INVESTMENT DIRECT

fair investment company

The magazine for Fair Investment Company investors

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Editor's letter

Welcome to issue 4 of Investment Direct. Following on from the biggest ISA season in 9 years, we introduce you to the range of savings, investments and pensions available through Fair Investment Company.

We take this opportunity to welcome Oliver Roylance-Smith, our new head of pension and investment, and look forward to the new developments and innovative financial solutions he will be introducing.

Meanwhile, as interest rates remain low, and economists re-visit their forecasts, financial journalist Paul Dicken takes you through the investment risk and reward scale – are you prepared to take more risk in exchange for higher potential returns?

Finally, ISA season may be over, but it is never too late to make the most of your tax efficient savings allowance – as our research on page 10 shows.

Alternatively, if you are looking for a higher interest rate on your cash ISA, turn to page 8 for some of the alternatives we have to offer.

We would welcome any comments you have about *Investment Direct* so please get in touch at: Media@fairinvestment.co.uk.

Happy investing!

Rebecca Sargent, *editorial and communications manager*

About us

Fair Investment Company is a Bristol-based savings, investment and pension specialist. We provide you with all the tools you need to take control of your finances, when it comes to saving and investing. We strive to meet all your investment needs and are constantly developing our range of products and services in response to feedback we receive.

Important investment information relating to this magazine:

No news, feature article or comment should be seen as a personal recommendation to invest.
The value of investments and income from them can fall as well as rise and you may not get back the full amount invested.
Different types of investment carry different levels of risk and may not be suitable for all investors. Past performance is not a guide to future performance.
Some structured investment plans are not capital protected and there may be the risk of losing some or all of your initial investment. There is also a risk that the company backing the plan or any company associated with the plan may be unable to repay your initial investment and any returns stated, in which case you may not be entitled to compensation from the Financial Services Compensation Scheme (FSCS). In addition, you may not get back the full amount invested if the plan is not held for the full term.

Prior to making any decision to invest, you should ensure that you are familiar with the risks associated with a particular investment. If you are in any doubt as to the suitability of a particular investment, both in respect of its objectives and its risk profile, you should seek independent financial advice.

A savings and investment all-rounder

Oliver Roylance-Smith joined Fair Investment Company as associate director at the beginning of the year and is our new head of pensions and investments, here he discusses how we provide a complete range of financial solutions, from cash savings to investment funds

Fair Investment Company is working hard to improve how we can meet the needs of contemporary savers and investors in a climate where financial markets, even in developed economies, are volatile. Interest rates are low, and people want to be able to access innovative products but take measured risk they are comfortable with.

With us you can maximise the returns you could make on ISAs and investments, take control of your pension savings or compare some of the leading rates available for your cash savings.

What are the options?

On *www.fairinvestment.co.uk* there is a more complete range of solutions than often found elsewhere. You can access instant access savings accounts, fixed rate bonds, structured deposits that offer protection similar to a cash account but the potential for greater returns, and investment funds targeting growth in emerging markets. See the table at the bottom of the page for some examples.

How can I invest?

Through Fair Investment you can make the most of your tax allowances through our range of ISA investments and our SIPP. Or, if you have already made the most of these, we provide access to leading savings and investment products for any lump sum investments you may have.

Income

We understand the importance of receiving an income from your investments. And as interest rates remain at rock bottom, you may be struggling for ideas.

This is the perfect example of where we can come in. From fixed rate bonds to structured investments that offer a fixed return, and equity income funds, we have a range of income solutions to meet all circumstances and attitudes to risk.

What makes us different?

We are more than just a fund supermarket or comparison site, we work with providers to develop financial solutions to meet your needs whether you are an individual, a business or a charity.

Through us you can find the right products for your needs, depending on the risk you want to take.

Click on the products below for more information about some of the options available through Fair Investment:

Invesco Perpetual	High Income Fund
Morgan Stanley	FTSE Defensive Digital Growth Plan
Vanguard	Passive Funds
Scottish Widows Bank	5 Year Fixed Term Deposit Account

For more information and to invest:

> Call us on 0845 308 2525

> Visit www.fairinvestment.co.uk to view the full range of investments available and for further information

Please see the important investment information on page 2 about making investments.

Market moves so far in 2011

After a slowdown at the beginning of 2011, the long term growth story of emerging markets reappeared, despite major global events threatening to destabilise markets, as Spring got underway.

The team behind the *Aberdeen Emerging Markets Fund* said in their April update: "Emerging equities rose in March despite heightened volatility. Relief that prospects for the global economic recovery remained intact and encouraging corporate results outweighed concerns over growing unrest in the Middle East and Japan's earthquake and nuclear disaster."

The team said economic data underlined continued momentum in many markets, with solid domestic demand in Brazil, and upbeat manufacturing data in India and Turkey.

Fund manager at the *Henderson Global Investors Multi-Manager Income and Growth Fund*, Bill McQuaker, said on 26 April that in March, markets in Asia (excluding Japan) and emerging markets 'repaired some of their losses year to date' boosted by strong economic growth and corporate earnings.

Global shocks

A devastating moment for Japan, and for the nuclear power industry, was the enormous earthquake that hit the north-east of the country. See page 5 for the views on Japan from Schroders fund manager Andrew Rose.

Political unrest that began in Tunisia and Egypt, before spreading across other countries in North Africa and the Middle East has continued, but so far has failed to have a widespread affect on global equity markets.

Specific markets have been hit, however; the Egyptian stock exchange reopened at the end of March after closing during the protest against the Hosni Mubarak government. The country's market didn't fare as badly as some feared on reopening, but stock market indices for the region did fall significantly as February came to an end.

Reporting on the performance of his Middle East and North Africa offshore fund in March, Barings fund manager Ghadir Abu Leil-Cooper said his fund did rise in March, despite a challenging month, boosted by exposure to Qatar, United Arab Emirates (UAE) and Turkey.

The US market has done well out of its perceived image as a safe haven

USA

Some investors moved towards the US in the first part of 2011, and the country's market has done well out of its perceived image as a safe haven. A fall in the unemployment rate and promising end of year reports from companies in April have helped buoy markets.

Chief investment officer for US Equity Core and Value at JP Morgan, Paul A Quinsee said recently that in the first quarter of 2011 strong company profits overcame fresh macroeconomic concerns, and investors were 'rewarded for keeping their nerve in the face of alarming headlines from abroad.'

Some companies posted up to 40 per cent growth in net profits, with smaller stocks outperforming larger companies in the market.

However, several commentators have suggested pre-financial crisis falls in productivity have been regaine. Quinsee said margins were at record highs so the pace of improvements was likely to slow going forward.

UK economics

The news preoccupying commentators and investors as April came to an end was data showing the UK had avoided the dreaded double-dip recession by posting 0.50 per cent gross domestic product (GDP) growth for the first quarter of 2011.

The Office for National Statistics (ONS) said on 27 April that the economy recovered from the drop in output at the end of 2010 – meaning that economic growth since last winter effectively levelled out.

Labour and the coalition government traded blows on whether this showed a promising step for the re-balanced economy or a sign of the malaise of the UK economy.

Richard Buxton, manager of the *Schroder UK Equity Alpha Plus Fund* – a fund investing in a concentrated number of UK-listed firms – said there was no doubt UK investors were in a tough environment.

In his quarterly report, he said: "We take comfort from improving private sector employment and continue to believe in a slow 'muddle through' recovery over the course of the year, albeit with upsets and market volatility.

"Our bullish outlook stems from our view that even in a sluggish growth environment, low valuations and stellar corporate profits justify further progress for equities."

For many, this relatively tepid economic growth level has put pay to any imminent increase in interest rates, as the Bank of England continues to take a 'wait and see' approach on the economy before the Bank Rate goes north of 0.50 per cent.

Please see the important investment information on page 2 about making investments.

Investment Focus

Schroders

North east Japan was hit by a devastating earthquake and tsunami on 11 March 2011. We asked Schroders fund manager Andrew Rose about the impact this had on markets and the investment outlook.

Schroder Tokyo Fund

1 What impact have the ongoing problems at the Fukushima nuclear plant had on the markets?

The nuclear issue is the largest element of uncertainty surrounding the earthquake and to that extent is impacting consumer confidence.

It is encouraging that after several weeks of relatively poor communication TEPCO (the facility operator) has now released a road map and timescale for bringing the issue under control.

Schroders fund manager Andrew Rose

Japan obtains 30% of its power from nuclear energy – the problems at the plant will result in an increase in demand for oil and natural gas – therefore the crisis will support commodity prices which could be significant in the long run.

2 Do you think investor confidence in Japanese equities will return after the significant sell off, seen in the immediate aftermath of the earthquake?

In the short term economic and corporate news will generally be negative which will test the market's resilience.

However looking through the short-term hit to the economy, a V-shape rebound in activity is likely in the second half of this year, and this is likely to be supportive of investor confidence in the market, especially given the low valuations.

3 In terms of the fund's holdings, such as manufacturing firms, what has been the effect of the widespread damage caused by the disaster?

What is damaging at present is the supply chain disruption, which has been particularly problematic in the auto industry.

The major auto companies in Japan announced plans to resume production in April, but production levels are likely to remain well below the pre-earthquake level at least through the April – June quarter.

We will be paying greater attention to normalised levels of earnings in the face of short-term earnings disruption in the coming quarter, and expect weak management guidance.

While we are concerned about the supply chain problems in the auto industry, we think any significant pull-back in the stock prices would represent good investment opportunities from a medium to long-term perspective.

4 What do you see as the investment opportunities going forward, as Japan recovers?

We are interested in identifying stocks which will be winners during the recovery, but will also be looking to increase allocation to the stocks which can sustain growth beyond the recovery phase.

We are looking to identify stocks excessively sold off for short-term earthquake related reasons but which look cheap on a normalised basis.

While we are happy to maintain the positions we have held for a long time in stocks positively exposed to strong growth in emerging economies such as China, we are aware that this has become a very popular theme amongst investors.

Where optimistic expectations are already priced in, we do not intend to chase these stocks going forward.

Please see the important investment information on page 2 about making investments.

The views expressed above are those of Schroders at the time of asking and may change.

Visit the Schroder Tokyo Fund page for more information ▶

The risk and return of

The risks and the returns:

- **Equities or multi-asset funds are seen as having the highest risk but with high potential rewards as they offer exposure to the world's financial markets.**
- **Products like structured deposits can provide a half-way house, with stock market linked returns and capital protection.**

For investors and investment managers alike the risk and return on an investment is the trade-off that never goes away.

The terms of the risk and return debate change, such as the assumptions about how 'safe' or well-performing assets are, but as the fund manager Vanguard points out 'all investments carry some risk'.

The risk and reward scale

The historic risk and return scale is based on the premise that the greater the potential return, the greater the potential risk you take on; the traditional scale places cash as the least risky asset, with limited available returns, and equities as carrying the greatest risk and high potential rewards.

Here we take you through the options, from the lowest to the highest end of the risk versus reward scale.

Cash

In simple terms, cash is the least risky option when it comes to investing. A savings deposit account from a bank or building society can offer a guaranteed rate of return, or a variable return, often for fixed periods.

Our view

Cash plays a vital role in anyone's investment portfolio. However, it is important to choose the right type of cash account for your circumstances. Long term fixed rates offer the most competitive returns, but if the Bank of England base rate goes up during the fixed term, other saving accounts will generally be able to offer higher rates.

For example, a fixed rate bond may pay around four per cent for a three year fixed term. Deposits in this type of account will generally be eligible for the Financial Services Compensation Scheme (FSCS) up to a limit of £85,000 per person, per eligible institution. This covers deposits against a bank or building society becoming insolvent.

However, inflation and interest rates do still pose a potential risk to your returns. If inflation rises above the level of interest, the spending power of your money reduces, affecting its real value.

Structured deposits

Structured deposits are a type of structured product designed to offer capital protection that is similar to cash deposits, but higher returns at a defined level that are not normally guaranteed. There is a specific risk to the return you receive because it will generally be based on a particular market performance, such as changes in the FTSE 100 Index.

Capital will be protected regardless of the index performance with this type of investment, normally fixed term plans for periods of up to six years. Most structured deposits are also available as cash ISAs.

Our view

While markets remain uncertain and interest rates low, structured deposits can offer a halfway house between stock market linked returns and capital protection. This is particularly true for structured products held as cash ISAs, which are proving particularly popular this year. Attractive potential growth options make structured deposits a feasible alternative.

Corporate and government bonds (fixed interest)

You will normally access corporate and government bonds (debt) through pooled investment funds. One notch up the historic risk spectrum from cash and structured deposits, bonds are fixed interest assets issued by a company or government. A pooled fund will hold a wide variety of bonds, with different terms or from different issuers.

Returns can vary on bonds, with fluctuations in the value of bonds as they are traded in bond markets after they have been issued. As a result of their fixed interest nature, bonds are sensitive to interest rate rises as this will generally cause the face value of a bond to decrease.

There is a wide variety of bond funds, ranging from government bonds, known as gilts in the case of UK government bonds, considered the safest type of bond due to the low default risk, through to strategic bond funds which invest in higher risk bonds.

investing

Our view

Bond or fixed interest asset funds can play an important part in an investment portfolio, adding balance and diversification if you also invest in other assets. Bonds are perceived as carrying less risk to capital than equity investments.

Structured investments

Moving into higher potential returns, but also greater capital and return risk, structured investments can offer what is often called 'soft protection' which can limit the potential risk to capital, while also offering the opportunity for competitive returns linked to the performance of a stock market index, such as the FTSE 100.

This type of soft protection for capital means the value of capital can fall but only if pre-set criteria are met, for example, if the FTSE 100 falls by 50 per cent or more compared to its initial level.

Risk, as with other structured products, also includes counterparty risk which means that return of capital is dependent on the bank receiving the deposit being able to repay your money.

Our view

There is a wealth of interesting investment ideas and opportunities when it comes to structured investments. Income structured investments tend to offer a potential defined return unlike investment funds, while the range of growth products allow you to benefit from any potential growth in indices like the FTSE 100.

Equity and multi-asset funds

Equity and multi-asset funds are at the top end of the risk and return scale. There is a wide range of different risk levels, depending on how the fund invests. An absolute return fund, like the Standard Life Global Absolute Return Strategies Fund, will try to limit losses in adverse market conditions by using a variety of investment strategies that can profit from falling as well as rising markets.

A multi-asset or multi-manager fund, like the Fidelity Multi Asset Strategic Fund, will take a diverse approach, investing in equities, bonds and commodities to participate in some of the growth in these markets but limiting the potential losses by investing across assets and geographical areas.

An equity fund, specialising by sector or geographic area, like the Aberdeen Emerging Markets Fund or Invesco Perpetual Income Fund, can participate fully in the growth of the shares they hold and the dividends those shares pay, but carry the risk trade off of the volatility in equity markets and potential for sharp falls in the value of returns and capital.

Our view

Equity and multi-asset funds may be at the top end of the risk scale, but the potential rewards are greater. As with all investments, they can help to balance your portfolio, and allow you to access and take advantage of markets and commodities that you may not be able to gain exposure to otherwise.

Savings and investment ideas, click below for more information:

ING DIRECT

Savings Account
- Instant access cash savings account
- Offering 3.00% AER interest guaranteed for 12 months. Available rate may change.

Investec Structured Products

FTSE 100 3 Year Deposit Plan 25
- Potential return of 15%, linked to the performance of the FTSE 100 Index
- 3 year, fixed term plan. Available rate may change.

M&G INVESTMENTS

Gilt & Fixed Interest Income Fund
- Fund predominantly investing in UK government bonds, known as gilts

RBS The Royal Bank of Scotland

UK Growth Early Kick-Out Plan
- Potential to return 8.00% a year
- 5 year plan with the potential to mature early. Available rate may change.

STANDARD LIFE INVESTMENTS

Global Absolute Return Strategies Fund
- Using active investment strategies to limit losses in falling markets

Invest at 0.00% initial charge when investing in funds through Fair Investment >>

Please see the important investment information on page 2 about making investments.

Cash ISA savers lose out – but there are alternatives

> The average cash ISA rate has plummeted to less than 0.50 per cent in recent months

> Structured deposit plans offer higher potential returns linked to market performance

A third of the UK adult population has saved more than £172billion into cash ISA accounts according to Consumer Focus, but the average interest rate has plummeted to less than 0.50 per cent.

Are you losing out by saving into one of these accounts? Did you subscribe your whole cash ISA allowance into an account with a bonus rate? Have you checked the interest rate you are earning in your cash ISA lately?

These are all questions that Consumer Focus is urging you to ask following the launch of its 'super-complaint' into cash ISAs last year. As part of its research, Consumer Focus found that 30 per cent of cash ISA savers view their ISA as an alternative to a pension, meaning that short term accounts with 'teaser' bonus rates may not be appropriate.

If you are looking for something with the potential for considerably higher growth returns, you could look at structured deposit plans

Cash ISA alternatives

But there are alternative cash ISA options available, provided you are prepared to lock your money away for a fixed period of time.

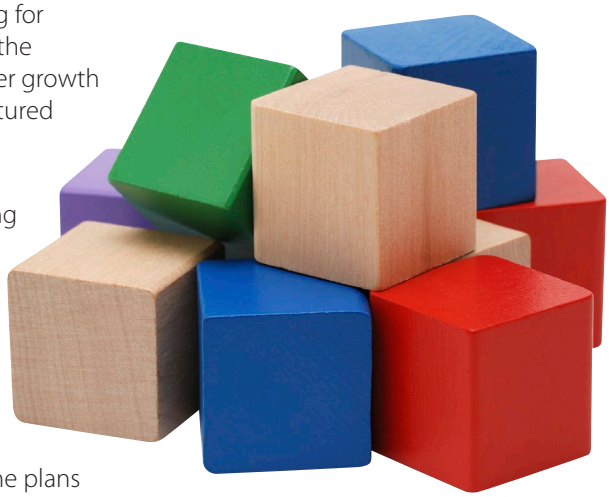
Medium to long term fixed rate bonds with terms of three or more years tend to offer the most competitive interest rates on the savings market, and this is also the case for fixed rate cash ISAs – it also means you do not have to worry about checking the interest rate every 12 months.

Alternatively, if you are looking for something a bit different, with the potential for considerably higher growth returns, you could look at structured deposit plans that are available within your cash ISA wrapper.

These plans work by protecting your initial deposit, but any stated potential returns are dependent on the performance of an index such as the FTSE 100.

Plans are usually for a fixed period of between three and six years, and range from income plans like the 5 year Investec FTSE 100 Income Deposit Plan (currently offering the potential to return 4.60% a year) to growth plans like the Investec 5 year Deposit Plan, which currently offers a target return of 35 per cent after five years provided that the FTSE 100 Index is higher than its starting level after five years.

If you view your cash ISA as a long term savings solution, or are one of the 30 per cent that sees them as an alternative to a pension, structured deposit plans can offer the protection normally associated with a bank or building society account, with the potential for returns linked to the stock market.



Click on the products below for more information:

*** Rates available may change**

Investec Structured Products

FTSE 100 Income Deposit Plan
- A 5 year fixed term plan
- Potential income of 4.60% a year, linked to the performance of the FTSE 100 Index

Investec Structured Products

FTSE 100 5 Year Deposit Plan
- Potential return of 35%, linked to the performance of the FTSE 100 Index
- 5 year, fixed term plan

Please see the important investment information on page 2 about making investments.

Fund news: mergers and updates

A major development for the investment fund industry this spring was the completion of Henderson Global Investors' takeover of Gartmore, the troubled investment house.

The takeover sees 15 of Gartmore's UK domiciled funds move to Henderson Global Investors, with 11 other funds merging with existing Henderson funds.

These changes directly affect two of the funds in the Fair Investment Select 100.

Manager of the Gartmore Cautious Managed Fund, Chris Burvill, will continue in his role at Henderson, leading the fund which invests in government and corporate bonds, and equities to return a level of income and capital growth. After summer 2011, the fund will be renamed the Henderson Cautious Managed Fund.

The Gartmore Multi Manager Cautious Fund has merged with the Henderson Multi-Manager Income and Growth Fund. From 25 April 2011, the fund has been joint managed by the existing manager, Bill McQuaker, and Tony Lanning who managed the Gartmore fund.

Corporate bond moves

In April, the asset manager Aegon announced that Steven Snowden, manager of the Old Mutual Corporate Bond Fund, was moving back to Aegon, where he had previously worked.

The Old Mutual Corporate Bond Fund remains in the Select 100 because it was felt the team behind the Old Mutual fund, under the overall management of Stuart Cowley, was strong enough to continue to run the fund, with plans to review this once there is further clarity on who will take over the management of the fund going forward.

Henderson Global Investors has completed its takeover of Gartmore with changes to funds now taking place

In a statement on 13 April, Aegon said Snowden would be jointly managing the Aegon Investment Grade Bond Fund and the investment grade global bond funds domiciled in Dublin. The company said it was 'looking to expand its renowned fixed income expertise into new markets including Europe'.

There are no changes to the Aegon Sterling Corporate Bond Fund, managed by David Roberts and Iain Buckle, and the Aegon Strategic Bond Fund, managed by David Roberts and Phil Milburn.

Emerging market funds

In the Fair Investment Select 100, the M&G Global Emerging Markets Fund replaces the Baillie Gifford Emerging Markets Growth Fund, because the latter fund is being closed to new investors.

The M&G Global Emerging Markets Fund was launched in February 2009, and invests globally, with holdings in Brazil, China, Korea and South Africa. The managers aim to hold between 50 and 70 stocks with the objective of delivering a total return of both growth and income.

Select 100

The Fair Investment Select 100 is a range of investment funds offering you a list of select funds from the thousands available.

Currently the list includes a wide range of highly rated funds from 31 different investment houses.

Included in the range are lower cost passive funds from providers HSBC and Legal & General, emerging market funds, and funds focussed on specific markets or sectors.

As well as the Select 100, we highlight a wider range of passive or index funds from the leading providers and several ethical investment funds, such as the Aegon Ethical Equity Fund and Standard Life Ethical Corporate Bond Fund.

All funds, where applicable, can be accessed at 0.00% initial charge, with reduced annual management charges also available on many funds.

Select 100 Funds mentioned, click on the products below for more about these funds:

- Gartmore Cautious Managed Fund
- Henderson Multi-Manager Income and Growth Fund
- Old Mutual Corporate Bond Fund
- Aegon Sterling Corporate Bond
- Aegon Strategic Bond Fund
- M&G Global Emerging Markets Fund

For more information visit the Select 100 section on our website ▶

The value of investments can go down as well as up, and you may not get back the full amount invested. Please see the important investment information on page 2 about making investments.

Why ISA investing pays

> Fair Investment research shows that not using the cash ISA allowance could cost £80,000 over 40 years

> Investing monthly into a stocks and shares ISA can lead to £100,000s in savings over the long term

Research carried out by Fair Investment Company has shown how saving even 60 per cent of the annual ISA allowance could realise the claims that saving can make you millions.

We looked at what the returns would be over 40 years if you were saving within the stocks and shares ISA allowance and received growth of 7.00 per cent a year.

We used 60 per cent of the current ISA allowance (£10,680), which works out as approximately £525 a month. HMRC statistics for 2009/10 showed the average amount invested in a stocks and shares ISA was £4,155 (approximately 58% of the full allowance in 2009/10).

We kept the amount saved each year the same to neutralise any impact inflation might have, because the current ISA allowance will increase each year linked to inflation – if you always saved 60 per cent of the annual allowance, the amount saved would rise incrementally, as the cost of living increases.

> *After 40 years the total pot could be worth £1.3million*

> *Even if you can't afford to save the full ISA allowance each year you can still build up a healthy fund.*

The returns you can make

A 25-year-old saving this much would have made almost £40,000 by the time they turn 30, and £167,000 by the age of 40. If this was a long term commitment and the savings rate stayed the same for 40 years, the total pot could be worth £1.3million by the time they retire.

This sort of return can never be guaranteed, especially over the time span of 40 years, but it does show what the benefits can be of saving in a tax efficient way.

Even if you can't afford to invest the full ISA allowance each year, and don't benefit from market leading returns at every step of the way, you can still build up a healthy sum.

The key to this sort of return is compound interest[1] (the amount of growth increases each time interest is added as the total size of the savings pot has increased) so any withdrawals of funds will lessen the return being made. However, whether you're looking for medium term savings or to boost your retirement savings, ISAs should be a first port of call.

ISAs should be a priority

Authorised tax avoidance, tax-efficient savings – however you choose to describe ISAs there is a clear benefit to maximising your ISA allowance before looking at other savings and investment options.

If you save your entire cash ISA allowance into an account paying 3.74 per cent every year from age 25 to retirement, the total savings pot could reach as much as £488,958 by the time you're 65.

Saving at this rate, for the same time, in a non-ISA savings account – where tax is charged on the interest you earn – could mean you're over £80,000 worse off. The total savings would grow to the lower amount of £408,887.

You would save £213,600 over the 40 years, but in a non-ISA cash account the tax-take of £48,711 and loss of cumulative growth (amounting to £31,360) could make a significant difference to your returns.[2]

ISA Facts

The stocks and shares ISA allowance is £10,680

The cash ISA allowance is £5,340

Visit the ISA section for ideas ▶

[1] Returns shown are illustrative, indicating possible returns, they show returns based on compound interest calculated monthly, and no withdrawals. [2] Figures are illustrative, based on a basic rate tax payer. Returns are based on compound interest and calculated monthly, assuming regular savings and no withdrawals.

Please see the important investment information on page 2 about making investments.

Selected featured products

Click on the products below for more information

Any rates shown correct at time of publication

Investment Funds

Invesco Perpetual	High Income Fund	Managed by leading fund manager Neil Woodford, the fund invests predominantly in UK equities with the aim of returning a regular income.
Vanguard	Passive Funds	A wide range of passive or tracker funds from leading provider Vanguard is available through Fair Investment, offering low cost investment options.
Schroders	Tokyo Fund	Investing in Japanese listed companies, the fund seeks to target strong areas of the Japanese economy such as manufacturing.
M&G INVESTMENTS	Gilt and Fixed Interest Income Fund	A bond fund investing primarily in UK government bonds, known as gilts. The fund holds a range of different bonds aiming to deliver a rate of income through different economic climates.
STANDARD LIFE INVESTMENTS	Global Absolute Return Strategies	An absolute return fund that aims to deliver a return on investments regardless of whether markets are rising or falling. The fund can do this by using active investment strategies that can profit from falls in asset prices.

Structured Investments

Morgan Stanley	FTSE Defensive Digital Growth Plan	A 6 year fixed term investment that offers potential growth of 56% as long as the FTSE 100 has not fallen by more than 20% of its initial level at the end of the plan.
RBS The Royal Bank of Scotland	UK Growth Early Kick-Out Plan	A 5 year structured investment plan that has the potential to mature after just one year. The potential return is 8.00% a year (not compounded) linked to the FTSE 100 performance.

Structured deposits

Investec Structured Products	FTSE 100 3 Year Deposit Plan 20	A shorter term, 3 year structured deposit plan which has the potential to return 15% at the end of the plan term, linked to the performance of the FTSE 100. A structured deposit plan that is eligible for cash ISA investments.
Investec Structured Products	FTSE 100 5 Year Income Deposit Plan	A 5 year structured deposit plan aiming to return an income of 4.60% a year, dependent on the performance of the FTSE 100. An investment with the potential to return a level of income with capital protection. Available for cash ISA investments.
Investec Structured Products	FTSE 100 5 Year Deposit Plan	A 5 year structured deposit offering a potential return of 35% at the end of the plan's 5 year fixed term. Potential returns are linked to the performance of the FTSE 100. Capital protected.

Cash savings accounts

SCOTTISH WIDOWS BANK	5 Year Fixed Term Deposit Account	Interest paid either annually at 4.25% Gross/AER, Quarterly at 4.18% Gross or Monthly at 4.17% Gross. Minimum Deposit £10,000.
ING DIRECT	Savings Account	An instant access savings account offering interest of 3.00% AER guaranteed for 12 months on deposits of £1 to £100,000.

All rates shown may change. Please see the important information on page 2 about making investments. Different investments carry different levels of risk and may not be suitable for all investors. Please ensure that you read all relevant product information before deciding whether to invest.

For more information about these products and other investment ideas visit www.fairinvestment.co.uk

For more information, please contact us using one of the following methods:

Tel:

0845 308 2525 **(Monday to Friday 9am to 5pm)**

Email:

helpdesk@fairinvestment.co.uk

Visit:

www.fairinvestment.co.uk

Customer Services

Our customer services team are here to help you with any queries about your investment.

If you are experiencing any problems applying online or through the post, please do not hesitate to contact our helpdesk who will be able to assist you.

Please use the contact details provided above to get in touch.

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