WEALTH PERSPECTIVES

Issue 1 | November 2012

Passing it on

steps you can take to ensure your money goes to your loved ones!

THE PRICE OF ADVICE

Price is what you pay. Value is what you get!

(Warren Buffett)

TIME WAITS FOR NO WOMAN

how you can ensure you beat the price rise.

TAYLOR BURKE

CAERUS Capital Group

Colin Burke

Sandra Taylor

WELCOME TO THE FIRST EDITION OF WEALTH PERSPECTIVES

Welcome to our new magazine, Wealth Perspectives. In the following pages, Industry experts from leading Pension, Investment and Financial Services companies share their views on the issues that affect your finances.

Christopher Aldous, from **Evercore Pan-Asset,** highlights the key events that have shaped markets over the last six months, and tells us what to watch out for as we move towards 2013.

The New Year is set to see a number of changes in regulations governing financial advice. Whilst these normally slip by relatively unnoticed by consumers, the impact of the latest raft of changes will be less escapable. **Keith Carby, Chairman and CEO** of **CAERUS Capital Group** discusses these changes and the impact they will have on the way you pay for your financial advice in the future.

Also in this issue, **Dale Wadsworth** from **Pointon York**, talks to us about some of the new ways you can save for your retirement with a Self-Invested Personal Pension. **AEGON's Colin Bell** highlights the developments in products that offer the potential to benefit from stock market growth, but with the reassurance of underlying capital or income guarantees.

Of course, accumulating a Pension or Investment Portfolio is only half of the story – it often takes time and effort, along with commitment to regular savings over a long period, to achieve your financial goals. Once you have achieved these, the last thing you want is for the tax man to take a large slice of your money. We ask **Skandia's Phil Carroll** what steps you can take to ensure your money goes to your loved ones or chosen causes, and not to the taxman.

Finally, **Legal & General's Stuart Welch** tells us why he is expecting to see an increase in policyholders reviewing their life assurance before the end of the year, and why, in the long run, it might save you money to do the same.

If you wish to discuss your finances or any of the issues raised in this edition of WEALTH PERSPECTIVES please feel free to give us a call.

Best wishes

Colin Burke

Sandra Taylor

Partners: Colin Burke & Sandra Taylor
Taylor Burke Partnership

In this issue:

THE SENTIMENT

The Sentiment provides an outlook on the different asset classes.

SARASIN & PARTNERS

CAERUS has asked Sarasin & Partners LLP, the London-based Specialist Investment Management firm, to provide a view on how they see each performing over the coming 12 months.

Please note, this information is for indicative purposes only and that forecasts are not a reliable indicator of future results.

THE PRICE OF *advice*

Keith Carby, Chairman and CEO of CAERUS Capital Group explains how imminent changes in legislation will impact the way financial advice is paid for.

When paying for anything in life, we are entitled to know, in advance, how much it will cost and also the way in which we will be charged. And we should also expect to be given, 'the truth, the whole truth and nothing but the truth'.

With a view to promoting greater Consumer awareness and benefit, the Financial Services Authority (FSA), the regulator for Financial Services, is introducing a new regime (called the Retail Distribution Review, or RDR) which includes new rules governing the costs of Advice (what the Adviser gets paid for analysing the Client's needs, wants and circumstances prior to recommending solutions in line with that analysis). All Regulated Financial Advisers will be required to follow these rules.

In the past, the cost of Advice has usually been wrapped up in the cost of any solution or "Product" (e.g. a Pension) resulting from the Advice. The Company providing the Product would include the costs of Advice in the price of its Product and would pass that "Commission" on to the Adviser once the Consumer had paid the overall asking price. This is common practice in Industries where Intermediaries "broker" the Products of a range of "Providers".

The FSA believed that Consumers of Financial Services were not sufficiently aware of the price they were paying for Advice and also that, in some cases, the Advice was influenced improperly as a result of payment being in the hands of Providers. RDR requires, therefore, that the cost of Advice becomes a matter that must be dealt with exclusively between Client and Adviser and that it must be agreed before the transaction. The Client then pays this fee or "Adviser Charge" (plus VAT) to the Adviser or to his/her host organisation.

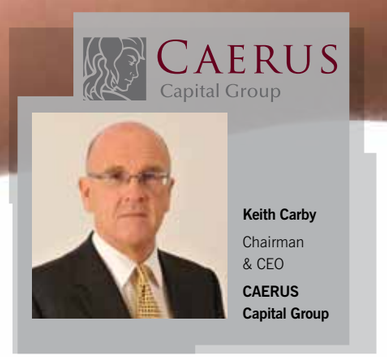
The Client will have an alternative to making a personal payment. He or she can agree the cost of Advice with the Adviser but then ask that the Provider of the Product involved should make the relevant payment to the Adviser. This alternative is not the same as the old Commission system, as the Consumer acts out of choice and in full knowledge of the amounts involved.

So, whilst there may be headlines saying, "Consumers now to pay for Advice", the truth is they have always paid for this crucial service. The difference is that, going forward, everyone can be sure that all Consumers know exactly how much they have paid and what it was for.

We in CAERUS are totally in favour of securing these benefits for Consumers and see them as a key to making the ultimate assessment of any transaction, namely, does it represent good value for money? Mr Buffett didn't get rich by accident!

"Price is what you pay. Value is what you get"

Warren Buffett



Keith Carby
Chairman & CEO
CAERUS Capital Group

Christopher Aldous from ***Evercore Pan-Asset***

KEY EVENTS IN GLOBAL *Markets*

FROM THE LAST SIX MONTHS

The last six months have been full of drama. In the Euro area, markets have alternated between pessimism and optimism. There has been plenty to be gloomy about.

Greece needs a third package of extra loans. The economy there continues to plunge downwards, and the electorate remain very unhappy with the Coalition government they have elected.

Spain is also experiencing declines in her economy. The government has been hovering on the edge of requesting a further bailout from the European Central Bank and bailout fund, as a means of unlocking buying support for its debt in the public markets.

France elected a new President who promised a growth oriented strategy. He now finds it essential to raise taxes and cut public spending to try to get the budget deficit down.

From time to time, promises of substantial financial support from the putative new European bailout fund and the European Central Bank reassure markets and trigger strong rallies in riskier assets. The pledge that the European Central Bank would do whatever it takes to see the Euro through, coupled with the possibility of direct buying of bonds of weaker countries to try to get their interest rates down, gave the Euro area a better run in markets in the closing weeks of the third quarter of 2012.

The USA has been a better and more consistent performer. As we expected, the US has been the best of the west. Investors have come to appreciate the strength of US technology, with high profile product successes from Apple and others, and highly priced new issues like Facebook reminding all of the power of the story. Investors like the cheaper energy the US is delivering, as it turns to its large reserves of shale gas. Share prices are not now cheap, but earnings have grown well over the last year. There is also some attraction to the relatively safer haven of US assets at a time of risk elsewhere.

China has had a disappointing stock market performance over the last year. The country is in a double transition. It is slowly changing from a policy geared to curbing inflation by restraining credit and growth, to a more expansionary policy. So far, investors have concentrated on the slowdown. Although this has been successful in bringing the inflation rate under control, it is also undergoing one of its ten year changes of political leadership. This has not gone as smoothly as usual, though now the main positions seem to be filled and progress is being made with the switch.

India performed very badly last year, with a large devaluation adding to losses for any foreign investor who maintained their positions. More recently the Indian stock market has started to improve, with some sign of stabilisation of the currency to help. India still has a serious inflation problem. It has also found it difficult to push through some of the economic reforms which many in markets want to see, like liberalising the full retail sector and opening it to foreign capital and management. In the last few weeks there are signs that the leadership have more appetite for reform and we will watch developments carefully.

In **Latin America**, markets recently have preferred Mexico to Brazil. Mexico has more exposure to the US market, whilst Brazil is more exposed to commodities which have suffered from weaker growth and demand prospects worldwide.

The future should see recovery in China as the authorities move more fully into expansion mode. They can cut interest rates, inject more liquidity, promote more bank credit and spend more in the state sector. The USA faces a "fiscal cliff", with a new or re-elected President having to do more to curb the deficit. In our experience these dramatic US deficit events usually end up in compromise and some delay in a full solution. Meanwhile US banks are in better shape than European ones, and there are some signs that the US can carry on growing moderately. Euroland remains a worry, as we fear there is more bad news to come out. We recommend caution until there is clear evidence of how and when the big underlying problems of the currency can be solved.

The UK has some of the advantages of the USA, laced with some of the gloom of Euroland which remains an important influence on it. The UK market is not expensive and does contain many global and resource oriented shares, which will benefit if and when Asian reflation speeds up.

Evercore Pan-Asset

Christopher Aldous
Chief Executive
Evercore Pan-Asset

Property has generally performed well and we remain positive on the sector. The US recovery is well advanced, and progress is now being made in Asia and the UK amongst the better locations and higher end properties.

A SLEEP-EASY *retirement?*

Guaranteed lifetime income with control of your capital

Colin Bell from AEGON tells us about the developments in products that offer the potential to benefit from stock market growth but have the reassurance of an underlying capital or income guarantee.

So, you're starting to wind down into retirement? A chance to enjoy the fruits of your labours – to do the things you always promised yourself and to take life easier. Or at least that's the theory.

Undoubtedly, you've worked hard to get to this point. You've saved money for your retirement despite other financial commitments, difficult investment markets and low deposit rates. Perhaps you've been lucky and also benefitted from an inheritance to boost your nest egg.

But now begins the tricky business of managing and living off these savings, especially if like most people you're hoping to stop working altogether. In general, as a population, we're living longer. That's great news, especially if you've dependable and flexible future income. However, many of us over-estimate how long our retirement savings might last and it's important to ensure that your savings don't run out before you die.

WHAT CHOICES DO YOU HAVE?

Annuities

Annuities from insurance companies provide guaranteed income for life in exchange for your retirement pot. On the plus side, you get certainty of income. On the downside, they're typically inflexible – you hand over your savings and there may be no or limited opportunities to pass on what's left when you die. You've worked hard to build your savings pot, so it seems unfair that this is effectively lost if you die early. Annuity rates have been heading downwards for many years, meaning less income for a given purchase price. Impending European legislation is likely to worsen rates still further, particularly for men.

Invest in stocks and shares

Alternatively, you could invest in the stock market. However, returns are unpredictable and we've suffered two market crashes since 2000. While positive returns may help your retirement savings to last longer, a significant market fall (or a prolonged downturn) could materially affect your quality of life in retirement. When you're no longer earning, you don't have the capacity to absorb market falls in the same way as when you're still working and saving. Taking an income from your stock market investments can just compound the effect of poor investment returns, depleting your fund and limiting the degree to which it can benefit from any stock market recovery. For most retirees, this is just too much risk.

You don't need that kind of worry in your retirement years. While a diversified approach to stock market investments, with a higher proportion invested in safer, less volatile stocks, can help reduce risk, it won't eliminate it.

Deposit accounts

Going to the other extreme can be damaging too. Many people choose to invest their entire retirement savings in bank and building society deposits, thinking that they can sleep easy in the knowledge that their money is safe. Traditionally, some retirees have simply lived off the interest earned on these savings. But, as interest rates have been low for many years, many have been forced to eat into their capital as the interest they are earning is no longer enough to live off. Leaving your money sitting on deposit also leaves you exposed to the effects of inflation – the silent killer of savings. Inflation has now been sitting above the Government's long-term target since 2009 meaning the real value of your savings being eroded in the long term.

Unit-linked guarantees

Unit-linked guarantees are relatively new products in the UK and they may be the right solution for many people at, or nearing retirement. These combine investments in a diversified mix of equities and bonds – with the potential to benefit from stock market growth – with underlying capital or income guarantees. Importantly, they also let you access your cash if you need to. You pay an additional guarantee charge but many investors consider this money well spent for the additional peace of mind.

One of the most popular benefits is guaranteed lifetime income – this means you get a guaranteed minimum level of income from your investment for the rest of your life, regardless of investment performance and however long you live. There is also the potential to lock in a higher income each year, depending on fund performance, and this income will never go down, even if your fund value drops. Many people are now using unit-linked guarantees to create a secure income in retirement. With low interest rates and above target inflation, these offer a real alternative to investors who still do not want to brave the stock market without the peace of mind of a guarantee. So now may be a good time to discuss such opportunities with your Financial Adviser.

AEGON

Colin Bell
Product Director of Unit-Linked Guarantees
AEGON

If you wish to discuss your finances or any of the issues raised in this edition of WEALTH PERSPECTIVES call 0845 603 3288 or email info@taylorburke.co.uk

You will pay an additional charge to secure the guarantee for this investment and may receive less investment return than you would otherwise have done without the guarantee

TAKING CONTROL OF YOUR RETIREMENT?

Dale Wadsworth from Pointon York tells us about some of the new ways that you can save for your retirement with a SIPP.

SIPPs (Self Invested Personal Pensions) are a type of personal pension scheme which give you additional investment flexibility as well as offering an extensive range of options at retirement. SIPPs were first introduced in 1989 and were considered to be a specialist product for high net worth individuals. However, over recent years, growth in the SIPP market has been substantial with the introduction of newer, simpler and more cost effective products, therefore enabling you to take advantage of the additional investment and retirement options without the costs of a full SIPP.

The number and types of investments that you can invest in through SIPPs has grown significantly since 2006, when Pension Simplification was introduced, varying from individual shares and managed funds to commercial property and unquoted shares. You now also have access to esoteric investments including gold, forestry and bamboo, to name but a few.

One of the many changes in 2006 was to allow your SIPP to be able to purchase shares or property from you or your company, provided this is on a commercial basis. This has led to company directors using their pension fund to purchase the company premises. With the increasing number of investments available, you need to ensure that you are aware of the risks and terms of the investments before investing.

THE DIFFERENT TYPES OF SIPP

There are three main types of SIPPs in the market: Full; Deferred; and Simple.

The Full SIPP will allow you to invest in a wide range of complex and alternative investments, such as commercial property, that are not available through most other types of pension, whilst still offering the full range of retirement benefits.

The Deferred SIPP allows you to invest in insurance company funds, just like standard personal pensions, with the option to be able to invest the remainder in other types of investments in the future.

The most recent addition to the SIPP range has been the Simple or eSIPP. This is a fast growing market with a number of new providers and products. These are generally low cost, e-commerce products; you apply and manage your investments online, thus keeping costs to a minimum.

The investment choice is from a range of collectives. This is a cost-effective alternative to personal pensions as a number of these SIPPs are priced on a flat fee basis. For larger fund values you can, therefore, have the additional benefits for less than the cost of a personal pension. You may also have the option to upgrade to a full SIPP without the need to transfer, enabling you to have a pension which caters for all you current and future needs.

CONTRIBUTIONS AND TAX RELIEF

Your Financial Adviser will be able to help you calculate how much you need to contribute in order to save enough for the retirement income that you want. HM Revenue & Customs (HMRC) sets limits to the amount of tax relief you can receive on your pension contributions. For the 2012/13 tax year the Annual Allowance is £50,000 or 100% of your relevant earnings, whichever is lower. This means that you will receive tax relief on up to £50,000 of contributions across all of your pension schemes. This includes contributions by those other than yourself. You are now able to use 'carry forward' to take advantage of any allowance not used up in the last three years, as long as you were a member of a pension scheme during the year for which you wish to utilise the unused relief.

There are various ways to pay money into a SIPP, including cheque, BACS, CHAPS, direct debit and standing order. You can even contribute assets you already own in specie, or sacrifice part of your salary to build up your SIPP fund.

If you have pensions elsewhere, perhaps older uncompetitive plans, you can consolidate all or some of them in a SIPP. It is a good idea to take financial advice before making a decision to ensure that you choose the best option.

TAKING AN INCOME

When you retire you can use the accumulated fund in your SIPP and any other pensions to provide you with an income for the rest of your life. There are different ways that you can do this. Again, it's best to seek advice from an Adviser.

> **"Your Financial Adviser will be able to help you calculate how much you need to contribute"**

You can normally take up to 25% of the value of your pension pot as a cash lump sum which is tax free. It's up to you how you take the rest of your fund. You can buy a guaranteed retirement income known as an annuity from a UK insurance company. You will be told at outset how much retirement income you can buy with your pension savings, and this amount is guaranteed for life with no additional ongoing charges.

Alternatively you can take income drawdown direct from a SIPP, providing you with a retirement income while keeping the remainder of your pension invested. Your pension is reviewed every 3 years up until 75 and annually thereafter, and as it is based on the fund value at the time and has the potential to increase or decrease in value, so your income is not guaranteed. You can also draw these benefits gradually through phased retirement, where you leave some of the fund unvested. If you die before you reach 75 any portion of your fund that you have not taken benefits from are paid out tax free. Funds from which you have taken benefits are subject to a 55% tax charge.

If you have a guaranteed income from pension sources of greater than £20,000 per annum you can now take advantage of what is called Flexible Drawdown. This is similar to income drawdown, but has no limits on the amount you can withdraw.

Should you wish to know more about SIPPs then please contact your Financial Adviser who will be able to explain and help you understand how this type of product can benefit you.

POINTON YORK
HELPING CUSTOMERS SUCCEED

Dale Wadsworth
Business Development Manager
Pointon York

If you wish to discuss your finances or any of the issues raised in this edition of WEALTH PERSPECTIVES call 0845 603 3288 or email info@taylorburke.co.uk

Passing it on

skandia International

Phil Carroll
Financial Planning Manager
Skandia

Phil Carroll from Skandia explains what steps you can take to ensure your money goes to your loved ones and not to the taxman.

Inheritance tax is becoming an issue for an increasing number of people in the UK. Your estate consists of all your assets, including your home, investments and personal items as well as your share of any jointly owned items. According to the Halifax the average detached house price in almost half of the postcode districts in England and Wales is above the £325,000 nil rate band. This means it is not difficult to find yourself liable to Inheritance Tax (IHT).

The Government's announcement that after death any unused allowance can transfer to a spouse or civil partner (as defined by the Civil Partnership Act 2004) will reduce the problem a little. Previously, transfers between married couples and civil partners were IHT-free but this resulted in many couples using only one allowance. Now, when the second person dies, their IHT allowance as well as any remaining from their spouse or civil partner can be used. In this tax year that could equate to a maximum of £650,000.

Even with this increased allowance, however, it's not hard to get into IHT territory. For example, a married couple with an estate worth £750,000 would leave their beneficiaries an IHT bill of £40,000 if they both died before the end of this tax year. A single person with the same estate would leave an even larger bill of £160,000.

Thankfully there are a number of ways that you can reduce your liability and ensure that as much of your wealth as possible is passed on to your loved ones after your death.

GIVING IT AWAY

To begin with, you can give your wealth away to another individual. Providing you live for seven years from the date you made the gift, and you gave up any right to it, it will be outside your estate for IHT purposes. This type of gift is known as a potentially exempt transfer or PET.

> "The younger you are when you take out a plan, the cheaper the premiums will be"

Some gifts are immediately outside your estate. You can give as many people as you like up to £250 each in any tax year. If you want to give larger gifts, either to one person or several, the first £3,000 of these will be exempt.

You can also make a regular gift as long as it is out of your income and doesn't affect your standard of living. For example, if you don't spend all your salary or pension each month, you could redirect any funds that are left over to another person. The gift does need to be regular, it could be a birthday or Christmas present, perhaps, or a monthly payment.

A wedding can also be a good excuse for an IHT-exempt gift. A parent can give up to £5,000, a grandparent £2,500 and anyone else £1,000.

TRUSTS

If these gifts barely scratch the surface of your estate, then you might want to consider setting up a trust. These allow you to remove money from your estate but retain a degree of control over it. This could be useful if you wanted to give some money to, for example, your children or grandchildren, but feared they might not spend it wisely during their teenage years, or if you wanted to give away capital but still receive an income from it.

For money to be outside your estate for IHT purposes, you may need to live for seven years after putting it into trust, depending on the type of trust you use.

Tax charges can also come into play on the money placed in trust, but generally if this remains below the nil rate band you won't need to pay any tax. You should seek expert advice on this, however, as the rules on trusts are technical in nature and regularly change.

INVESTMENTS

If you don't want to give your money away, IHT-exempt investments may well be worth considering. These include commercial forestry and farms, but the most common are shares listed on the Alternative Investment Market (AIM). After two years, these are outside your estate for IHT purposes. It's a major benefit, but as these shares are more risky and illiquid than 'blue chips' it's prudent to take advice.

LIFE ASSURANCE

Life assurance can also play a part in your IHT planning. Rather than reduce the liability, a whole life plan will ensure there is cash available to help settle the bill.

By taking out a plan to cover your estate's potential IHT liability and writing it in a trust, the payout will be available quickly to meet any bills. More importantly, by putting it in trust it will be outside your estate so it won't be clobbered with a 40 per cent IHT charge. This is easy to do, but is overlooked by many policyholders, resulting in almost £700 million of extra IHT being paid this tax year, according to research from Skandia.

The younger you are when you take out a plan, the cheaper the premiums will be. But it is sensible to review the cover regularly, especially if your wealth increases significantly or the IHT rules change.

WILLS

As well as using these strategies to reduce the value of your estate it's also important that you have a will in place. This helps ensure that your wishes are followed, as without one your estate will be divided according to the intestacy rules, which could lead to all sorts of upset and disputes.

For example, in England and Wales, if you're married with children the first £250,000 of your estate (plus any personal possessions) would go to your spouse. The remainder would be split 50:50, half going to your children when they reached 18 and the other half used to generate an income for your spouse, passing to the children on your spouse's death. If you're not married, your estate will go to your blood relatives, even if you've been living with someone for several decades. This could be far from what you wish.

It is possible to buy a DIY will-writing kit, but these are only worth considering if your financial affairs are incredibly simple. If they're anything less than straightforward, then it's worth seeking professional advice when you draw up your will.

If you wish to discuss your finances or any of the issues raised in this edition of WEALTH PERSPECTIVES call 0845 603 3288 or email info@taylorburke.co.uk

TIME WAITS FOR *no woman*

Legal & General look at why the cost of protection may be about to go up, and how you can ensure you beat the price rise.

When the changes to the EU Gender Directive come into force, from 21 December 2012, no insurance provider will be able to use gender to calculate premiums. Up to that date gender may be used.

Historically, women have paid less than men for life and critical illness cover but more for income protection. This pricing approach has been based on mortality and sickness statistics.

HM Treasury has suggested that it could cost around 15% more for your life cover if you wait to buy it after 20 December 2012.

As individual premiums can vary considerably, it could be higher than this figure. Why would you want to pay more?

BACKGROUND

On 1 March 2011, the European Court of Justice (ECJ) decided that the provision in the Gender Directive that currently allows insurance companies to use gender as a factor when calculating individuals' insurance premiums is invalid. This ruling takes effect from 21 December 2012.

You may have seen some press coverage about the changes. Here are a few of the basic terms explained.

> "Talk to your Financial Adviser today to discuss your options."

Gender-neutral means basic premiums are the same for men and women.

Gender-specific means that premiums are applied differently for men and women based on mortality and sickness statistics.

The ruling applies to new cover from 21 December 2012. It's important to note that if you cancel or change your existing policy and start a new policy after 20 December 2012, gender-neutral pricing will apply and you may end up paying more for your cover.

So, please talk to your Financial Adviser before cancelling any existing cover.

ARE MEN AFFECTED?

Yes. For men, in some cases, it could mean in increase of around 25% when taking out new income protection plans. If you're not already covered and have been thinking about it, now could be a good time to act before prices go up.

WOMEN – WHY TAKE OUT COVER?

Here are some tough questions for you to think about:

- What financial support do you have in place if you had to stop working due to critical illness, or if you may not be able to return to work?
- How would you cope if a partner or someone you depended on financially were to die suddenly or get a critical illness? How would they copy financially if it happened to you?
- Could your family continue in the lifestyle they're accustomed to without you and your income? Who would pay the household bills and daily living expenses?

MEN – WHY TAKE OUT COVER?

Here are some tough questions for you to think about:

- How would you maintain your lifestyle if you were unable to work due to incapacity caused by illness or injury resulting in a loss of income?
- If you were unable to work because of an illness or an injury could your partner financially support you both?
- Would your family be able to support themselves if an illness or injury stopped your ability to work and provide an income?

Having income protection in place can help make dealing with these potential concerns a lot easier. It can help protect you and your family against financial difficulty and help you maintain your current lifestyle.

NEED TO REVIEW YOUR COVER?

Talk to your Financial Adviser today to discuss your options. If you want to apply for cover before 21 December 2012 and qualify for gender-specific premiums, you need to have accepted an offer of cover and have a start date in place, before the 20 December 2012.

"We've been working on gender response solutions for over a year and have had the interests of Clients in mind at all times. Our new gender response team has a single objective – to ensure the completion process is effective. By coupling this with the use of Subject Access Reports to confirm medical evidence, we aim to give as many Clients as possible the cover they need by the deadline. We want Advisers and Clients to know exactly where they stand at midnight on 20 December 2012."

Stuart Welch Actuarial Director for Individual Protection **Legal & General**

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LEADING *Indicators*

United Kingdom Stock Markets	3 months	6 months	1 year
FTSE 100[1]	5.50%	3.03%	17.94%
FTSE 250[1]	9.42%	4.87%	24.50%
FTSE All Share[1]	6.07%	3.29%	18.79%

Source: Financial Express Analytics 1 October 2012

American Stock Markets	3 months	6 months	1 year
NASDAQ 100[1]	6.24%	0.57%	29.66%
S&P 500[1]	5.80%	2.89%	29.53%

Source: Financial Express Analytics 1 October 2012

European Stock Markets	3 months	6 months	1 year
CAC 40[1]	6.88%	-2.39%	12.28%
DAX[1]	14.19%	4.69%	33.16%
DJ Euro Stoxx[1]	13.38%	3.86%	18.26%

Source: Financial Express Analytics 1 October 2012

Other Stock Markets	3 months	6 months	1 year
Hang Seng[1]	7.20%	1.39%	18.46%
MSCI Emerging Markets[1]	6.05%	0.59%	16.83%
Nikkei[1]	-2.33%	-12.76%	1.11%

Source: Financial Express Analytics 1 October 2012

Gilts	3 months	6 months	1 year
FTSE British Government 10 – 15 years[1]	1.78%	7.23%	11.08%

Source: Financial Express Analytics 1 October 2012

Property	3 months	6 months	1 year
Halifax Property Index[1]	-1.14%	-2.16%	-0.69%
IPD UK All Property[1]	0.40%	0.73%	3.25%

Source: Financial Express Analytics 1 October 2012

Savings	3 months	6 months	1 year
ING Direct Savings Gross[1]	0.08%	0.21%	0.46%
Moneyfacts Instant Access[1,2]	0.16%	0.39%	0.82%
Moneyfacts 90 days notice[1,3]	0.22%	0.53%	1.16%

Source: Financial Express Analytics 1 October 2012

Inflation	
UK Consumer Price Index	2.50%
UK Retail Price Index	2.90%

Source: ONS 18 September 2012

Interest Rates	
Bank of England	0.50%

Source: Bank of England 1 October 2012

Notes

1 Gross return Bid-Bid, annualised (ending 1st October 2012)

2 Moneyfacts Average of instant access accounts, £10,000 invested, total return, gross.

3 Moneyfacts Average of 90 day notice accounts, £10,000 invested, total return, gross.

We are always delighted to hear from you, to contact us please phone or email:

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