

Liontrust Update

On 12 January 2009, Jeremy Lang (Liontrust First Income) and William Pattison (Liontrust First Growth) submitted their resignations as Liontrust employees.

When will they be leaving Liontrust?

Liontrust had previously said that the two fund managers would remain with the firm until 2010. It has now emerged that they will leave with effect 15 April.

If I invested in these funds, is my money safe?

There is no question about the underlying security of assets. However, if other individuals do come out of the fund in sufficient volumes, this can certainly hamper ongoing investment performance if the fund manager has to sell shares in a volatile and potentially declining market.

Has a replacement funds manager been named for the Liontrust First Income fund?

Liontrust European managers Gary West and James Ignlis-Jones will takeover the running of the fund from 25 March. They have managed the Liontrust Continental Europe Fund since launch in 2006.

Liontrust says First Income will continue in its existing investment objective. To produce a total return which outperforms the UK equity market; to provide an income stream that grows faster than inflation and to provide an annual yield which is higher than UK index-linked gilts.

Has a replacement funds manager been named for the Liontrust First Growth fund?

Liontrust have appointed Anthony Cross and Julian Fosh as the new managers of the First Growth fund. They currently also manage the intellectual capital trust and first opportunities funds.

The Liontrust view

Liontrust chief executive Nigel Legge says: "We are delighted that Anthony, Julian, Gary and James are taking over the management of the three funds.

They have consistently delivered exceptional performance both at Liontrust and earlier in their careers. They are to implement documented and robust investment processes that are an evolution of those currently used by Jeremy and William to provide continuity for existing unit holders."

Should I be making any changes?

We will be writing to clients to recommend a suitable alternative fund where appropriate.