

Gilt Saver Service

What is it?



Our Gilt Saver Service is a managed portfolio of directly held bonds that aims to provide a predictable level of income while maintaining a low volatility of capital.

Who is it suitable for?



This service is suitable for investors:

- Seeking a reliable income similar or better than that available from a bank account
- Requiring easy access to their funds with a shorter time horizon or a specific foreseeable call on capital.

It may also be suitable for Higher and Additional Rate taxpayers seeking a tax-efficient investing option for their cash. We would guide clients towards a £30,000 minimum investment.

How does it work?



Our Gilt Saver Service is managed by our dedicated Fixed Income team.

The Service primarily invests in: short-dated UK government bonds (gilts), UK government treasury bills (t-bills), sterling denominated short-dated supranational bonds, and short-dated bonds issued by government guaranteed organisations.

What is unique about it?



Unlike a fund, our Gilt Saver Service gives you complete visibility over each bond in your portfolio, which allows you to predict the timing and value of coupon payments and capital repayments.

Meet the manager



Mateusz Malek, CFA, Head of Bond Research

Mateusz is one of our partners. He joined Killik & Co in 2011 having been an analyst at specialist fixed income independent research company Debtwire. Mateusz leads the Fixed Income Research department at Killik & Co.

More reasons to choose Killik & Co



Independently
owned



Dedicated
adviser



Purpose-driven
portfolios



High-street
branches



Transparent fees
and charges

Further information

The Service

The Service is actively managed and seeks to achieve its investment objective by primarily investing in, short-dated UK government bonds (gilts), UK government treasury bills (t-bills), pound sterling denominated short-dated supranational bonds, as well as short-dated bonds issued by government guaranteed organisations.

The Service will concentrate its investments in the UK government bond sector and, under normal conditions, will aim to invest more than 50% of each individual portfolio in bonds or treasury bills issued by the UK government.

Duration and Holding Period: The Service seeks to maintain short duration in line with its objective of seeking to maintain low volatility of principal. Duration is a measure of the price sensitivity of a debt security or a portfolio of debt securities to changes in relevant interest rates.

Currency Exposure: The Service may only invest in instruments denominated in pound sterling.

Although the Service will aim to hold investments to maturity, the Portfolio Manager may decide to sell the bonds at any time during the investment horizon if they believe it will assist in the delivery of the investment objective.

Risk to be aware of

As is the nature of investing, there are risks involved when investing in bonds.

Bonds are negotiable and consequently prices as well as yields, can fluctuate from issue until redemption. The value of debt securities may change depending on economic and interest rate conditions as well as the credit worthiness of the issuer. In an environment where interest rates are rising, even short-dated and good quality bonds may see their prices decline. This is because most bonds pay a fixed interest rate, which becomes less attractive when interest rates rise. However, the service does still offer you an accessible cash management option.

Issuers of debt securities may fail to meet payment obligations, or the credit rating of debt securities may be downgraded.

For some bonds, secondary market liquidity may be thin, the spread between the selling (bid) and buying (offer) price may be wide and there may be occasions where it is not possible to immediately sell a bond to protect against falling prices.

Unlike a bank or building society deposit, a corporate bond is not covered by the UK Depositor Protection Scheme under the Financial Services Compensation Scheme (FSCS).