

## News Release

# Schroders announces launch of EURO High Yield fund

**13 December 2012**

Schroders is pleased to announce the launch of Schroder ISF<sup>1</sup> EURO High Yield, a new fund which will invest a minimum of 70% in a portfolio of bonds rated below investment grade, mainly from European issuers.

The fund, which launched on 14<sup>th</sup> November and will be benchmarked against the Bank of America Merrill Lynch Euro High Yield Constrained Index, will be managed by fixed income fund manager, Konstantin Leidman. Konstantin, who currently manages the euro high yield component of Schroder ISF Global High Yield, joined Schroders in August 2012 from UBS Global Asset Management, where he was the portfolio manager of its euro high yield fund, achieving top quartile performance over the last five years.<sup>2</sup>

Konstantin Leidman will leverage Schroders' extensive global fixed income resources, working closely with colleagues in the US, Europe and Asia to integrate top-down and bottom-up views from our strong macro and credit research teams.

### **Patrick Vogel, Head of European Credit, said:**

*"The launch of Schroder ISF EURO High Yield completes our product range in this area. Given the success of Schroder ISF Global High Yield, we are keen to add a euro high yield fund to our existing product range. Having assembled a strong credit team, we are confident that Schroder ISF EURO High Yield will allow us to meet current investor demand for products in this asset class, while also demonstrating our commitment to building on our current expertise in this area."*

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<sup>1</sup> Schroder International Selection Fund is referred to as Schroder ISF

<sup>2</sup> Source: Lipper & Lipper Investment Management. All data correct as at 30<sup>th</sup> April 2012, net of fees and in EUR. UBS (Lux) Bond Fund – Euro High Yield sector is Lipper Global Bond EUR High Yield. The historic performance achieved by the UBS (Lux) Bond Fund – Euro High Yield under the management of Konstantin Leidman does not guarantee future performance in any funds or strategies managed by him.

**Konstantin Leidman, fund manager of Schroder ISF EURO High Yield, added:**

*“The European debt crisis is currently providing numerous opportunities for active investors in European high yield bonds. This market has grown considerably over the last decade, and we expect this trend to continue with further growth as a result of bank deleveraging and downgrades of countries in peripheral Europe. In the low rate environment there is a strong case for an asset class that provides attractive risk-adjusted returns with a strong income generation component. By combining fundamental bottom-up research of high yield bond issuers with top-down macro analysis, Schroder ISF EURO High Yield allows us to provide our clients with a strong product offering in this growing and increasingly important asset class.”*

**For further information, please contact:**

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**Notes to Editors**

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**Schroders plc**

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With one of the largest networks of offices of any dedicated asset management company, we operate from 33 offices in 26 countries across Europe, the Americas, Asia and the Middle East. Schroders has developed under stable ownership for over 200 years and long-term thinking governs our approach to investing, building client relationships and growing our business.

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