakness has also boosted merger activity as corporate buyers look to buy world class UK-listed companies at a discount.

FUND STATISTICS

Fund launch date	11/97
Fund size (as at 30/09/17)	GBP 3.9m

PORTFOLIO BREAKDOWN

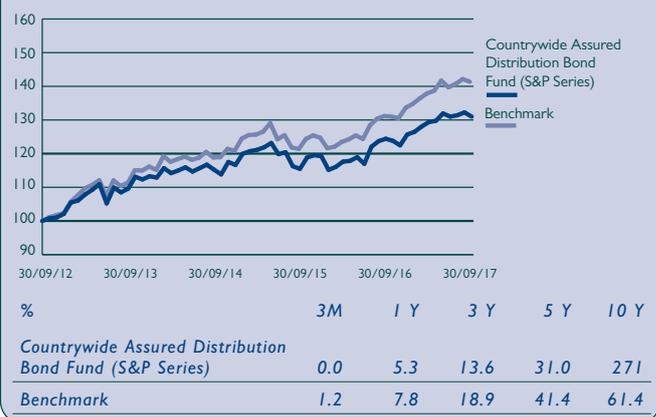
As at 30/09/17	%
JPM UK Equity & Bond Income Fund	80.3
Property Fund	14.8
Deposit Fund	4.9

BENCHMARK

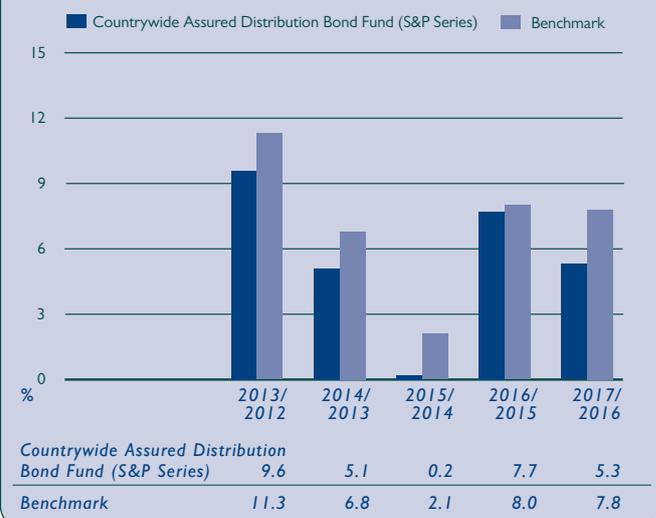
Customised Index

80% JPM UK Equity & Bond Income Fund, 15% Countrywide Assured Property Fund (S&P Series) and 5% JPM Sterling Liquidity Fund.

CUMULATIVE PERFORMANCE (as at 30/09/17)



ROLLING 12 MONTH PERFORMANCE (as at 30/09/17)



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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