

# LWM Cautious Income Portfolio

## Portfolio Aggregation

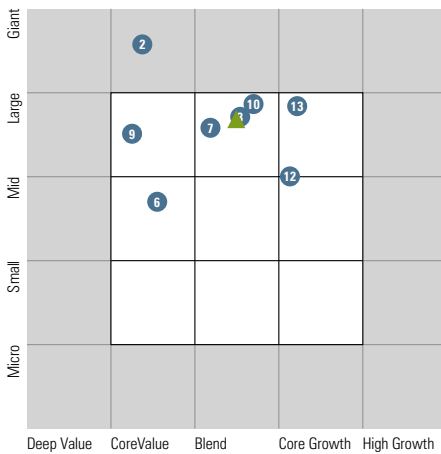
Data as of  
30/09/2011

Currency  
GBP

Risk-Free Rate  
BofAML GBP LIBOR 3 Mon CM TR GBP

Benchmark  
IMA OE Cautious Managed

### Equity Style Box



Style Breakdown	Portfolio %	Benchmark %
Large Value	24.23	18.40
Large Core	27.79	32.90
Large Growth	17.59	20.57
Mid Value	8.16	6.37
Mid Core	9.57	6.47
Mid Growth	8.24	5.99
Small Value	3.08	3.56
Small Core	0.60	2.90
Small Growth	0.74	2.86
Large Cap	63.78	71.87
Mid-Small Cap	27.87	28.14
Value	32.52	28.32
Core	34.77	42.27
Growth	24.36	29.41

● Portfolio ● Portfolio Constituents ▲ Benchmark

### Top 10 Constituents

	% Weighting
1 Standard Life Global Abs Ret Strat Ret	21.80
2 M&G Optimal Income A Acc	10.69
3 M&G Global Dividend A Acc	9.41
4 Schroder Glb Prpty Inc Maximiser A Acc	9.34
5 IP Corporate Bond Acc	8.10
6 L&G UK Property R Acc	5.32
7 Edinburgh Inv Tr Plc	5.09
8 Baring Absolute Return Global Bond A Acc	4.95
9 Schroder Income Maximiser A Acc	4.64
10 Newton Balanced GBP	3.95

### Portfolio Statistics

Style Box Value Factors	Portfolio	Benchmark
Price/Prospective Earnings	7.97	10.93
Price/Book	1.11	1.62
Price/Sales	0.76	0.88
Price/Cash Flow	3.42	4.10
Dividend Yield %	2.56	3.54

### Style Box Growth Factors

Long-Term Earning Growth %	10.14	9.79
Historical Earnings Growth %	2.18	-4.65
Book Value Growth %	1.43	-25.82
Sales Growth %	-4.91	-14.79
Cash Flow Growth %	-4.90	21.86

### Equity Valuation Price Multiples

Price to Earnings	11.85	12.70
Price to Book Value	1.68	1.74
Price to Sales	1.43	0.92
Price to Cash Flow	11.90	7.21

### Financial Ratios

ROE %	14.30	19.06
ROA %	5.22	6.93
Net Margin %	9.82	12.82
Debt to Capital %	18.57	36.84

### Fixed Income Style

Avg Eff Duration	—	—
Avg Eff Maturity	0.00	—
Avg Credit Quality	—	—
Avg Wtd Coupon	5.45	5.50
Avg Wtd Price	—	—

### Misc

% Market Value in Top 10 Holdings	83.28	16.20
Average Expense Ratio	1.39	—

### Portfolio Overview

Composition	Portfolio %	Benchmark %
Cash	12.73	12.70
Equities	34.72	42.74
Bond	21.86	35.96
Other	30.69	8.60
Total	100.00	100.00

### World Region Breakdown

	Portfolio %	Benchmark %
Americas	22.85	16.05
North America	19.96	15.13
Latin America	2.90	0.92
Greater Europe	66.71	69.92
United Kingdom	27.03	58.16
Europe Developed	38.81	10.46
Europe Emerging	0.45	0.21
Africa/Middle East	0.41	1.08
Greater Asia	10.43	14.03
Japan	0.84	6.52
Australasia	5.18	1.73
Asia Developed	3.12	3.53
Asia Emerging	1.29	2.26

### Top 10 Countries Breakdown

	Portfolio %	Benchmark %
United Kingdom	24.78	58.15
United States	17.90	12.94
Switzerland	6.80	2.79
France	6.57	1.51
Australia	4.75	1.71
Spain	3.97	0.41
Netherlands	3.88	0.67
India	3.77	0.41
Japan	3.32	6.53
Germany	2.92	1.77

### Equity Sector Breakdown

	Portfolio %	Benchmark %
Cyclical	39.66	31.58
Basic Matls	12.48	8.49
Consumer Cycl	7.89	8.18
Financial Svcs	16.88	12.60
Real Estate	2.41	2.31
Sensitive	33.66	38.28
Commun Svcs	6.87	8.03
Energy	10.39	11.35
Industrials	10.44	12.39
Technology	5.96	6.50
Defensive	26.68	30.14
Consumer Def	13.46	13.36
Healthcare	11.64	12.75
Utilities	1.58	4.04

### Fixed-Income Sector Breakdown

	Portfolio %	Benchmark %
US Government	3.26	12.59
US Mortgage	0.00	0.24
US Credit	25.91	17.30
Non-US	70.82	69.86
Cash	0.00	—

### Credit Rating Breakdown

	Portfolio %	Benchmark %
AAA	17.27	7.11
AA	3.10	5.08
A	15.31	18.97
BBB	32.07	29.76
BB	16.72	17.12
B or Below B	7.82	15.43
Not Rated	7.71	6.53

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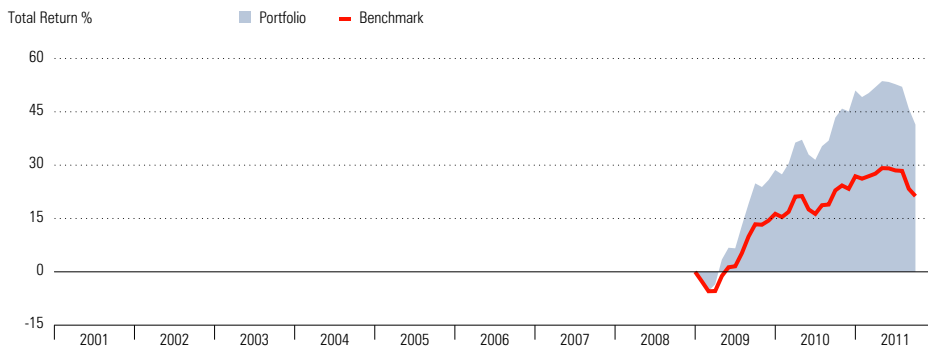
Data as of  
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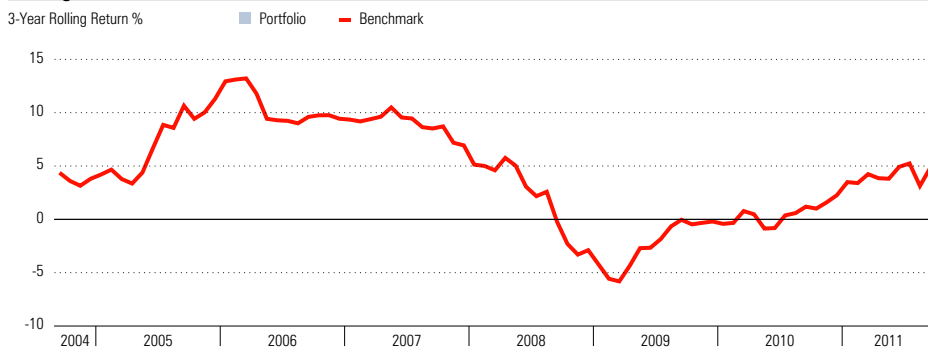
### Cumulative Return as of 30/09/2011



### Trailing Returns as of 30/09/2011

	Total Return	+/- Benchmark
1 Month	-3.10	-1.43
3 Month	-7.43	-1.82
6 Month	-6.93	-1.98
YTD	-6.35	-1.95
1 Year	-1.37	-0.06
3 Years	—	—
5 Years	—	—
10 Years	—	—
15 Years	—	—
Inception	13.46	—

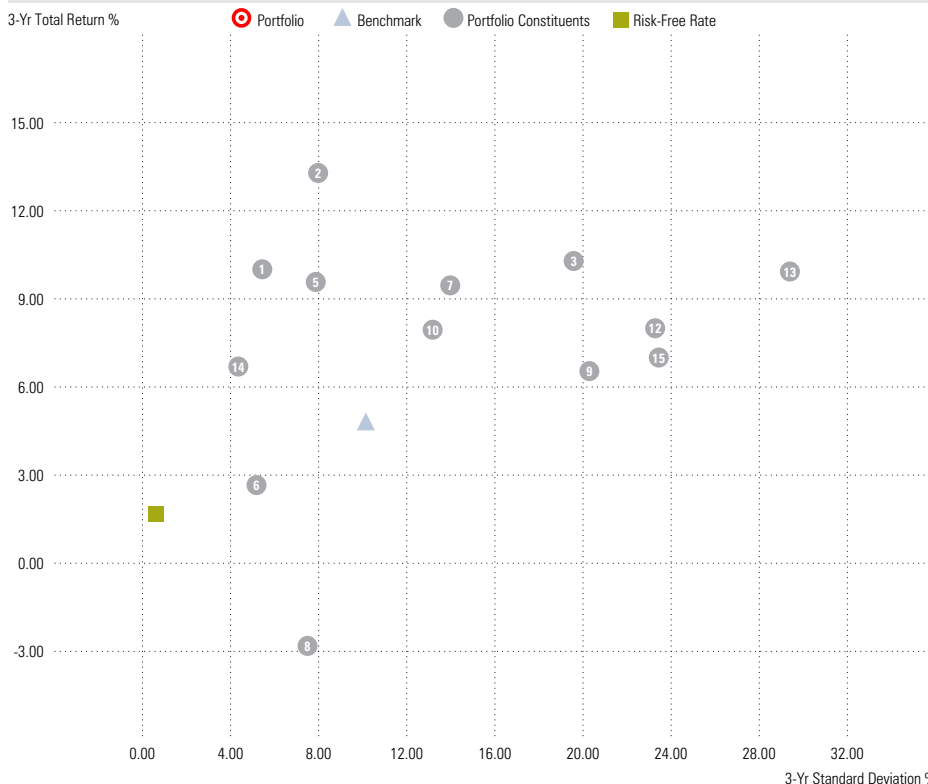
### Rolling Return as of 30/09/2011



### Relative Statistics as of 30/09/2011

Versus Benchmark	1-Yr	3-Yr	5-Yr	10-Yr
Alpha	0.50	—	—	—
Beta	1.24	—	—	—
R-Squared	93.91	—	—	—
Tracking Error	2.31	—	—	—
Information Ratio	-0.03	—	—	—
Treynor Ratio	-1.71	—	—	—
Downside Deviation	1.64	—	—	—
Batting Average	50.00	—	—	—
Up Capture Ratio	139.12	—	—	—
Down Capture Ratio	132.64	—	—	—
Up Number Ratio	1.00	—	—	—
Down Number Ratio	1.00	—	—	—
Up Percentage Ratio	0.80	—	—	—
Down Percentage Ratio	0.29	—	—	—

### Risk-Return as of 30/09/2011



### Risk Statistics as of 30/09/2011

	1-Yr	3-Yr	5-Yr	10-Yr
Standard Deviation	7.42	—	—	—
Skewness	-0.08	—	—	—
Kurtosis	0.71	—	—	—
Sharpe Ratio	-0.29	—	—	—
Sortino Ratio	-0.39	—	—	—
Calmar Ratio	-0.17	—	—	—
Positive Months	5	—	—	—
Negative Months	7	—	—	—
Worst Month	-4.02	—	—	—
Max Drawdown	-7.96	—	—	—

### Calendar Returns as of 30/09/2011

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2001	—	—	—	—	—
2002	—	—	—	—	—
2003	—	—	—	—	—
2004	—	—	—	—	—
2005	—	—	—	—	—
2006	—	—	—	—	—
2007	—	—	—	—	—
2008	—	—	—	—	—
2009	-3.49	10.46	17.13	3.01	28.63
2010	5.99	-3.55	9.03	5.31	17.38
2011	0.63	0.54	-7.43	—	—

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GBPRisk-Free Rate  
BofAML GBP LIBOR 3 Mon CM TR GBPBenchmark  
IMA OE Cautious Managed

### Common Equity Holdings Analysis (Top 25)

Name	Tick/ISIN	% Investment Mkt Value	% Portfolio Mkt Value	Market Cap (mil)	Style Box	Sector
<b>GlaxoSmithKline PLC</b>	<b>GSK</b>		<b>0.79</b>	<b>67,777.85</b>	<b>Large Blend</b>	<b>Healthcare</b>
Edinburgh Inv Tr Plc	EDIN	8.34	0.42		Large Blend	
Schroder Income Maximiser A Acc	GB00B0HWHK75	4.62	0.21		Large Value	
Newton Balanced GBP	GB0006778574	3.88	0.15		Large Blend	
<b>AstraZeneca PLC</b>	<b>AZN</b>		<b>0.72</b>	<b>39,275.50</b>	<b>Large Blend</b>	<b>Healthcare</b>
Edinburgh Inv Tr Plc	EDIN	8.39	0.43		Large Blend	
Schroder Income Maximiser A Acc	GB00B0HWHK75	5.59	0.26		Large Value	
M&G Optimal Income A Acc	GB00B1H05155	0.36	0.04		Large Value	
<b>Vodafone Group PLC</b>	<b>VOD</b>		<b>0.62</b>	<b>84,750.54</b>	<b>Large Blend</b>	<b>Communication Services</b>
Schroder Income Maximiser A Acc	GB00B0HWHK75	6.36	0.30		Large Value	
Edinburgh Inv Tr Plc	EDIN	5.73	0.29		Large Blend	
Newton Balanced GBP	GB0006778574	0.96	0.04		Large Blend	
<b>Reynolds American Inc</b>	<b>RAI</b>		<b>0.53</b>	<b>21,684.32</b>	<b>Large Blend</b>	<b>Consumer Defensive</b>
Edinburgh Inv Tr Plc	EDIN	5.37	0.27		Large Blend	
M&G Global Dividend A Acc	GB00B39R2L79	2.77	0.26		Large Blend	
<b>British American Tobacco PLC</b>	<b>BATS</b>		<b>0.46</b>	<b>55,151.51</b>	<b>Large Growth</b>	<b>Consumer Defensive</b>
Edinburgh Inv Tr Plc	EDIN	7.44	0.38		Large Blend	
Scottish Mortgage Investment Tr	SMT	1.19	0.04		Large Growth	
Newton Balanced GBP	GB0006778574	1.01	0.04		Large Blend	
<b>Reckitt Benckiser Group PLC</b>	<b>RB.</b>		<b>0.40</b>	<b>23,713.65</b>	<b>Large Growth</b>	<b>Consumer Defensive</b>
M&G Global Dividend A Acc	GB00B39R2L79	2.48	0.23		Large Blend	
Edinburgh Inv Tr Plc	EDIN	3.26	0.17		Large Blend	
<b>Novartis AG</b>	<b>NOVN</b>		<b>0.38</b>	<b>123,266.20</b>	<b>Large Blend</b>	<b>Healthcare</b>
M&G Global Dividend A Acc	GB00B39R2L79	3.21	0.30		Large Blend	
M&G Optimal Income A Acc	GB00B1H05155	0.38	0.04		Large Value	
Newton Balanced GBP	GB0006778574	1.00	0.04		Large Blend	
<b>HSBC Holdings PLC</b>	<b>5</b>		<b>0.38</b>	<b>1,107,023.93</b>	<b>Large Blend</b>	<b>Financial Services</b>
M&G Global Dividend A Acc	GB00B39R2L79	3.55	0.33		Large Blend	
Newton Balanced GBP	GB0006778574	1.17	0.05		Large Blend	
<b>Roche Holding AG</b>	<b>ROG</b>		<b>0.38</b>	<b>126,279.18</b>	<b>Large Blend</b>	<b>Healthcare</b>
M&G Global Dividend A Acc	GB00B39R2L79	2.91	0.27		Large Blend	
Newton Balanced GBP	GB0006778574	1.54	0.06		Large Blend	
M&G Optimal Income A Acc	GB00B1H05155	0.41	0.04		Large Value	
<b>Banco do Brasil SA BB Brasil</b>	<b>BBAS3</b>		<b>0.38</b>	<b>71,203.55</b>	<b>Large Value</b>	<b>Financial Services</b>
M&G Global Dividend A Acc	GB00B39R2L79	3.99	0.38		Large Blend	
<b>Chevron Corp</b>	<b>CVX</b>		<b>0.32</b>	<b>189,061.57</b>	<b>Large Value</b>	<b>Energy</b>
M&G Global Basics A Acc	GB0030932452	4.51	0.17		Large Growth	
M&G Global Dividend A Acc	GB00B39R2L79	1.62	0.15		Large Blend	
<b>BHP Billiton PLC</b>	<b>BLT</b>		<b>0.32</b>	<b>94,390.02</b>	<b>Large Growth</b>	<b>Basic Materials</b>
M&G Global Dividend A Acc	GB00B39R2L79	2.69	0.25		Large Blend	
Newton Balanced GBP	GB0006778574	1.49	0.06		Large Blend	
M&G Optimal Income A Acc	GB00B1H05155	0.04	0.00		Large Value	
<b>Chubb Corp</b>	<b>CB</b>		<b>0.31</b>	<b>17,304.16</b>	<b>Large Value</b>	<b>Financial Services</b>

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BofAML GBP LIBOR 3 Mon CM TR GBPBenchmark  
IMA OE Cautious Managed

### Common Equity Holdings Analysis (Top 25)

Name	Tick/ISIN	% Investment Mkt Value	% Portfolio Mkt Value	Market Cap (mil)	Style Box	Sector
M&G Global Dividend A Acc	GB00B39R2L79	3.26	0.31		Large Blend	
<b>Methanex Corporation</b>	<b>MX</b>		<b>0.30</b>	<b>2,100.70</b>	Mid Blend	Basic Materials
M&G Global Dividend A Acc	GB00B39R2L79	3.23	0.30		Large Blend	
<b>BP Plc</b>	<b>BP.</b>		<b>0.30</b>	<b>74,211.82</b>	Large Value	Energy
Schroder Income Maximiser A Acc	GB00B0HWHK75	3.74	0.17		Large Value	
Newton Balanced GBP	GB0006778574	2.40	0.10		Large Blend	
M&G Optimal Income A Acc	GB00B1H05155	0.31	0.03		Large Value	
<b>Rolls-Royce Holdings PLC</b>	<b>RR.</b>		<b>0.29</b>	<b>11,428.56</b>	Large Growth	Industrials
Edinburgh Inv Tr Plc	EDIN	2.81	0.14		Large Blend	
M&G Global Dividend A Acc	GB00B39R2L79	1.19	0.11		Large Blend	
Scottish Mortgage Investment Tr	SMT	1.16	0.04		Large Growth	
<b>Prudential PLC</b>	<b>PRU</b>		<b>0.29</b>	<b>14,637.16</b>	Large Blend	Financial Services
M&G Global Dividend A Acc	GB00B39R2L79	2.88	0.27		Large Blend	
Newton Balanced GBP	GB0006778574	0.58	0.02		Large Blend	
<b>BG Group PLC</b>	<b>BG.</b>		<b>0.28</b>	<b>41,891.01</b>	Large Growth	Energy
Edinburgh Inv Tr Plc	EDIN	5.11	0.26		Large Blend	
Newton Balanced GBP	GB0006778574	0.59	0.02		Large Blend	
<b>BT Group PLC</b>	<b>BT.A</b>		<b>0.28</b>	<b>14,289.10</b>	Large Value	Communication Services
Edinburgh Inv Tr Plc	EDIN	4.33	0.22		Large Blend	
Schroder Income Maximiser A Acc	GB00B0HWHK75	1.19	0.06		Large Value	
M&G Optimal Income A Acc	GB00B1H05155	0.03	0.00		Large Value	
<b>Koninklijke DSM NV</b>	<b>DSM</b>		<b>0.27</b>	<b>5,557.65</b>	Large Value	Basic Materials
M&G Global Dividend A Acc	GB00B39R2L79	2.89	0.27		Large Blend	
<b>Imperial Tobacco Group PLC</b>	<b>IMT</b>		<b>0.26</b>	<b>22,108.90</b>	Large Growth	Consumer Defensive
Edinburgh Inv Tr Plc	EDIN	5.09	0.26		Large Blend	
<b>Pfizer Inc</b>	<b>PFE</b>		<b>0.26</b>	<b>140,282.24</b>	Large Value	Healthcare
Schroder Income Maximiser A Acc	GB00B0HWHK75	4.60	0.21		Large Value	
M&G Optimal Income A Acc	GB00B1H05155	0.22	0.02		Large Value	
Newton Balanced GBP	GB0006778574	0.55	0.02		Large Blend	
<b>Telefonica SA</b>	<b>TEF</b>		<b>0.26</b>	<b>65,949.75</b>	Large Value	Communication Services
M&G Global Dividend A Acc	GB00B39R2L79	2.71	0.26		Large Blend	
<b>Intel Corp</b>	<b>INTC</b>		<b>0.25</b>	<b>116,624.71</b>	Large Blend	Technology
M&G Global Dividend A Acc	GB00B39R2L79	2.29	0.22		Large Blend	
M&G Optimal Income A Acc	GB00B1H05155	0.34	0.04		Large Value	
<b>Tesco Corporation</b>	<b>TESO</b>		<b>0.24</b>	<b>459.13</b>	Small Value	Energy
Edinburgh Inv Tr Plc	EDIN	4.74	0.24		Large Blend	

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### Portfolio Constituents

Name	Tick/ISIN	Weighting %	Morningstar Category	Equity Style Box	Fixed Inc Style Box
1 Standard Life Global Abs Ret Strat Ret	GB00B28S0093	21.80	Europe OE Alt - Multistrategy	—	—
2 M&G Optimal Income A Acc	GB00B1H05155	10.69	Europe OE GBP Cautious Allocation	■	■
3 M&G Global Dividend A Acc	GB00B39R2L79	9.41	Europe OE Global Large-Cap Value Equity	■	—
4 Schroder Glb Prpty Inc Maximiser A Acc	GB00B4XCGK27	9.34	Europe OE Property - Indirect Global	—	—
5 IP Corporate Bond Acc	GB0033028779	8.10	Europe OE GBP Corporate Bond	—	■
6 L&G UK Property R Acc	GB00B0X5N465	5.32	Europe OE Property - Direct UK	■	—
7 Edinburgh Inv Tr Plc	EDIN	5.09	Europe CE UK Large-Cap Value Equity	■	—
8 Baring Absolute Return Global Bond A Acc	GB0034344910	4.95	Europe OE Alt - Debt Arbitrage	—	—
9 Schroder Income Maximiser A Acc	GB00B0HWHK75	4.64	Europe OE UK Large-Cap Value Equity	■	—
10 Newton Balanced GBP	GB0006778574	3.95	Europe OE GBP Aggressive Allocation	■	—
11 Schroder Asian Income Maximiser A Acc	GB00B3SF6658	3.75	Europe OE Asia-Pacific ex-Japan Equity	—	—
12 M&G Global Basics A Acc	GB0030932452	3.70	Europe OE Global Small/Mid-Cap Equity	■	—
13 Scottish Mortgage Investment Tr	SMT	3.41	Europe CE Global Large-Cap Growth Equity	■	—
14 3i Infrastructure	3IN	3.19	Europe CE Sector Equity Infrastructure	—	—
15 Utilico Emerging Markets	UEM	2.66	Europe CE Global Emerging Markets Equity	■	—