

Investment Assets

All investments carry some risk, and the Investing and Risk page includes some information on how we might manage this risk.

We can learn more about the particular risks and rewards of different investment funds by looking at their sector and assets in more detail.

All types of shares have different characteristics and these characteristics are complex. Hence there are fund managers within the industry to assess and measure these features and make investment decisions based on their knowledge and market experience.

Investment funds will have a particular aim, and often have a specialist sector which allows them to be compared to other funds of a similar make-up and ensures that the actual assets of the fund (the investments made by the fund manager on behalf of individual investors) remain in proportion with the selected aims and specification of the fund.

Sectors and Assets

The fund sector identifies broadly the areas in which the fund will invest. This can be based on geographical terms, or in a particular industry. For example, there are funds that only invest in UK companies, or Japanese companies, just as there are funds that invest purely in 'technology' companies (IT, telecoms etc). In addition to this there are sectors that are a mixture of assets. A typical 'balanced managed' fund will have some money invested in shares, some in property and some in fixed interest investments or bonds.

Although there are no guarantees as to performance or returns from any sector, our knowledge and experience can indicate how we might expect investments to perform.

The value of investments can fall as well as rise and you may get back less than you invest. Past performance cannot be used as a guide to the future. Contact your Financial Adviser before making any decisions.

