

Aviva Investors Multi-Strategy Target Income Fund 2 GBP Inc



ISIN
GB00BQSBPF62

BLOOMBERG
AIMST21 LN

ASSET CLASS
AIMS

NAV
78.95 GBX

FUND SIZE
GBP 411.61m

AS AT
31 Aug 2021

Fund overview

Objective: To deliver an annual income yield of 4% above the Bank of England Base Rate before corporation tax payable by the Fund regardless of the prevailing market environment. In addition the Fund aims to preserve capital, and to manage volatility to a target of less than half the volatility of global equities over rolling three year periods.

Investments: The Fund invests across a broad range of global asset classes (including emerging markets) that may include shares, bonds, cash, commodities, indirect property, and currencies. Other funds may also be used to gain exposure to these asset classes. The Fund makes significant use of derivative instruments for investment purposes.

Strategy & Environmental, Social and Governance (ESG) criteria: The Investment Manager actively combines strategies to seek advantage from market inefficiencies taking both long and short positions on companies and indices. Whilst ESG factors are integrated into the investment process, the Manager retains discretion over investment selection. The Manager actively engages with companies with the aim of influencing behaviour and helping to create competitive returns. In addition, the Fund has limited exclusions based on Aviva Investors' UK Responsible Investment (RI) policy framework. Full details of the Fund's Objective & Investment Policy, and the associated RI policy is available on our website and prospectus.

Key facts

Fund Managers

Peter Fitzgerald since 01/12/2014
Ahmed Behdenna since 14/06/2018

Legal Form

Open Ended Investment Company

Domicile

United Kingdom

Share Class Inception Date

01/12/2014

Fund launch date

01/12/2014

Hedged Share Class Flag

No

Entry Fees (max.)

None

Exit Charge

None

Ongoing Charges

0.80% (as at 27/04/2021)

Fund Management Fee

0.80%

Performance Fee (max.)

None

■ Performance/Income benchmark

Bank of England Base Rate + 4%

■ Volatility benchmark

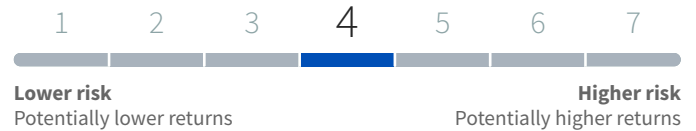
MSCI® All Country World Index

Portfolio stats¹

| | Fund (%) | Risk objective (%) |
|-------------------------------------|----------|--------------------|
| Realised | | |
| 3y Annualised volatility | 7.08 | 10.85 |
| Expected | | |
| Annualised volatility | 5.10 | - |
| Undiversified annualised volatility | 13.50 | - |
| Diversification benefit | 8.40 | - |

¹ Source: Aviva Investors, all other data is Morningstar unless stated otherwise.

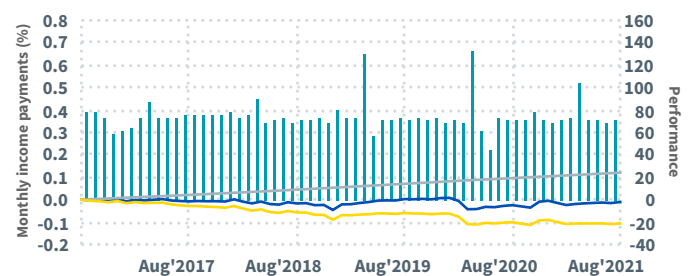
Risk measurement (As at 26th Aug 2021)



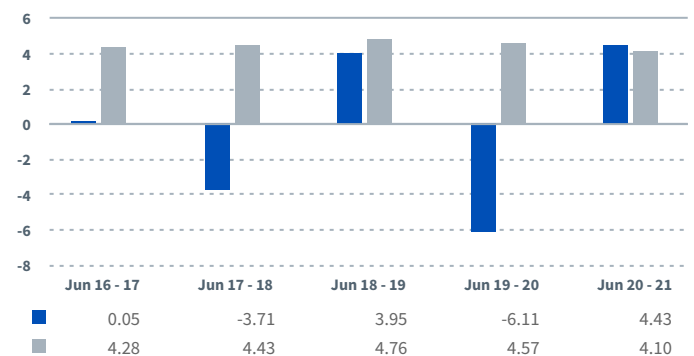
The indicator is based on historical data and may not be a reliable indication of the future risk profile. The category shown may change over time. The lowest category does not mean 'risk free'.

Cumulative performance (End Value %) (last 5 years, if applicable)

| | | | |
|---|--------|----------------|---------|
| FUND | -2.02% | CAPITAL RETURN | -21.28% |
| BENCHMARK: Bank of England Base Rate + 4% | 24.13% | INCOME RETURN | 19.25% |



Rolling annual net performance (%)



Income (% gross of charges and taxes)*

| | Jun 16 - 17 | Jun 17 - 18 | Jun 18 - 19 | Jun 19 - 20 | Jun 20 - 21 |
|-----------|-------------|-------------|-------------|-------------|-------------|
| FUND | 5.41 | 5.51 | 4.96 | 4.65 | 4.31 |
| BENCHMARK | 4.27 | 4.42 | 4.73 | 4.57 | 4.10 |

Volatility (%)**

| | Jun 16 - 17 | Jun 17 - 18 | Jun 18 - 19 | Jun 19 - 20 | Jun 20 - 21 |
|-----------|-------------|-------------|-------------|-------------|-------------|
| FUND | 3.33 | 4.45 | 8.35 | 8.64 | 7.01 |
| BENCHMARK | 4.52 | 7.22 | 16.58 | 20.43 | 13.13 |

Past performance is not a guide to future performance.

*The Fund aims to deliver an annual income yield of 4% above the Bank of England Base Rate before corporation tax payable by the Fund.

**The Fund is expected to operate with a volatility no greater than 50% of that of the daily volatility MSCI® All Country World Index (local currency), annualised over a rolling 3 year period.

Performance basis: Month end returns, Mid to mid, net income reinvested, net of ongoing charges and fees, in the share class currency and net of tax payable by the fund. The figures do not include the effect of any exit or entry charge. The Fund's performance is compared against the Bank of England Base Rate + 4%.

Performance

| | Cumulative (%) | | | | | Annualised (%) | | |
|-----------------------|----------------|-------|------|-------|-------|----------------|-------|-----------------|
| | 1M | 3M | 6M | YTD | 1Y | 3Y | 5Y | Since inception |
| Total return | 1.05 | 0.92 | 2.89 | -1.06 | 3.05 | 0.47 | -0.41 | 0.77 |
| Capital return | 0.70 | -0.11 | 0.61 | -3.92 | -1.32 | -3.85 | -4.67 | -3.44 |
| Income return | 0.35 | 1.03 | 2.28 | 2.86 | 4.38 | 4.31 | 4.26 | 4.22 |
| Benchmark | 0.34 | 1.02 | 2.05 | 2.71 | 4.10 | 4.45 | 4.42 | 4.44 |

Past performance is not a guide to future performance.
Basis of performance is described on page 1.

Share of risk at parent strategy level

| | % |
|--------------------------|-------|
| Market Strategies | 41.97 |
| Opportunistic Strategies | 37.30 |
| Risk Reducing Strategies | 17.83 |
| Cash | 2.90 |

Source: Aviva Investors, all other data is Morningstar unless stated otherwise.

Share of risk at risk factor

| | % |
|-------------|-------|
| Equities | 39.87 |
| Commodities | 17.95 |
| Duration | 15.95 |
| Credit | 8.92 |
| Currency | 8.83 |
| Cash | 3.40 |
| Inflation | 3.13 |
| Volatility | 1.93 |
| Property | 0.02 |

Source: Aviva Investors, all other data is Morningstar unless stated otherwise.

Top 5 contributing & detracting strategies for the month

| Risk Factor | Strategy | % |
|-------------|------------------------------|-------|
| Equities | Long US equities | +0.39 |
| Duration | Long Chinese rates | +0.22 |
| Commodities | Long carbon credit | +0.21 |
| Equities | Long European equities | +0.13 |
| Credit | Long US high yield credit | +0.11 |
| Currency | Long Canadian dollar | -0.06 |
| Equities | Long US industrials v market | -0.07 |
| Duration | Long US vs German rates | -0.09 |
| Equities | Tail hedging | -0.13 |
| Credit | Long emerging-market debt | -0.23 |

Source: Aviva Investors, all other data is Morningstar unless stated otherwise.

Monthly dividend payments (last 12 months)

| | Sep 20 | Oct 20 | Nov 20 | Dec 20 | Jan 21 | Feb 21 |
|----------------|--------|--------|--------|--------|--------|--------|
| Payment | 0.28 | 0.28 | 0.28 | 0.28 | 0.28 | 0.28 |

| | Mar 21 | Apr 21 | May 21 | Jun 21 | Jul 21 | Aug 21 |
|----------------|--------|--------|--------|--------|--------|--------|
| Payment | 0.28 | 0.41 | 0.27 | 0.27 | 0.27 | 0.27 |

Fund targets

The Fund targets 4% above the Bank of England base rate because that is the level of outperformance that the manager believes to be realistic for this strategy when considered alongside the Fund's aim to operate with a volatility of no greater than 50% of that of the MSCI® All Country World Index (local currency).

Fund risks

Investment Risk & Currency Risk

The value of an investment and any income from it can go down as well as up and can fluctuate in response to changes in currency exchange rates. Investors may not get back the original amount invested.

Derivatives Risk

The Fund uses derivatives, these can be complex and highly volatile. Derivatives may not perform as expected meaning the Fund may suffer significant losses.

Illiquid Securities Risk

Certain assets held in the Fund could be hard to value or to sell at a desired time or at a price considered to be fair (especially in large quantities), and as a result their prices could be very volatile.

Full information on risks applicable to the Fund are in the Prospectus and the Key Investor Information Document (KIID).

Glossary

Annualised performance

An annualised total return is the geometric average amount of money earned by an investment each year over a given time period.

Volatility (%)

A measure of the fund's dispersion of returns. A higher volatility implies that a fund's return is spread over a larger range of values whilst a lower volatility implies that a fund's return is spread over a smaller range of values.

Credit Rating

Independent ratings agencies assign different ratings to bonds depending on the bond issuers' financial strength and their outlook as well as their ability to pay interest on time and meet all of their liabilities. We use appropriate industry recognised ratings as detailed in source notes.

Distribution yield

This reflects the amount that is expected to be distributed over the next 12 months as a percentage of the share price of the fund on the date shown. It does not include the deduction of entry charges and is the gross return before tax on distributions. You may be subject to further tax on your distributions. The yield is not guaranteed.

Entry fee

A one-off charge may be taken from your money before it is invested. The charge is usually a percentage of the amount invested and is additional to the price paid for the units/shares. The entry charge is deducted from the investment before units/shares are bought and is also known as the "initial charge".

Exit charge A one-off charge levied on redemption of units/shares before the proceeds of your investment are paid out. This is also known as a "redemption charge".

Management Fee

The management fee is fixed rate charge to cover the costs of managing the investments of the fund. It accrues daily based on a percentage of the fund's net asset value and deducted from the fund's assets.

Modified duration

A calculation that expresses the measurable change in the value of a security in response to a change in interest rates - (under analysis).

Spread Duration

The Spread Duration measures the sensitivity of a security's price to changes in its Option Adjusted Spread (OAS) relative to the Treasury Curve.

Ongoing charge

The ongoing charge figure represents the costs you can expect to pay annually based on last year's expenses. The ongoing charges figure is made up of various elements such as the fund management fee, professional fees, audit fees and custody fees. Performance fees (if payable) are not included in this figure.

Performance fee

The percentage of any outperformance of the hurdle rate and/or benchmark that will be taken as a performance fee.

Tracking error (%)

A measure of how closely the fund follows its benchmark. A passive fund should have a tracking error close to zero, while an actively managed fund would normally have a higher tracking error.

NAV

NAV is typically an End Of Day valuation using close of market prices to value the individual securities with the portfolio or fund, rolling up to a total portfolio or fund level.

Important information

The source for all performance, portfolio and fund breakdown data is Morningstar unless indicated otherwise. For share classes that have not yet completed 5 years, the cumulative performance chart will start from the first full month. The realised volatility shown has been derived using daily data. All data is as at the date of the Factsheet, unless indicated otherwise.

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For further information please read the latest Key Investor Information Document and Supplementary Information Document. The Prospectus and the annual and interim reports are also available on request. Copies in English can be obtained, free of charge from Aviva Investors, PO Box 10410, Chelmsford CM99 2AY. You can also download copies at www.avivainvestors.com

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