

Aegon Merian Monthly Income Bond (AOR)

Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	15 Jul 2014
Benchmark	Composite Index
Fund charge*	0.65%
Aegon fund size	£0.29m
ABI sector	ABI Sterling Strategic Bond
Fund type	Pension
ISIN	GB00BNB7NJ04
SEDOL	BNB7NJ0
Aegon mnemonic	ZOR
CitiCode	KLXS

*This is on top of any product or adviser charge you pay and includes a fixed management fee plus expenses that vary with the day to day costs of running the fund. The fund charges may differ for Retiready (RR) or Aegon One Retirement (AOR).

About fund performance

Investors should always consider performance in relation to the objective of the fund and over periods of at least five years. If a fund has risen in value, it doesn't mean it is meeting its objective – especially if the fund is aiming to outperform a particular benchmark or meet a risk target. The same applies if the fund has fallen in value.

Our risk rating



Below-average risk

Below average risk funds will generally see some change in day-to-day value, both positive and negative, and these changes will typically be larger than those of a cash deposit. They may hold a broad range of investment types, including equities (shares), but a significant proportion may also be invested in investments that aim to provide a reliable source of income (like government and corporate bonds) and, with that, greater stability than would typically be available from equities. They try to provide better long-term growth prospects than a cash deposit, but are lower risk than funds investing largely in equities.

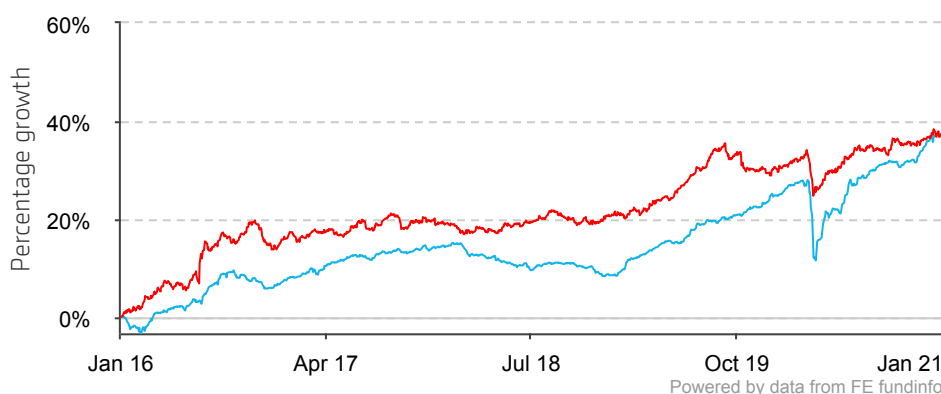
Fund objective

The fund aims to achieve income and capital growth by delivering a return, after charges, greater than that of the Target Benchmark over rolling 3-year periods. The Target Benchmark consists 50% of the ICE Bank of America Merrill Lynch 1-5Y BBB Sterling Corporate Index and 50% of the ICE Bank of America Merrill Lynch Sterling High Yield Index. The fund primarily invests (at least 70%) in a diversified portfolio of fixed, variable and zero rate debt securities, including corporate and government bonds. The Aegon fund has higher charges than the underlying Merian fund and will therefore be less likely to meet this target.

Fund performance

The following graph and tables show the performance of the fund over various time periods compared to the fund's benchmark (if there is one). All performance information is as at 31 Dec 2020 unless otherwise stated.

In the graph, performance is shown since launch if the fund is less than five years old.



■ Aegon Merian Monthly Income Bond (AOR)
■ Composite Index

	1yr	3yrs	5yrs	10yrs
Fund	10.3%	6.3%	6.6%	-
Benchmark	5.4%	4.7%	6.4%	-
Sector quartile	1	1	1	-

	Dec 19 to Dec 20	Dec 18 to Dec 19	Dec 17 to Dec 18	Dec 16 to Dec 17	Dec 15 to Dec 16
Fund	10.3%	14.9%	-5.3%	6.5%	7.7%
Benchmark	5.4%	7.3%	1.6%	2.6%	16.0%
Sector quartile	1	1	4	2	2

Composite Index: 50% JPM GBI Global Traded / 50% ICE BofA ML European Currency High Yield Hedge GBP

Source: FE fundinfo. The performance information has been calculated in pounds on a bid-to-bid basis and is net of charges with gross income reinvested. Performance for periods over a year is annualised (% per year). Past performance is not a guide to future performance. The value of an investment can fall as well as rise and is not guaranteed. Investors could get back less than they originally invested.

Aegon Merian Monthly Income Bond (AOR)

Underlying fund

Fund mgmt group	Merian Investment Management Limited
Fund name	Monthly Income Bond
Launch date	30 Sep 2004
Fund size	£29.50m as at 31 Dec 2020
Sedol code:	B1XG8W9
ISIN	GB00B1XG8W96
Crown rating	★★★★★

Fund manager information

Fund manager	Adam Darling
Start date	01 Jul 2020

Adam joined Jupiter's Fixed Income team in February 2015. He is fund manager of the Jupiter Global High Yield Short Duration Bond fund (SICAV) and co-fund manager, alongside Harry Richards, of the Jupiter Corporate Bond fund (Unit Trust). Adam also supports Ariel Bezael as a credit analyst for the Jupiter Strategic Bond fund (Unit Trust) and Jupiter Dynamic Bond fund (SICAV). Adam began his investment career in 2000. Prior to joining Jupiter, Adam worked at Barclays focusing on private equity investments in the natural resources sectors. He also previously held roles at Société Générale and Morgan Stanley, focusing on mergers and acquisitions and project financing. Adam has a degree in Modern History from Oxford University.

Fund manager	Harry Richards
Start date	01 Jul 2020

Harry joined Jupiter in 2011 from university and has been a member of the Fixed Income team since January 2013. He supports Ariel Bezael as a fund manager on the Jupiter Strategic Bond Fund (Unit Trust) and Jupiter Dynamic Bond fund (SICAV). He is also co-fund manager, alongside Adam Darling, of the Jupiter Corporate Bond Fund (Unit Trust). Harry has a degree in Chemistry from Oxford University and is a CFA® charterholder.

Sector breakdown as at 31 Dec 2020



Name	Weight
Corporate - High yield	53.1%
Corporate - Investment grade	40.1%
Corporate - not rated	4.4%
Other	1.0%
Cash	1.4%
Total	100.0%

Credit breakdown as at 31 Dec 2020

Name	Weight
A	8.2%
B	27.8%
BB	19.6%
BBB	32.0%
CCC	6.3%
Money Market	1.4%
Non-Rated	4.7%
Total	100.0%

Top holdings as at 31 Dec 2020

Holding	%
UNITE (USAF) II PLC 3.921% 30-JUN-2025	3.0%
AXA SA 5.453% PERP	2.3%
ABP FINANCE PLC 6.25% 14-DEC-2026	2.1%
ANGLIAN WATER SERVICES FINANCING PLC 2.625% 15-JUN-2027	2.1%
AT SECURITIES BV 5.25% PERP	2.0%
CLOSE BROTHERS GROUP PLC 4.25% 24-JAN-2027	2.0%
ENI SPA 2.625% PERP	1.9%
ENTERPRISE PRODUCTS OPERATING LLC 5.375% 15-FEB-2078	1.9%
ROLLS-ROYCE PLC 5.75% 15-OCT-2027	1.9%
VIRGIN MONEY UK PLC 4.0% 03-SEP-2027	1.9%
Total	21.1%

Total number of holdings: 93

Source of fund breakdown and holdings: Fund mgmt group

Aegon Merian Monthly Income Bond (AOR)

Risks specific to this fund

There is no guarantee the fund will meet its objective. The value of an investment can fall as well as rise and investors could get back less than they originally invested. All funds carry a level of risk and the information below outlines the key risks for this fund.

Currency risk - this fund invests overseas so its value will go up and down in line with changes in currency exchange rates. This could be good for the fund or bad, particularly if exchange rates are volatile.

Third party risk - in the event that the underlying investments which the fund invests in suspend trading, Aegon may defer trading and/or payment to investors. The value ultimately payable will depend on the amount Aegon receives or expects to receive from the underlying investments.

Credit risk - this fund invests in bonds or other types of debt. Bonds are essentially loans to companies, governments or local authorities so there's a risk that these companies or government bodies may default on the loan. Bonds are rated in terms of quality, usually from AAA down to B and below. AAA is the highest quality and therefore the least likely to default and B or lower the most likely to default. Where we have it we show the credit quality of the loans held by this fund.

Derivative risk - this fund will use derivatives in a number of ways to achieve its objectives. Holdings may add up to over 100% because derivatives offer a way to gain exposure to the returns of a specified equity or bond market without having to directly own it. These negative figures are not shown within the top holdings section. Derivatives allow a manager to buy or sell an investment at a specified future date for a specified price. However, this means the fund could be exposed to additional risks if the market moves up when the manager expected it to go down or vice versa.

Interest rate risk - interest rate changes could affect the value of bond investments. Where long term interest rates rise, the value of bonds is likely to fall, and vice versa.

