

press release

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Fund in Focus: M&G Global Convertibles

Sheridan Admans, investment adviser at The Share Centre, explains how investors could benefit from the features of both bonds and stocks during uncertain times, by investing in a convertible bond fund like the M&G Global Convertibles.

A convertible is essentially a bond – which is a unit of debt. As such, they are often viewed as relatively low risk because, if a company goes bust, the bonds have to be repaid before any money can be given to shareholders.

However, unlike a traditional bond, a convertible can be changed into shares. Convertibles can therefore offer the upside potential of equities with the downside risk protection of bonds, delivering risk-adjusted returns that are significantly ahead of both asset classes.

In July 2007, M&G launched its Global Convertibles fund with an aim to maximise long-term total return by predominantly investing in convertible loan-stock. As at 28 February 2010, the fund size stood at £341.6m.

The fund has been managed by Leonard Vinville since its inception. Vinville manages the fund without reference to any benchmark, expected yield or target return. He focuses purely on delivering the best possible risk-adjusted total returns.

Vinville employs a bottom-up, global approach to selecting convertibles based on the assessment of company fundamentals. In terms of performance the fund has returned 68% on a cumulative basis over the last five years.

M&G is well respected for its bond funds. Despite this fund's short history, we believe M&G's experience in the fixed interest securities market will help benefit the Global Convertibles fund over time.

The M&G Global Convertibles has an annual charge of 1.5% and an initial charge of 4%. The minimum initial investment is £1,000.

However, as the fund features in The Share Centre's Platinum 120 range, customers wishing to invest in the M&G Global Convertibles will not have to pay the initial charge or purchase dealing commission. Customers can also invest in the fund from as little as £10.

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Note to editors:

About The Share Centre's Platinum 120 range

The Share Centre launched its Platinum 120 funds range in June 2009 in order to help investors identify the funds with the best long-term prospects and strong management. Customers who invest in a Platinum 120 fund will benefit from no purchase commission on all funds and no initial charge on almost 90%. Please visit www.share.com/p120 to view the full Platinum 120 range. Please be aware that this may require registration.

For further information please contact:

The Share Centre
Lisa-Marie Nelson
PR Executive
01296 439 426
Lisamarie.nelson@share.co.uk

Stephanie Reynolds
PR Executive
01296 439 256
Stephanie.reynolds@share.co.uk

Lansons Communications
Inez de Koning / Neil Gregory / Rachel Cashmore
0207 294 3623 / 0207 294 3611 / 0207 566 3663
inezd@lansons.com / neilg@lansons.com / rachelc@lansons.com

Risk Warnings:

Investing in general, and the products and services mentioned above may not be suitable for all: if in doubt, individuals should seek independent financial advice. The value of investments and the income from them can go down as well as up and investors may not get back their original investment. Past performance is not a reliable indicator of future performance.

The bases and levels of taxation relating to ISAs, CTFs and SIPPs are subject to change and the value of these tax allowances may depend upon the circumstances of the individual.

About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPPs are also available.

The Share Centre's Advice team provides comment on market sectors, individual shares and funds on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#)

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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