



# Why choose the SW BlackRock Gold & General Fund?

The following information is based on the underlying BlackRock Gold & General Fund.

- **Lower correlation to bond and equity markets**

The Fund invests in gold mining companies, which typically perform differently to other sectors as the price of gold bullion and not mainstream economic activity is their major earnings driver.

- **Safe haven in a precarious world**

While uncertainty remains in financial markets, investors may continue to look to gold as a 'safe haven' asset class; particularly in light of currency debasement as a result of government enacted quantitative easing. Also, as gold typically has a negative correlation to the US dollar, it tends to perform well during periods of dollar weakness.

- **Benefits from BlackRock's expertise**

The Fund is managed by one of the largest and most experienced natural resources teams with over 120 years' cumulative experience. The team managed £22.9 billion of assets (as at 30 September 2011).

- **Proven track record**

The BlackRock Gold & General Fund is the best-performing unit trust in the UK market since ISAs were introduced 12 years ago\*.

\*BlackRock, based on a bid to bid basis, net of UK basic rate tax, net of fees, 9 April 1999 to 31 May 2011.

Source: BlackRock, as at October 2011.

**Past performance is not a reliable indicator of future results.**

The value of an investment is not guaranteed and can go up and down depending on investment performance (and currency exchange rates where a fund invests overseas).



Evy Hambro is the joint Chief Investment Officer of BlackRock's Natural Resources Equity team, with 16 years' investment experience. In addition to managing the BlackRock Gold & General Fund, Evy is responsible for the management of BGF World Mining, BGF World Gold, and BlackRock World Mining Trust.

## Scottish Widows fund facts

|   |   |
|---|---|
| <b>Fund name</b>  | SW BlackRock Gold & General Fund  |
| <b>Launch date</b>  | 5 December 2011   |
| <b>ABI sector</b>   | Commodity/Energy  |
| <b>Fund aim</b>   | BlackRock describe their fund's aim as follows: This is a specialised unit trust which aims to achieve long-term capital growth by investing in gold, mining and precious metal-related shares. It tends to be volatile and is particularly suitable for diversification in a larger portfolio. |
| <b>Investment approach</b>  | Specialist  |
| <b>Important information</b>  | The SW BlackRock Gold & General Fund invests wholly in the BlackRock Gold & General Fund. This is a UK-based unit trust managed by BlackRock Investment Management (UK) Limited, launched 7 April 1988.   |
| <b>Please refer to the Addendum to the Scottish Widows Pension Funds Investor's Guide (ref 48568) which describes in full the investment approach definition given above and all the fund's risks. The definition and investment approach rating for specific funds may change in the future.</b> |   |

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### Investment philosophy

The team's investment philosophy is summarised as follows:

- Seek investments in gold companies that offer the best exposure to gold prices within an acceptable risk level
- Invest in gold companies with growth potential, both at existing operations and via green field exploration
- Strong management track record integral to all investments
- Low involvement in "pure" exploration plays
- Limited exposure to producers with complex hedging

**Views, opinions and forecasts expressed in this document are those of the fund managers as at October 2011. Investment markets and conditions can change rapidly and, as such, the views expressed should not be taken as statement of fact, not should reliance be placed on these views when making investment decisions.**

### Top 10 holdings

| Rank | Holding                            | Weight (%)  |
|------|------------------------------------|-------------|
| 1    | Newcrest Mining Ltd.               | 8.3         |
| 2    | Fresnillo Plc.                     | 6.5         |
| 3    | Kinross Gold Corp.                 | 6.3         |
| 4    | Goldcorp Inc.                      | 6.1         |
| 5    | Randgold Resources Ltd.            | 5.2         |
| 6    | Newmont Mining Corp.               | 4.3         |
| 7    | Barrick Gold Corp.                 | 4.1         |
| 8    | Compania De Minas Buenaventura S.a | 4.1         |
| 9    | Agnico-eagle Mines Ltd.            | 3.9         |
| 10   | Iamgold Corp.                      | 3.4         |
|      | <b>Total</b>                       | <b>52.2</b> |

## Portfolio breakdown

| Country breakdown (%) |      |
|-----------------------|------|
| Canada                | 34.9 |
| USA                   | 20.1 |
| UK                    | 19.0 |
| Australasia           | 9.6  |
| South Africa          | 6.3  |
| Latin America         | 5.0  |
| Russia                | 2.4  |
| China                 | 0.8  |
| Europe ex UK          | 0.4  |
| Cash                  | 1.4  |

## Sector breakdown

| Sector breakdown (%) |      |
|----------------------|------|
| Gold                 | 76.5 |
| Silver               | 10.6 |
| Platinum             | 4.5  |
| Diversified          | 3.5  |
| Copper               | 0.7  |
| Diamonds             | 0.7  |
| Nickel               | 0.3  |
| GBS                  | 1.8  |
| Cash                 | 1.4  |

Source: BlackRock, as at 30 September 2011.

Figures may not total exactly 100 % due to rounding. Information and data refers to the underlying BlackRock Gold & General Fund. The holdings, asset allocation and percentage of allocation may change over time.



## Past performance from launch of benchmark index (1 January 1992) to 30 September 2011

| Annualised percentage growth to 30 September 2011 (%) | One year | Three years | Since launch of index (1 January 1992) |
|---|----------|-------------|--|
| BlackRock Gold & General Fund                         | -4.6     | 21.9        | 16.8                                   |
| FTSE Gold Mines Index (capital return only)           | -2.3     | 20.8        | 3.4                                    |

Source: BlackRock, as at 30 September 2011, annualised returns.

Please note: the fund was launched on 7 April 1988 while the index was launched on 1 January 1992.

**Past performance is not a reliable indicator of future results.**

## How you can access the SW BlackRock Gold & General Fund

The following Scottish Widows products have access to the SW BlackRock Gold & General Fund.

| Stakeholder Pension (Individual & Group) | Personal Pension | Retirement Account | Group Personal Pension | Group AVC | Group Money Purchase | Trustee Buy Out Plan (Section 32A) | Individual Buy Out (Section 32) |
|--|------------------|--------------------|------------------------|-----------|----------------------|------------------------------------|---------------------------------|
| X  | ✓                | ✓                  | ✓                      | ✓         | ✓                    | ✓                                  | ✓                               |

The fund is also available to existing customers who are already invested in the following Scottish Widows products.

| Income Drawdown | Phased Retirement | Trustee Investment Bond | Executive Pension Plan | Unitised Annuity |
|-----------------|-------------------|-------------------------|------------------------|------------------|
| ✓               | ✓                 | ✓                       | ✓                      | X                |

Full terms and conditions are available on request from Scottish Widows. Charges, limits and terms may change.

We may change the selection of funds we make available.

There may be restrictions on the amount which can be invested in certain funds. Please contact us for details of any restrictions that might apply.

To find out more about this fund or any others from Scottish Widows, please contact your Scottish Widows account manager or visit [www.scottishwidows.co.uk/extranet](http://www.scottishwidows.co.uk/extranet)



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Scottish Widows plc is authorised and regulated by the Financial Services Authority. Our FSA Register number is 191517.

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