

FOR IMMEDIATE RELEASE

26 OCTOBER 2017

7IM UNCONSTRAINED FUND TO BE RENAMED 7IM REAL RETURN FUND

With effect from 6 November 2017, the **7IM Unconstrained Fund** will be renamed the **7IM Real Return Fund**.

The fund's objective – to provide a total return that exceeds UK inflation (as measured by the CPI index) by 2% over a rolling three year horizon – will remain unchanged.

Whilst the objective is unchanged, **Seven Investment Management (7IM)** is also introducing a risk guideline. The risk guideline is that *'there will be a moderate risk to capital'*. Feedback is that there is investor demand for prominent risk guidelines in addition to the synthetic risk and reward indicators that have always been displayed in the KIIDs.

Launched on 30 January 2012, the fund will continue to be team managed by **Alex Scott, Deputy Chief Investment Officer (CIO); Ian Jensen Humphreys, Senior Investment Manager; Camilla Ritchie, Senior Investment Manager and Matthew Yeates, Quantitative Investment Manager**.

Robert Poulten, Head of Sales, Seven Investment Management (7IM) said: "Feedback from investors and advisers was that the title '7IM Unconstrained Fund' did not fully reflect the nature of the fund. The new name – **7IM Real Return Fund** – better describes the objective of the fund.

"We have seen increasing demand among our investor base, especially those running their own portfolios, for the inclusion of a fund with a real return objective, but without heavy exposure to equity market risk. However, investors also want the strategies within 'real return' type funds to be understandable, liquid, and perform as expected, given that more recently there has been a wide variation in the performance of funds within the Targeted Absolute Return sector. 7IM has an enviable track record in the selection and due diligence on alternatives, which we have used successfully for some time within our risk rated multi asset funds as well as within this fund."

In relation to the fund's current positioning, **Alex Scott, Deputy CIO, 7IM** said: "Following the strong performance of equity markets in recent years and with bond market valuations exposed to interest rate rises, we have been increasing our allocation to assets that we think have the potential to provide uncorrelated sources of return to help meet our objective. With no fixed strategic asset allocation for the fund, we have been able to be bolder in allocating to this area and away from broad equity market risk."

Fee change

From 6 November 2017, the fund will no longer have an underperformance mechanism which reduces the amount of the standard annual management charge (AMC). Instead, from 6 November, the fund will have a permanently reduced annual management charge.

Share Class	Standard AMC before 6 November 2017	OCF before 6 November 2017*	AMC after 6 November 2017	OCF after 6 November 2017*
Class C	1.00%	1.26%	0.60%	0.79%

*The OCF figure assumes underlying fund charges and costs as of 31/05/2017 which are subject to change over time.

Previously the 1% AMC (Annual Management Charge) was subject to an underperformance mechanism which reduced the AMC to 0.75% in the event of the fund price being lower than it was 12 months previously. From 6 November 2017, this will be removed.

Discrete Performance

Fund Name	Year to Date (to 30 Sep 2017)	2016*	2015*	2014*	2013*	2012*	Inception date
Unconstrained Fund	2.87%	10.80%	2.43%	8.21%	15.67%	n/a	31/01/2012

Source: FE

Rolling performance to 30 September 2017

	Last 6 months	1 year	*2 years	*3 years	*4 years	*5 years
7IM Unconstrained Fund C Acc	0.48%	5.46%	19.27%	19.13%	30.72%	52.07%
Consumer Price Index +2% p.a.	2.57%	5.03%	8.09%	10.14%	13.70%	19.10%
IA Targeted Absolute Return Sector	1.68%	3.22%	4.77%	7.34%	11.82%	17.67%
The value of investments may fluctuate in price or value and you may get back less than the amount originally invested. Past performance is not a guide to the future.						
Sources: FE, Bank of England						

* On 24 March 2016, the Fund structure changed from Non-UCITS (NURS) retail scheme to UCITS.

Ends

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Notes to Editors:

About 7IM

It all began in 2002, with seven of us in a basement establishing Seven Investment Management (7IM) because we couldn't find anywhere we wanted to invest our families' money. Our assets under management now stand at around £12bn (more than doubling since 2013), and we have moved from 'basement' to 'Bishopsgate' in the City of London. There are now around 240 of us.

Radical common sense

We manage money aiming to meet people's medium to long term return expectations. Fundamentally, we believe in active asset allocation in both active and passive investments (where we were one of the first to offer actively managed passive portfolios). We build global portfolios based on that allocation, and include alternative assets where appropriate to manage the risk reward trade off. Active currency management is also at the core of what we do.

7IM provides investment services to professional wealth managers, planners, advisers and private investors. These include: Discretionary investment management, a range of multi-asset portfolios, an investment and open architecture trading platform and a fantastic app, 7IMagine, which brings client portfolios to life.

Multigenerational investing

We do our best to pass on economies of scale, reducing fees so more investors within a family save with us. Grandparents, through to parents and their children can invest as individuals with one charging structure – whether they live under the same roof or not.

A story of continuous innovation.

In 2013, we launched 7IMagine, an app allowing investors and advisers to keep up to date with their portfolio. The brainchild of some clients – professional 'gamers' uninspired by their paper statements – 7IMagine was enriched in February 2016, with My Future. Again using gaming technology, My Future allows advisers and investors to capture details about family or individual finances, including any number of streams of income, properties, other assets and expenses, to help identify how sustainable their finances are and if / when their retirement income will run out.

Our funds

- Our **AAP fund range (Asset Allocated Passive)** is populated largely with passive structures to keep costs to a minimum. Asset allocation is actively managed to help exploit opportunities and reduce risk across the spectrum: **7IM AAP Adventurous, 7IM AAP Moderately Adventurous, 7IM AAP Balanced, 7IM AAP Moderately Cautious, 7IM Cautious and 7IM AAP Income**. Some of these risk profiles have an offshore version of the fund.
- Our **Multi-Manager fund range** invests in a range of active and passive vehicles. Costs still matter, but if we think an actively managed fund can outperform a passive alternative we have the freedom to choose it. Asset allocation is actively managed. Again, there are different funds for different profiles: **7IM Adventurous, 7IM Moderately Adventurous, 7IM Balanced and 7IM Moderately Cautious**. Again, some of these risk profiles have an offshore version of the fund.
- We also have a selection of funds designed to meet specific needs, such as the **7IM Personal Injury Fund**, the **7IM Unconstrained Fund** or the SRI focussed **7IM Sustainable Balance Fund**.
- We also have a range of 'smart passive' funds known as the equity value funds. The range includes: the **7IM UK Equity Value Fund**, the **7IM US Equity Value Fund**, the **7IM European (ex. UK) Equity Value Fund** or the **7IM Emerging Markets Equity Value Fund**. These are entirely systematically managed based solely on company fundamentals, the aim being to outperform the relevant passive market cap-weighted alternative by selecting profitable, high-quality, cash-flow generating companies that trade at a discount to their intrinsic value.

Our Model Portfolios

The 7IM Model Portfolios are a range of risk rated portfolios and are available within our discretionary investment services and standalone on the 7IM platform and other platforms. The Models use the same investment process and asset allocation as our funds. Like the Asset Allocated Passive (AAP) funds, the entire asset allocation is fulfilled with 'Smart Passive' market cap weighted passive instruments (for example UK and US equities) which track those markets and systematic instruments. 7IM undertake the due diligence on the passive securities (such as counterparty risk and concentration). Our range of Model Portfolios are available across the risk profiles: **7IM Adventurous Model Portfolio, 7IM Moderately**

Adventurous Model Portfolio, 7IM Balanced Model Portfolio, 7IM Moderately Cautious Model Portfolio, 7IM Cautious Model Portfolio and 7IM Income Model Portfolio.

The 7IM funds and Model Portfolios are available through the 7IM Discretionary, Managed Investment, Platform, and Self Invest services, as well as on other platforms.

Important information: The information contained in this document does not constitute investment advice and if you are in any doubt about the suitability of the investment or service, you should consult a professional financial adviser. The value of investments, and the income from them, can fall as well as rise and you may not get back the full amount invested. Seven Investment Management LLP is authorised and regulated by the Financial Conduct Authority. Member of the London Stock Exchange. Registered office: 55 Bishopsgate, London EC2N 3AS. Registered in England and Wales No. OC378740.

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