

Newsletter



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Established 1999

For People Who Care

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For more detailed information about Avalon and our products, visit our website.

You can also download all product documents.

www.avaloninvestment.com

Introduction

Welcome to our quarterly newsletter which keeps you up-to-date with market developments and how we can help you.

We were recently at the Sustainability Conference in London and discovered that many organisations are now introducing an ethical policy. Having said that, they are still exploring the many different ways there are to actually “go green” and how many of these choices can also offer a return on their money?

Ethical investments use social and environmental criteria as well as financial criteria to protect and grow wealth. Many people like the idea that they can make a difference with their money, while others see the potential for profit in new technologies.

At the Conference we were able to introduce some delegates to the range of socially responsible investments that are available through our products. These can deliver good long term performance and can also satisfy varying appetites for risk. To review our products and learn more about ethical investing take a look at our website for all product information.

The Wrap commentator www.platforum.com featured in the last Newsletter has developed into an influential voice on Wraps and we consistently get good feedback in its surveys. I'd like to take this opportunity to say many thanks to all our readers and contributors! This is helping to attract new IFAs to Avalon.

Further to my announcement in the last Newsletter regarding commission, I am pleased to tell you that by the end of July we will be able to pay **trail commission monthly**, also via direct credit. To take advantage of this new initiative, all you have to do is send your bank details to our Commissions Department.

I hope you enjoy reading this edition of the Newsletter and we would be pleased to hear of any other information you would like to see included in future editions.

Thank you, **Harry Kerr**, Director

Fund Focus

So what are your favourite funds? Are there any groups or funds that you would like us to cover? If you can't find what you are looking for then please do not hesitate to let us know. You can regularly check our website for updates on new funds being launched. We include details within our Fund Research and New Fund Launches tab and have links to various fund managers giving all the information you need at your fingertips.

You may have heard of the Matrix Group; another leading boutique. They are launching 2 specialist UCITS III funds in June which will be available on the Avalon platform. Firstly a Pan Asian Fund with China focus (a long/short fund, rare within the Asia sector) and then a niche innovative Special Situations type bond fund focusing on growth rather than yield.

MATRIX

See the **Future Issues** section overleaf for information on UCITS III.

Contact Us

We will be delighted to answer any questions you may have.

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Avalon News

As part of our commitment to discovering excellent investment solutions for IFAs, we are arranging a number of events in partnership with various Fund Managers to promote their new fund launches. This will enable IFAs to learn firsthand the benefits these funds can bring to your clients.

Thames River Capital, featured on our website, have recently been bought by F&C but fear not, this will not stop them continuing to progress as the quintessential boutique as they have done over the past 12 years. We will arrange events in the near future with Thames River to enable the IFA to learn about a diversified range of funds available via the Avalon Freedom range. Please regularly check our website for details.

We also mentioned last time about **tax driven schemes**. Recent pension restrictions for high income earners have inevitably seen increased demand for Venture Capital Trusts. These offer a lower risk solution to people looking to reduce their tax liability and to generate tax-free investment returns. Also available is the Enterprise Investment Scheme that offers inheritance and income tax relief as well as tax-free dividends and tax-free capital gains on investments. Both Octopus Investments and Unicorn Asset Management will be promoting new issues for the Autumn.



The Products

The Avalon range of open choice products available to you can be found on our website. Each quarter we would like to highlight one particular product. This quarter it is the **Avalon Freedom SIPP**. The Self Invested Personal Pension is the ideal way to draw together pension arrangements accumulated over time, as well as continuing to build up further pension assets. Unlike other traditional pension arrangements, a SIPP is a highly flexible and personal pension scheme that is exclusive to the individual and with the Avalon SIPP, your clients are free to invest their personal pension contributions the way they want to.

The investment choice can include any unit trust, open-ended investment company (OEIC), or investment trust and for an ethical investment with environmental benefits, clients can invest in sustainable timber via Ethical Forestry, available through Avalon. They may also invest in cash deposits, UK and overseas equities, fixed interest securities and UK commercial property.

At Avalon we offer two charging structures for the Freedom SIPP. Structure 1 offers better value for lower fund sizes while the flat fee of Structure 2 is better suited to a larger fund value (over £50,000).

We can arrange for personal illustrations of future benefits to either yourself or your client, we just need a few basic details. Contact our SIPP department where one of our staff will be happy to help.

Future Issues

UCITS III (Undertakings for Collective Investments in Transferable Securities) are the latest legal fund structures across Europe which allow derivatives to be used. They are strictly regulated and do not allow any "derivative gearing" which brings lower risk qualities and marketing kudos to many existing hedge funds which were previously bona fide but unregulated. So UCITS III will create more demand for hedge funds particularly within intermediaries and multi-managers. We are looking to arrange events to discuss alternative funds within a UCITS structure so keep an eye on our website for further information.

Look out for the unique Brazil fund with Allianz BRIC team, the first of its kind in the UK, available October 2010. **For further information on all subjects, please email us via the Contact Us section of the website.**

For further information see our website www.avaloninvestment.com or contact us on 01666 501710 – enquiries@avaloninvestment.com. We will be delighted to answer any questions you may have.