



T.BAILEY

Defensive Cautious Managed Fund October 2011

Information in this factsheet is at the last valuation point of the month of issue (except where indicated).
Please ensure you read the important information / risk warnings section overleaf.

Investment Aims & Policy

The aim of the fund is to outperform the Investment Management Association (IMA) Cautious Managed sector mean on a total return basis over the medium-to-long term.

The fund invests in a range of asset classes, predominately via underlying Regulated Collective Investment Schemes. In other words it is a fund of funds.

Fund Manager Commentary

Global equities mounted a swift rally in October. The FTSE All-World Index returned 6.9% for the month although it remains down 11.0% from the peak reached earlier this year in July.

Market attention continued to be focused on the economic situation in Europe. With expectations having reached such a low ebb over the summer any progress, or even just political recognition of the severity of the situation, was seen as sufficient for markets to react positively. Indeed, news of yet another European rescue package was one such catalyst, despite its lack of practical detail. We continue to avoid continental European equities within the portfolio and favour the longer-term prospects for the Asia Pacific and Emerging Markets regions where we maintain meaningful allocations.

In the fixed interest area of the portfolio we remain wary of sovereign debt which doesn't seem to us to be the safe asset it once was, rewarding investors with yields at extremely low levels in comparison to history. We therefore continue to allocate to higher yielding bond funds and strategic bond funds where we consider more value to reside in this asset class.

Elliot Farley

Fund Size

£14.9m

Fund Prices (pence)

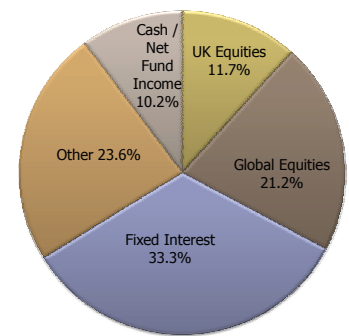
	Latest Price		Launch Price
Retail Unit Class	100.93	XD	100.00
Institutional Unit Class	101.85	XD	100.00

Prices shown are for income unit classes.
Prices are published daily on the website www.tbailey.co.uk

Top 10 Holdings

Fund	%
Thames River Global Bond	6.7
Fidelity Strategic Bond	6.5
M&G Optimal Income	5.3
iShares GBP Index-Linked Gilts	5.3
Henderson Strategic Bond	5.0
Standard Life GARS	4.7
CF Walker Crips Equity Income	4.6
Veritas Global Equity Income	4.5
BlackRock UK Equity Income	4.5
Smith & Williamson Enterprise	4.5
Total	51.6

Asset Allocation



Cumulative Performance to last valuation point in October 2011

	1 month	3 months	6 months	1 year	From Launch
Retail Inc	3.69%	(1.66%)	(2.19%)	0.20%	3.53%
Institutional Inc	3.75%	(1.51%)	(1.91%)	0.85%	4.41%
IMA Cautious Managed Sector Mean	3.58%	(2.15%)	(2.83%)	0.89%	6.08%

Discrete Performance: 12 months ended last valuation point in September

	2007	2008	2009	2010	2011
Retail Inc	*	*	*	*	(2.98%)
Institutional Inc	*	*	*	*	(2.34%)
IMA Cautious Managed Sector Mean	4.70%	(11.35%)	7.56%	7.41%	(1.59%)

*Fund performance data does not exist for these periods

Total Return, Bid to Bid (i.e. after all charges with exception of initial charges), Tax UK Net. Source: T. Bailey Asset Management Limited/ Financial Express Analytics. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

Performance Since Launch (20 July 2010)



— T. Bailey Defensive Cautious Managed Fund - Retail Income: 3.53%
— IMA Cautious Managed Sector Mean: 6.08%

Source: Financial Express.

For full details including the investment aims and policy, please refer to the Simplified Prospectus of the T. Bailey Funds.



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Fund Manager:
Elliot Farley



Elliot Farley is a Warwick University mathematics graduate with over a decade of experience in the fund management industry.

He has worked with the T. Bailey funds since 2000 having previously been an ACA with Deloitte and is currently Fund Manager.

Contact Details

Contact us to place a deal or to request literature.

To place a deal call: **0115 988 8213**

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Minimum Investment Levels

	All unit classes
Initial lump sum	£1,000
Subsequent	£500
Regular Saver scheme	✓

Key Facts

IMA Sector	Cautious Managed
Launch Date	20 July 2010
Units	Income, Accumulation
Distribution Frequency	Quarterly
Net Yield*	2.20%
Benchmark	IMA Cautious Managed Sector Mean

* Previous 12 months' declared distributions as a percentage of current price (retail income class).

Fund Codes

Fund Codes	Retail Inc	Retail Acc	Inst Inc	Inst Acc
SEDOL	B63LRD3	B66BCS0	B623V50	B5P52B9
ISIN	GB00B63LRD33	GB00B66BCS08	GB00B623V505	GB00B5P52B91
FT MEXID	QESIVE	QENAGE	QEBDCM	QELEYD

Fund Charges

For full details on fund charges, including total expense ratios, see the simplified prospectus.

	Retail	Institutional
Initial Charge	Up to 5.0%	Nil
Annual Management Charge	1.50%	0.75%
Exit Charge	Nil	Nil

All classes can be held as a Unit Trust investment or within a stocks and shares ISA wrapper.

Important Information/Risk Warnings

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Past performance is not a reliable indicator of future results. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. All sources TBAM unless otherwise stated.

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Awards

