DCP Lifestyle Retirement Fund

Below average | **Single fund solution** | **Lifestyle**

Our risk rating

Below average risk funds will generally see some change in day-to-day value, both positive and negative, and these changes will typically be larger than those of a cash deposit. They may hold a broad range of investment types, including equities (shares), but a significant proportion may also be invested in investments that aim to provide a reliable source of income (like government and corporate bonds) and, with that, greater stability than would typically be available from equities. They try to provide better long-term growth prospects than a cash deposit, but are lower risk than funds investing largely in equities.

Fund objective

This fund is for members of the BP DCP scheme invested in a DCP Retirement Year fund, who have reached their selected retirement date (SRD) and have not yet bought an annuity. These members will automatically be switched into this fund at their SRD. It's specifically designed as a temporary, short-term holding fund that aims to help preserve the amount of pension investors can buy through an annuity. It does so by investing 50% in long-dated corporate bonds (maturities of 15 years or more) through the DCP GBP Corporate Bonds fund and 25% in long-dated government bonds (gilts with maturities of 15 years or more) through the passively managed DCP UK Gilts fund. These funds aim to lessen the effects that fluctuating interest rates have on annuity rates so that scheme members in the fund don't suffer a dramatic drop in their potential pension income when they buy an annuity.
The fund also invests 25% in the DCP Cash fund, in order to provide for investors' tax-free cash allowance.

Fund information

Benchmark	No Benchmark
Fund provider	AEGON
Fund launch date	23/03/2010
ABI sector	Unclassified (Pen)
Aegon fund size (£million)*	£1m
Fund type	Pension
Total charge**	0.21%

*The fund size is the total sum of assets held within the fund.**This is the total charge deducted from your plan. We reserve the right to change it.

About fund performance

You should always look at performance over periods of at least five years and in relation to the fund's objective. Even if a fund has risen in value, this doesn't mean it's meeting its objectives, especially if it's aiming to outperform a particular benchmark or meet a risk target. The same applies if it's gone down.

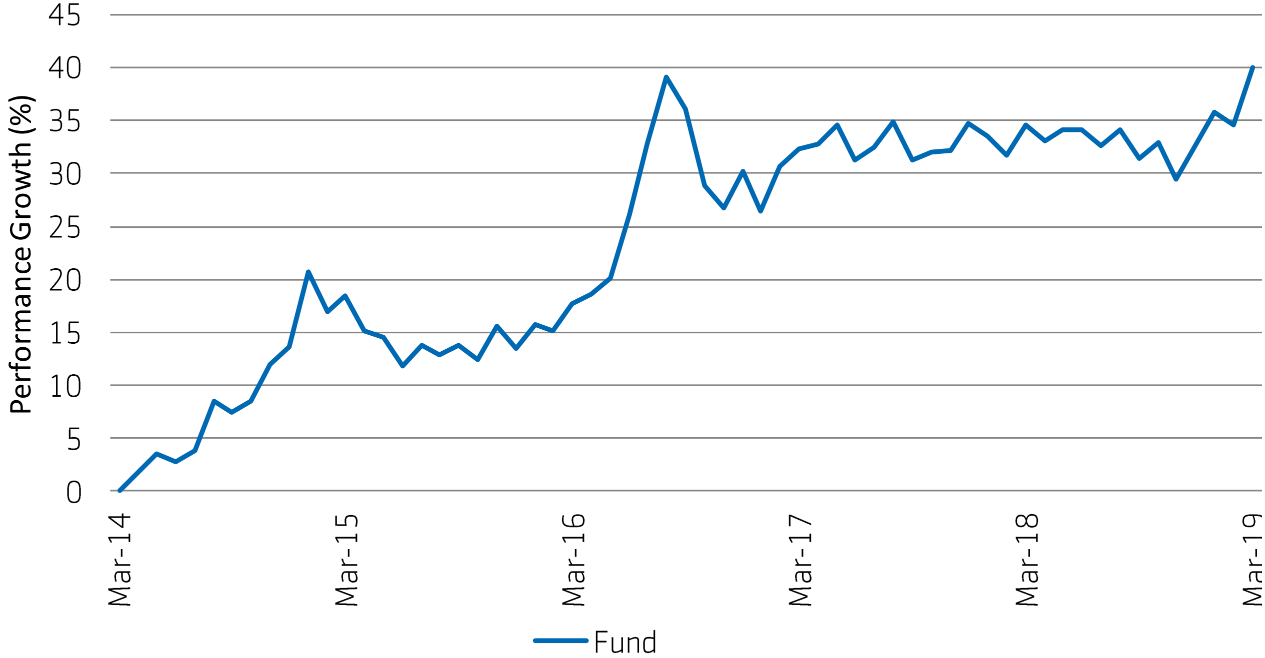
All performance in this factsheet is to 31 March 2019 unless otherwise stated. Fund performance is shown net of the total charge shown in the fund information section on the first page. Where the fund is less than five years old, performance is shown since launch.

Please remember that past performance is no guide to future performance and the value of this investment can go down as well as up.

Fund performance

The following charts and tables show the fund's performance against its benchmark (if there is one) over various time periods.

Five years to 31 March 2019



Performance in detail

	Periods ended 31/03/2019*				Growth (%) over 12-month periods shown below*				
	1Y (%)	3Y (%)	5Y (%)	10Y (%)	Mar 2018 to Mar 2019	Mar 2017 to Mar 2018	Mar 2016 to Mar 2017	Mar 2015 to Mar 2016	Mar 2014 to Mar 2015
DCP Lifestyle Retirement Fund	3.9	5.8	6.8	-	3.9	1.5	12.2	-0.9	18.3

*Source: Aegon. Figures in £s, net of charges, with gross income reinvested. Performance for periods of greater than one year is annualised (% per year).FE for benchmark performance figures.

Single fund solution

DCP has designed this fund for scheme members who don't want the worry of having to choose and manage their own retirement portfolio. They believe it is suitable to be an investor's only fund because it uses a two-stage investment strategy called lifestyling, which manages the changing needs of pension investors from their early working life right up to retirement. In the early years it invests in a diversified mix of global equities (company shares) with the aim of growing your pension savings. Then, 10 years before your SRD, it automatically moves into investments designed to preserve the size of pension you can buy at retirement and provide you with tax-free cash.

Where the fund invests as at 31 March 2019

Asset allocation	%
Corp bonds	50.0
Cash	25.1
UK Gilts	24.9

Top holdings	%
DCP GBP Corporate Bonds Fund	50.0
DCP Cash fund	25.1
DCP UK Gilts Fund	24.9
Assets in top holdings %	100

Below average

Risks specific to this fund

There's no guarantee this fund will meet its objectives. All our funds carry a level of risk, in particular the value of your investment may go down as well as up. You may get back less than you invested. The table below draws your attention to the key risks specific to this fund.

Risk type	Description of risk
Third party risk	In the event that the underlying investments which the fund invests in suspend trading, Aegon may defer trading and/or payment to investors. The value ultimately payable will depend on the amount Aegon receives or expects to receive from the underlying investments.
Credit risk	This fund invests in bonds or other types of debt. Bonds are essentially loans to companies, governments or local authorities so there's a risk that these companies or government bodies may default on the loan. Bonds are rated in terms of quality, usually from AAA down to B and below. AAA is the highest quality and therefore the least likely to default and B or lower the most likely to default. Where we have it we show the credit quality of the loans held by this fund in the 'Where the fund invests' section.
Lifestyle strategy	Long gilts and long corporate bonds are used in lifestyle strategies because of their inverse relationship with annuity rates, not because they are 'safe' investments. When long bonds go down annuity rates generally go up and vice versa, meaning the size of annuity you can buy stays roughly the same whether bonds go up or down. But, this relationship isn't perfect and can fail, for example there can be a delay between changes in long bond values and annuity rates.
Post retirement	If you don't buy an annuity on your retirement date, you'll remain invested 75% in long-dated bonds (government bonds only or a mix of government and corporate bonds) and 25% in cash until you tell us what you want to do. This mix isn't designed for long-term investing and returns may not keep pace with inflation, meaning the real value of your fund may fall.