

## Aegon Mercer Target Cash (ARC)

### Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	20 Mar 2015
Fund charge*	0.25%
Aegon fund size	£38.90m
ABI sector	ABI Mixed Investment 40-85% Shares
Fund type	Pension
ISIN	GB00BVRT931
SEDOL	BVRT93
Aegon mnemonic	ZF9
CitiCode	M5BJ

\*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



**Above-average risk**

Above average risk funds typically invest in one single investment type or geographical region, for example regional equities (shares) or global bonds. This means that investors are completely exposed to the performance of that single investment type or region. These funds could experience lengthy periods of negative returns depending on market conditions. However, these funds can also rise in value quite significantly and have historically provided good long-term growth. Because of their narrow investment focus, they're better suited to investors with at least five years to invest and to use in combination with other funds as part of a diversified portfolio.

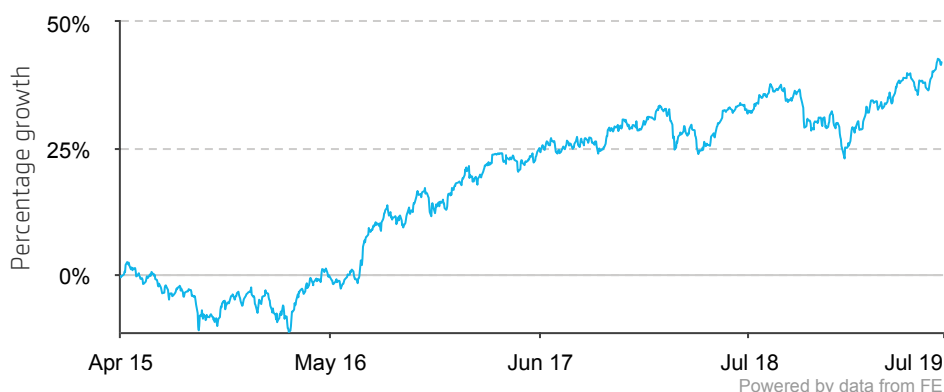
### Fund objective

This fund may be suitable if you intend to take your pension fund as a cash lump sum when you retire. The fund uses a two-stage investment process that aims to give you access to medium to high levels of capital growth potential in the early years (the growth stage) by investing wholly in the Aegon Mercer Growth fund. This in turn invests mainly in shares, with the remainder in bonds and other asset types. Investing mainly in shares means the fund may see significant movements both up and down in value, but also means it has good long-term growth potential. Then, eight years before your chosen retirement year (pre-retirement stage), we'll progressively start switching your investment into the Aegon Mercer Passive UK Corporate Bond fund and the Aegon Mercer Cash fund, reducing your exposure to equities with the aim of giving you more certainty about the level of savings you can access when you retire. This fund is designed for Mercer customers.

### 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 30 Jun 2019 unless otherwise stated.

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



■ Aegon Mercer Target Cash (ARC)

	1yr	3yrs	5yrs	10yrs
Fund	7.2%	11.3%	-	-
Sector quartile	1	1	-	-

	Jun 18 to Jun 19	Jun 17 to Jun 18	Jun 16 to Jun 17	Jun 15 to Jun 16	Jun 14 to Jun 15
Fund	7.2%	6.6%	20.6%	7.7%	-
Sector quartile	1	1	1	1	-

Source: FE. 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.

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## Underlying fund

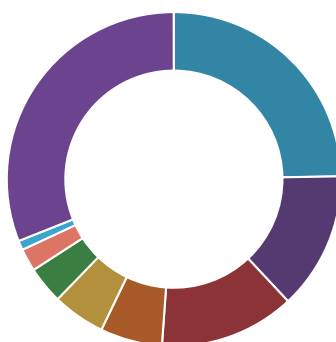
### Fund mgmt group

Aegon/Scottish Equitable plc

## Fund manager information

This fund is an Aegon Solution. This means it is a pre-built fund Aegon have created to offer whole investment strategies in a single fund with the aim of making investing easier. We reserve the right to add, remove and replace the underlying funds within this solution with the aim of making sure the fund continues to meet its aims and objectives. Sometimes we work with external fund managers and they select and manage the underlying funds on our behalf. The additional charges/expenses may change when underlying funds are replaced, added or removed from the portfolio or when weightings between the underlying funds are changed. Please note, there's no guarantee the fund will meet its objective.

## Asset allocation as at 30 Jun 2019



North America Equity	24.7%
Global Bonds	13.3%
UK Equity	13.1%
Global Emerging Market Equities	6.0%
Property	5.1%
Asia Pacific including Japan Equity	3.6%
Europe ex UK Equity	2.2%
Cash	0.9%
Other	31.0%
<b>Total</b>	<b>99.9%</b>

## Top holdings as at 30 Jun 2019

Holding	%
AEGON MERCER DIVERSIFIED GROWTH PN	49.9%
AEGON BLACKROCK AQUILA WORLD (EX-UK) HEDGED	22.5%
AEGON BLACKROCK UK EQUITY TRACKER PN	14.4%
AEGON BLACKROCK WORLD (EX UK) EQUITY TRACKER PN	13.2%
<b>Total</b>	<b>100.0%</b>

Source of fund breakdown and holdings: Fund mgmt group

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## 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.

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**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.

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**Cash target risk** - this fund aims to reduce the risk your savings are exposed to as you near retirement by moving into lower-risk investments. By de-risking, there's a chance you may end up worse off than if you'd stayed in the growth fund.

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**Post retirement risk (Cash target)** - this fund will end up 100% invested in cash on your selected retirement date, so there's a risk that the value of your fund may be eroded by inflation if you don't take your benefits right away.

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**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.

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**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.

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**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.

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**Lifestyle performance information** - this factsheet contains information and performance for the 'Growth stage' of the lifestyle fund. The information and performance for your fund will be different if you're within the 'Retirement target / lifestyle stage', which normally starts seven years before your selected retirement date.

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