

Legal & General Dynamic Bond Trust  
**Interim Manager's Report**  
**for the period ended**  
**5 March 2018**  
**(Unaudited)**

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# Manager's Investment Report

## Investment Objective and Policy

The investment objective of this Trust is to achieve growth of capital and income by investing principally in a range of fixed and variable rate income securities.

The Trust will have a wide discretionary (unconstrained) approach to asset allocation and may invest in Investment Grade and sub-Investment Grade securities with a credit rating from a recognised credit rating service or which are listed or traded in an OECD country.

A significant proportion (90%) of the Trust's exposure to non-Sterling denominated holdings will be hedged into Sterling.

While the Trust will generally seek to invest principally in a combination of income securities and their derivatives (including credit default swaps and other Over the Counter (OTC) instruments), it may also invest in any or all of the following: collective investment schemes, equities, other transferable securities, money market instruments/ cash, near cash and deposits. At times, the Trust may invest in cash, near cash and/ or deposits up to 100% and have derivatives exposures of up to 100% of the Trust's assets.

## Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class accumulation units rose by 1.12%. This compares to a rise in the iBoxx Sterling Non-Gilts Index of 0.56% over the review period on a total return basis (Source: Bloomberg).

**Past performance is not a guide to future performance.**

**The value of investments and any income from them may go down as well as up.**

**Exchange rate changes may cause the value of any overseas investments to rise or fall.**

## Market/Economic Review

With global economic growth accelerating, expectations of rising inflation have weakened investment grade bond markets globally. The US Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates to 1.5% in December, while signalling three further rate hikes in 2018. The Fed also began unwinding its asset purchase programme, known as quantitative easing (QE), in October.

However, the period under review saw continued positive returns across high yield bond markets, despite some volatility in the middle of the final quarter of 2017 amid a large amount of corporate issuance, and again in February 2018 amid a global sell-off on riskier assets on concerns that the Federal Reserve may be required to raise US interest rates more rapidly than anticipated. Meanwhile, emerging bond markets continued to attract substantial inflows from international investors looking for higher levels of income.

## Trust Review

The Trust delivered positive returns over the period under review. We continued to favour long investment grade positions in the US technology, media and telecoms sectors, as well as in selected opportunities in Europe.

These long holdings are balanced by short positions in selected US retailers and auto managers where we believe the outlook to be less favourable. We also hold long positions in short-dated emerging market and US high yield debt, balanced by short positions in selected European high yield companies.

## Manager's Investment Report continued

In global rates markets, we believe the best risk/reward trade-off is holding long positions in short-dated US, Australian and New Zealand rates, and short positions in long-dated US, German and Italian rates. Elsewhere in the portfolio, we favour long positions in the US Dollar versus a range of emerging market currencies.

### **Outlook**

Looking ahead, if inflation fear fades then investors may focus on robust growth once more. However, if credit spreads continue to widen and if the US Dollar rallies significantly, then this could lead to negative credit events and a growth slowdown.

We are relatively comfortable with the structural demand for long-dated treasuries and investment grade credit from pension funds, while riskier asset classes such as high yield and emerging markets could come under more pressure.

Overall, we think that there has been a regime shift and that market volatility is likely to remain structurally higher going forward, arguing for a cautious credit portfolio.

Legal & General Investment Management Limited  
(Investment Adviser)  
19 March 2018

## Authorised Status

### Authorised Status

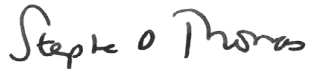
This Trust is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

### Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven  
(Director)



S. D. Thomas  
(Director)

Legal & General (Unit Trust Managers) Limited  
25 April 2018

## Portfolio Statement

### Portfolio Statement as at 5 March 2018

All investments are in investment grade securities or collective investment schemes unless otherwise stated. The percentages in brackets show the equivalent holdings at 5 September 2017.

| Holding/<br>Nominal<br>Value | Investment   | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|--|----------------------|-----------------------|
|                              | <b>CORPORATE BONDS</b>   |                      |                       |
|                              | <b>— 70.37% (76.31%)</b>   |                      |                       |
|                              | <b>UNITED KINGDOM — 6.27% (6.03%)</b>                            |                      |                       |
| USD5,600,000                 | Algeco Scotsman Global Finance 2<br>10% 15/08/2023 <sup>1</sup>  | 4,044,016            | 0.97                  |
| GBP2,000,000                 | Barclays 5.875% Open Maturity <sup>1</sup>                       | 2,042,140            | 0.49                  |
| USD1,050,000                 | Biz Finance 9.625% 27/04/2022                                    | 807,891              | 0.19                  |
| GBP3,500,000                 | Cognita Financing 7.75%<br>15/08/2021 <sup>1</sup>               | 3,606,050            | 0.87                  |
| USD500,000                   | Ferrexpo Finance 10.375%<br>07/04/2019 <sup>1</sup>              | 373,186              | 0.09                  |
| USD4,500,000                 | HSBC 6% Open Maturity  | 3,318,884            | 0.80                  |
| USD1,150,000                 | ICBC Standard Bank 8.125%<br>02/12/2019                          | 891,394              | 0.21                  |
| USD3,500,000                 | Lloyds Bank 12% Open Maturity                                    | 3,283,204            | 0.79                  |
| GBP3,200,000                 | MEIF Renewable Energy UK 6.75%<br>01/02/2020 <sup>1</sup>        | 3,216,000            | 0.77                  |
| GBP1,300,000                 | Premier Foods Finance 6.5%<br>15/03/2021 <sup>1</sup>            | 1,312,025            | 0.31                  |
| USD1,100,000                 | Vedanta Resources 8.25%<br>07/06/2021 <sup>1</sup>               | 870,014              | 0.21                  |
| GBP2,325,000                 | Vougeot Bidco 7.875% 15/07/2020 <sup>1</sup>                     | 2,360,456            | 0.57                  |
|                              |  | <b>26,125,260</b>    | <b>6.27</b>           |
|                              | <b>IRELAND — 1.73% (1.85%)</b>                                   |                      |                       |
| USD1,600,000                 | GPB Eurobond Finance 7.496%<br>28/12/2023                        | 1,186,337            | 0.28                  |
| USD7,000,000                 | GTLK Europe 5.95% 19/07/2021 <sup>1</sup>                        | 5,277,410            | 1.27                  |
| USD1,000,000                 | MMC Finance 5.55% 28/10/2020                                     | 757,591              | 0.18                  |
|                              |  | <b>7,221,338</b>     | <b>1.73</b>           |
|                              | <b>CHANNEL ISLANDS — 1.45% (1.31%)</b>                           |                      |                       |
| USD3,000,000                 | Delphi Technologies 5% 01/10/2025 <sup>1</sup>                   | 2,133,859            | 0.51                  |
| EUR1,900,000                 | Mercury Bondco 8.25% 30/05/2021 <sup>1</sup>                     | 1,768,734            | 0.42                  |
| GBP2,000,000                 | TVL Finance 8.5% 15/05/2023 <sup>1</sup>                         | 2,145,600            | 0.52                  |
|                              |  | <b>6,048,193</b>     | <b>1.45</b>           |
|                              | <b>CONTINENTAL EUROPE</b>  |                      |                       |
|                              | <b>— 17.21% (20.20%)</b>   |                      |                       |
|                              | <b>Austria — 0.82% (0.00%)</b>                                   |                      |                       |
| EUR3,200,000                 | Raiffeisen Bank International 4.5%<br>Open Maturity <sup>1</sup> | 2,741,457            | 0.66                  |
| EUR1,300,000                 | Steinhoff Europe 1.875% 24/01/2025 <sup>1</sup>                  | 659,630              | 0.16                  |
|                              |  | <b>3,401,087</b>     | <b>0.82</b>           |
|                              | <b>Belgium — 0.25% (0.08%)</b>                                   |                      |                       |
| EUR1,200,000                 | Belfus Bank 3.625% Open Maturity <sup>1</sup>                    | 1,030,795            | 0.25                  |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value       | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------------|---|----------------------|-----------------------|
| <b>France — 3.41% (1.61%)</b>      |   |                      |                       |
| EUR4,000,000                       | CMA CGM 5.25% 15/01/2025 <sup>1</sup>   | 3,315,302            | 0.80                  |
| EUR1,300,000                       | Credit Agricole Assurances 2.625%<br>29/01/2048                                 | 1,135,958            | 0.27                  |
| GBP2,000,000                       | Electricite de France 5.875% Open<br>Maturity                                   | 2,031,000            | 0.49                  |
| GBP1,300,000                       | Electricite de France 6% Open<br>Maturity                                       | 1,348,750            | 0.32                  |
| USD5,615,000                       | La Mondiale SAM 4.8% 18/01/2048   | 3,889,199            | 0.93                  |
| USD3,400,000                       | Societe Generale 6% Open<br>Maturity <sup>1</sup>                               | 2,504,559            | 0.60                  |
|                                    |   | 14,224,768           | 3.41                  |
| <b>Georgia — 0.07% (0.00%)</b>     |   |                      |                       |
| USD400,000                         | BGEO Group 6% 26/07/2023 <sup>1</sup>   | 296,185              | 0.07                  |
| <b>Germany — 0.45% (0.00%)</b>     |   |                      |                       |
| GBP1,800,000                       | Deutsche Bank 7.125% Open<br>Maturity <sup>1</sup>                              | 1,862,100            | 0.45                  |
| <b>Italy — 3.21% (3.42%)</b>       |   |                      |                       |
| EUR6,500,000                       | CMF 9% 15/06/2022 <sup>1</sup>  | 5,469,907            | 1.31                  |
| EUR2,500,000                       | Cooperativa Muratori & Cementisti-<br>CMC di Ravenna 6% 15/02/2023 <sup>1</sup> | 2,087,113            | 0.50                  |
| EUR4,000,000                       | Intesa Sanpaolo 7.75% Open<br>Maturity <sup>1</sup>                             | 4,445,968            | 1.07                  |
| EUR1,500,000                       | Schumann 7% 31/07/2023 <sup>1</sup>   | 1,386,275            | 0.33                  |
|                                    |   | 13,389,263           | 3.21                  |
| <b>Luxembourg — 1.25% (4.62%)</b>  |   |                      |                       |
| USD550,000                         | CSN Resources 6.5% 21/07/2020 <sup>1</sup>                                      | 303,779              | 0.07                  |
| EUR3,000,000                       | Kleopatra 8.5% 30/06/2023   | 2,457,785            | 0.59                  |
| USD1,650,000                       | MHP 8.25% 02/04/2020 <sup>1</sup>   | 1,281,584            | 0.31                  |
| USD1,600,000                       | Steel Capital 3.85% 27/08/2021  | 1,158,403            | 0.28                  |
|                                    |   | 5,201,551            | 1.25                  |
| <b>Netherlands — 4.42% (5.14%)</b> |   |                      |                       |
| USD1,600,000                       | Braskem Netherlands Finance 4.5%<br>10/01/2028                                  | 1,121,842            | 0.27                  |
| USD2,000,000                       | ING Groep 6.875% Open Maturity  | 1,534,763            | 0.37                  |
| USD1,041,135                       | Metinvest 9.373% 31/12/2021 <sup>1</sup>  | 776,498              | 0.19                  |
| USD370,000                         | Petrobras Global Finance 8.375%<br>23/05/2021 <sup>1</sup>                      | 300,275              | 0.07                  |
| USD7,500,000                       | Petrobras Global Finance 6.125%<br>17/01/2022 <sup>1</sup>                      | 5,712,010            | 1.37                  |
| USD2,000,000                       | Petrobras Global Finance 5.625%<br>20/05/2043 <sup>1</sup>                      | 1,230,724            | 0.30                  |
| USD4,000,000                       | Petrobras Global Finance 7.25%<br>17/03/2044 <sup>1</sup>                       | 2,920,437            | 0.70                  |
| CHF1,200,000                       | Selecta Group 5.875% 01/02/2024 <sup>1</sup>                                    | 930,887              | 0.22                  |
| EUR4,000,000                       | Volkswagen International 4.625%<br>Open Maturity                                | 3,878,135            | 0.93                  |
|                                    |   | 18,405,571           | 4.42                  |



## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|---|----------------------|-----------------------|
|                              | <b>Portugal — 0.90% (0.72%)</b>                               |                      |                       |
| EUR3,600,000                 | Caixa Geral de Depositos 10.75%<br>Open Maturity <sup>1</sup> | 3,754,800            | 0.90                  |
|                              | <b>Spain — 0.78% (1.98%)</b>                                  |                      |                       |
| EUR3,500,000                 | Banco Santander 6.25% Open<br>Maturity <sup>1</sup>           | 3,253,176            | 0.78                  |
|                              | <b>Sweden — 1.65% (1.65%)</b>                                 |                      |                       |
| EUR3,000,000                 | Corral Petroleum 11.75%<br>15/05/2021 <sup>1</sup>            | 2,929,706            | 0.70                  |
| USD2,000,000                 | Nordea Bank 6.125% Open Maturity                              | 1,517,411            | 0.37                  |
| USD3,203,000                 | Perstorp 8.5% 30/06/2021 <sup>1</sup>                         | 2,423,177            | 0.58                  |
|                              |   | 6,870,294            | 1.65                  |
|                              | <b>Switzerland — 0.00% (0.98%)</b>                            |                      |                       |
|                              | <b>NORTH AMERICA — 35.14% (35.90%)</b>                        |                      |                       |
|                              | <b>Bermuda — 0.09% (0.00%)</b>                                |                      |                       |
| USD550,000                   | Digicel Group 8.25% 30/09/2020 <sup>1</sup>                   | 361,344              | 0.09                  |
|                              | <b>British Virgin Islands<br/>— 0.25% (0.84%)</b>             |                      |                       |
| USD1,100,000                 | Franshion 3.6% 03/03/2022                                     | 783,213              | 0.19                  |
| USD329,000                   | Yingde Gases Investment 6.25%<br>19/01/2023 <sup>1</sup>      | 239,195              | 0.06                  |
|                              |   | 1,022,408            | 0.25                  |
|                              | <b>Canada — 2.39% (1.73%)</b>                                 |                      |                       |
| USD8,000,000                 | Bombardier 7.5% 15/03/2025 <sup>1</sup>                       | 5,908,636            | 1.42                  |
| USD3,010,000                 | Bombardier 7.45% 01/05/2034 <sup>1</sup>                      | 2,190,002            | 0.52                  |
| USD1,000,000                 | First Quantum Minerals 7.5%<br>01/04/2025 <sup>1</sup>        | 740,245              | 0.18                  |
| USD1,600,000                 | NOVA Chemicals 5.25% 01/06/2027                               | 1,129,023            | 0.27                  |
|                              |   | 9,967,906            | 2.39                  |
|                              | <b>Cayman Islands — 3.98% (1.11%)</b>                         |                      |                       |
| USD1,000,000                 | Agromercantil Senior Trust 6.25%<br>10/04/2019 <sup>1</sup>   | 734,902              | 0.18                  |
| USD550,000                   | Alpha Star 4.97% 09/04/2019 <sup>1</sup>                      | 399,293              | 0.09                  |
| USD550,000                   | China Evergrande 7% 23/03/2020 <sup>1</sup>                   | 406,077              | 0.10                  |
| USD6,500,000                 | China Evergrande 8.75%<br>28/06/2025 <sup>1</sup>             | 4,731,560            | 1.13                  |
| USD8,889,000                 | Gol Finance 7% 31/01/2025 <sup>1</sup>                        | 6,319,407            | 1.52                  |
| USD1,100,000                 | Sunny Optical Technology 3.75%<br>23/01/2023                  | 792,069              | 0.19                  |
| USD500,000                   | Times China 6.25% 17/01/2021 <sup>1</sup>                     | 358,982              | 0.09                  |
| USD3,500,000                 | Vale Overseas 6.25% 10/08/2026                                | 2,846,014            | 0.68                  |
|                              |   | 16,588,304           | 3.98                  |
|                              | <b>Costa Rica — 1.93% (1.82%)</b>                             |                      |                       |
| USD10,395,000                | Autopistas del Sol 7.375%<br>30/12/2030 <sup>1</sup>          | 8,054,706            | 1.93                  |
|                              | <b>Mexico — 3.76% (3.04%)</b>                                 |                      |                       |
| USD1,300,000                 | IXE Banco 9.25% 14/10/2020 <sup>1</sup>                       | 1,056,432            | 0.25                  |
| USD8,000,000                 | Mexico City Airport Trust 5.5%<br>31/07/2047                  | 5,415,188            | 1.30                  |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|---|----------------------|-----------------------|
|                              | <b>Mexico — (cont.)</b>   |                      |                       |
| USD2,500,000                 | Petroleos Mexicano 5.375%<br>13/03/2022                                 | 1,891,334            | 0.46                  |
| USD10,000,000                | Petroleos Mexicano 6.75%<br>21/09/2047                                  | 7,288,785            | 1.75                  |
|                              |   | <b>15,651,739</b>    | <b>3.76</b>           |
|                              | <b>Panama — 0.28% (0.33%)</b>   |                      |                       |
| USD1,600,000                 | Global Bank 4.5% 20/10/2021   | 1,168,464            | 0.28                  |
|                              | <b>Trinidad and Tobago<br/>— 0.28% (0.00%)</b>                          |                      |                       |
| USD1,500,000                 | Petroleum Company of Trinidad &<br>Tobago 9.75% 14/08/2019 <sup>1</sup> | 1,156,519            | 0.28                  |
|                              | <b>United States — 22.18% (27.03%)</b>                                  |                      |                       |
| USD3,600,000                 | Andeavor Logistics 6.875% Open<br>Maturity <sup>1</sup>                 | 2,656,736            | 0.64                  |
| USD6,000,000                 | AT&T 5.3% 14/08/2058  | 4,309,753            | 1.04                  |
| USD1,258,000                 | Beazer Homes USA 8.75%<br>15/03/2022 <sup>1</sup>                       | 983,595              | 0.24                  |
| USD666,000                   | Berry Petroleum Company 7%<br>15/02/2026 <sup>1</sup>                   | 485,771              | 0.12                  |
| USD3,000,000                 | Calpine 5.25% 01/06/2026 <sup>1</sup>                                   | 2,095,851            | 0.50                  |
| USD6,200,000                 | Charter Communications<br>Operating 6.834% 23/10/2055                   | 5,124,966            | 1.23                  |
| USD4,950,000                 | Chemours 5.375% 15/05/2027 <sup>1</sup>                                 | 3,557,420            | 0.85                  |
| USD7,000,000                 | Cheniere Corpus Christi 5.125%<br>30/06/2027 <sup>1</sup>               | 5,055,020            | 1.21                  |
| USD16,000,000                | Diamond Finance Corporation<br>8.35% 15/07/2046                         | 14,632,625           | 3.51                  |
| USD6,000,000                 | Embarq 7.995% 01/06/2036 <sup>1</sup>                                   | 4,093,969            | 0.98                  |
| USD4,000,000                 | Energy Transfer Partners 6.25% Open<br>Maturity <sup>1</sup>            | 2,778,353            | 0.67                  |
| USD1,052,000                 | EnLink Midstream Partners 6% Open<br>Maturity <sup>1</sup>              | 719,713              | 0.17                  |
| USD1,000,000                 | Gerdau 7% 20/01/2020  | 767,393              | 0.18                  |
| USD2,000,000                 | Golden Nugget 6.75% 15/10/2024 <sup>1</sup>                             | 1,465,576            | 0.35                  |
| USD2,500,000                 | Golden Nugget 8.75% 01/10/2025 <sup>1</sup>                             | 1,900,383            | 0.46                  |
| USD1,400,000                 | Hot Topic 9.25% 15/06/2021 <sup>1</sup>                                 | 1,003,403            | 0.24                  |
| USD5,000,000                 | JPW Industries 9% 01/10/2024 <sup>1</sup>                               | 3,791,717            | 0.91                  |
| USD2,000,000                 | L Brands 6.75% 01/07/2036 <sup>1</sup>                                  | 1,397,234            | 0.34                  |
| USD3,000,000                 | L Brands 7.6% 15/07/2037 <sup>1</sup>                                   | 2,177,297            | 0.52                  |
| USD2,000,000                 | McGraw-Hill Global Education<br>7.875% 15/05/2024 <sup>1</sup>          | 1,402,664            | 0.34                  |
| USD5,000,000                 | Murphy Oil 6.125% 01/12/2042  | 3,330,196            | 0.80                  |
| USD5,000,000                 | Netflix 4.375% 15/11/2026 <sup>1</sup>                                  | 3,471,548            | 0.83                  |
| USD1,600,000                 | NRG Energy 6.25% 01/05/2024 <sup>1</sup>                                | 1,190,183            | 0.29                  |
| USD1,600,000                 | Plains All American Pipeline 6.125%<br>Open Maturity <sup>1</sup>       | 1,129,023            | 0.27                  |
| USD3,000,000                 | Plastipak 6.25% 15/10/2025 <sup>1</sup>                                 | 2,209,875            | 0.53                  |
| USD1,000,000                 | Range Resources 5% 15/03/2023 <sup>1</sup>                              | 694,693              | 0.17                  |
| USD2,000,000                 | Rinker Materials 7.7% 21/07/2025 <sup>1</sup>                           | 1,643,379            | 0.39                  |
| USD1,600,000                 | Sally 5.625% 01/12/2025 <sup>1</sup>                                    | 1,155,433            | 0.28                  |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment   | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|--|----------------------|-----------------------|
|                              | <b>United States — (cont.)</b>                                   |                      |                       |
| EUR2,270,000                 | Scientific Games International<br>3.375% 15/02/2026 <sup>1</sup> | 1,965,526            | 0.47                  |
| EUR3,000,000                 | Superior Industries International 6%<br>15/06/2025 <sup>1</sup>  | 2,596,863            | 0.62                  |
| USD1,600,000                 | TransDigm 6.375% 15/06/2026 <sup>1</sup>                         | 1,175,704            | 0.28                  |
| USD4,000,000                 | US Cellular 6.7% 15/12/2033 <sup>1</sup>                         | 3,004,416            | 0.72                  |
| USD9,000,000                 | VMware 3.9% 21/08/2027   | 6,102,590            | 1.47                  |
| USD1,600,000                 | William Lyon Homes 5.875%<br>31/01/2025 <sup>1</sup>             | 1,154,622            | 0.28                  |
| USD1,591,000                 | Williams Partners 4.85% 01/03/2048                               | 1,147,266            | 0.28                  |
|                              |  | <b>92,370,756</b>    | <b>22.18</b>          |
|                              | <b>SOUTH AMERICA — 3.17% (5.63%)</b>                             |                      |                       |
|                              | <b>Argentina — 2.36% (2.26%)</b>                                 |                      |                       |
| USD4,500,000                 | Aeropuertos Argentina 6.875%<br>01/02/2027 <sup>1</sup>          | 3,390,881            | 0.82                  |
| USD250,000                   | Agua y Saneamientos Argentinos<br>6.625% 01/02/2023 <sup>1</sup> | 178,183              | 0.04                  |
| USD1,000,000                 | Banco Hipotecario 9.75%<br>30/11/2020 <sup>1</sup>               | 808,789              | 0.19                  |
| USD2,000,000                 | Mastellone Hermanos 12.625%<br>03/07/2021 <sup>1</sup>           | 1,584,797            | 0.38                  |
| USD3,000,000                 | Pampa Energia 7.5% 24/01/2027 <sup>1</sup>                       | 2,258,741            | 0.54                  |
| USD562,500                   | Transportadora de Gas del Sur<br>9.625% 14/05/2020 <sup>1</sup>  | 427,411              | 0.10                  |
| USD1,500,000                 | YPF 8.5% 23/03/2021  | 1,186,977            | 0.29                  |
|                              |  | <b>9,835,779</b>     | <b>2.36</b>           |
|                              | <b>Brazil — 0.54% (2.01%)</b>                                    |                      |                       |
| USD3,050,000                 | Centrais Elétricas Brasileiras 5.75%<br>27/10/2021 <sup>1</sup>  | 2,264,262            | 0.54                  |
|                              | <b>Paraguay — 0.27% (0.26%)</b>                                  |                      |                       |
| USD1,500,000                 | Banco Regional 8.125% 24/01/2019 <sup>1</sup>                    | 1,122,584            | 0.27                  |
|                              | <b>Peru — 0.00% (1.10%)</b>                                      |                      |                       |
|                              | <b>AFRICA — 0.27% (0.16%)</b>                                    |                      |                       |
|                              | <b>Nigeria — 0.27% (0.16%)</b>                                   |                      |                       |
| USD500,000                   | Access Bank 9.25% 24/06/2021 <sup>1</sup>                        | 368,139              | 0.09                  |
| USD1,000,000                 | Zenith Bank 6.25% 22/04/2019 <sup>1</sup>                        | 738,073              | 0.18                  |
|                              |  | <b>1,106,212</b>     | <b>0.27</b>           |
|                              | <b>ASIA — 3.33% (3.42%)</b>                                      |                      |                       |
|                              | <b>India — 0.10% (0.13%)</b>                                     |                      |                       |
| USD550,000                   | JSW Steel 4.75% 12/11/2019                                       | 401,289              | 0.10                  |
|                              | <b>Japan — 2.52% (2.60%)</b>                                     |                      |                       |
| USD5,000,000                 | Softbank 6% 30/07/2025 <sup>1</sup>                              | 3,737,421            | 0.90                  |
| USD9,500,000                 | Softbank 6.875% Open Maturity <sup>1</sup>                       | 6,757,220            | 1.62                  |
|                              |  | <b>10,494,641</b>    | <b>2.52</b>           |
|                              | <b>Singapore — 0.42% (0.00%)</b>                                 |                      |                       |
| USD2,500,000                 | Indika Energy Capital III 5.875%<br>09/11/2024 <sup>1</sup>      | 1,767,605            | 0.42                  |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment   | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|--|----------------------|-----------------------|
|                              | <b>Sri Lanka — 0.29% (0.69%)</b>   |                      |                       |
| USD1,600,000                 | National Savings Bank 8.875%<br>18/09/2018 <sup>1</sup>                              | 1,186,245            | 0.29                  |
|                              | <b>MIDDLE EAST — 1.24% (1.17%)</b>   |                      |                       |
|                              | <b>Turkey — 1.24% (1.17%)</b>  |                      |                       |
| USD1,000,000                 | Finansbank 6.25% 30/04/2019  | 740,980              | 0.18                  |
| USD1,100,000                 | KOC 3.5% 24/04/2020  | 790,178              | 0.19                  |
| USD5,000,000                 | Petkim Petrokimya 5.875%<br>26/01/2023 <sup>1</sup>                                  | 3,625,888            | 0.87                  |
|                              |  | 5,157,046            | 1.24                  |
|                              | <b>SUPRANATIONAL — 0.47% (0.64%)</b>   |                      |                       |
| USD1,000,000                 | African Export-Import Bank 4.75%<br>29/07/2019                                       | 732,303              | 0.18                  |
| USD1,600,000                 | Banque Ouest Africaine de<br>Developpement 5.5% 06/05/2021                           | 1,209,295            | 0.29                  |
|                              |  | 1,941,598            | 0.47                  |
|                              | <b>PACIFIC BASIN — 0.09% (0.00%)</b>   |                      |                       |
|                              | <b>Australia — 0.09% (0.00%)</b>   |                      |                       |
| USD550,000                   | Adani Abbot Point Terminal Pty<br>4.45% 15/12/2022                                   | 379,628              | 0.09                  |
|                              | <b>GOVERNMENT BONDS<br/>— 12.31% (7.10%)</b>   |                      |                       |
|                              | <b>CONTINENTAL EUROPE<br/>— 4.27% (0.19%)</b>  |                      |                       |
|                              | <b>Italy — 4.18% (0.00%)</b>   |                      |                       |
| EUR19,000,000                | Italy Buoni Poliennali Del Tesoro 3.5%<br>01/12/2018                                 | 17,406,222           | 4.18                  |
|                              | <b>Ukraine — 0.09% (0.19%)</b>   |                      |                       |
| USD500,000                   | Ukraine Government International<br>Bond 7.75% 01/09/2020 <sup>1</sup>               | 380,547              | 0.09                  |
|                              | <b>NORTH AMERICA — 0.23% (0.13%)</b>   |                      |                       |
|                              | <b>Honduras — 0.23% (0.13%)</b>  |                      |                       |
| USD1,200,000                 | Honduras Government International<br>Bond 8.75% 16/12/2020 <sup>1</sup>              | 955,648              | 0.23                  |
|                              | <b>SOUTH AMERICA — 5.83% (4.73%)</b>   |                      |                       |
|                              | <b>Argentina — 5.83% (3.90%)</b>   |                      |                       |
| EUR8,200,000                 | Argentine Republic Government<br>International Bond 6.25%<br>09/11/2047 <sup>1</sup> | 6,751,388            | 1.62                  |
| USD2,200,000                 | Buenos Aires (City of) 9.95%<br>09/06/2021 <sup>1</sup>                              | 1,769,508            | 0.43                  |
| USD7,000,000                 | Buenos Aires (City of) 7.875%<br>15/06/2027 <sup>1</sup>                             | 5,214,500            | 1.25                  |
| USD7,000,000                 | Mendoza (City of) 8.375%<br>19/05/2024 <sup>1</sup>                                  | 5,371,751            | 1.29                  |
| USD5,000,000                 | Neuquen (City of) 7.5% 27/04/2025 <sup>1</sup>                                       | 3,646,926            | 0.88                  |
| USD2,000,000                 | Provincia de Cordoba 7.125%<br>10/06/2021 <sup>1</sup>                               | 1,509,853            | 0.36                  |
|                              |  | 24,263,926           | 5.83                  |
|                              | <b>Ecuador — 0.00% (0.83%)</b>   |                      |                       |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|---|----------------------|-----------------------|
|                              | <b>AFRICA — 1.42% (0.75%)</b>   |                      |                       |
|                              | <b>Egypt — 0.20% (0.26%)</b>  |                      |                       |
| USD1,100,000                 | Egypt Government International Bond 6.125% 31/01/2022 <sup>1</sup>                                    | 822,314              | 0.20                  |
|                              | <b>Ghana — 0.05% (0.00%)</b>  |                      |                       |
| USD250,000                   | Ghana Government International Bond Ghana Government International Bond 9.25% 15/09/2022 <sup>1</sup> | 202,836              | 0.05                  |
|                              | <b>Kenya — 0.19% (0.26%)</b>  |                      |                       |
| USD1,100,000                 | Kenya Government International Bond 5.875% 24/06/2019 <sup>1</sup>                                    | 815,653              | 0.19                  |
|                              | <b>Nigeria — 0.62% (0.23%)</b>  |                      |                       |
| USD1,500,000                 | Nigeria Government International Bond 6.75% 28/01/2021 <sup>1</sup>                                   | 1,139,051            | 0.27                  |
| USD1,959,000                 | Nigeria Government International Bond 7.696% 23/02/2038 <sup>1</sup>                                  | 1,453,429            | 0.35                  |
|                              |   | 2,592,480            | 0.62                  |
|                              | <b>Senegal — 0.36% (0.00%)</b>  |                      |                       |
| USD2,100,000                 | Senegal Government International Bond 6.25% 23/05/2033 <sup>1</sup>                                   | 1,490,874            | 0.36                  |
|                              | <b>ASIA — 0.56% (1.07%)</b>   |                      |                       |
|                              | <b>Armenia — 0.18% (0.14%)</b>  |                      |                       |
| USD1,000,000                 | Armenian Republic Government International Bond 6% 30/09/2020   | 747,788              | 0.18                  |
|                              | <b>Pakistan — 0.20% (0.67%)</b>   |                      |                       |
| USD1,100,000                 | Pakistan Government International Bond 7.25% 15/04/2019 <sup>1</sup>                                  | 815,745              | 0.20                  |
|                              | <b>Sri Lanka — 0.18% (0.26%)</b>  |                      |                       |
| USD550,000                   | Sri Lanka Government International Bond 5.125% 11/04/2019 <sup>1</sup>                                | 400,907              | 0.09                  |
| USD500,000                   | SRI Sri Lanka Government International Bond 5.75% 18/01/2022 <sup>1</sup>                             | 367,355              | 0.09                  |
|                              |   | 768,262              | 0.18                  |
|                              | <b>MIDDLE EAST — 0.00% (0.23%)</b>  |                      |                       |
|                              | <b>Lebanon — 0.00% (0.23%)</b>  |                      |                       |
|                              | <b>FUNDS INVESTED IN INTEREST BEARING SECURITIES — 8.98% (9.99%)</b>                                  |                      |                       |
| 74,331,517                   | Legal & General High Income Trust 'R' Inc   | 37,388,753           | 8.98                  |
|                              | <b>OPTIONS — 0.01% (0.05%)</b>  |                      |                       |
| 2,000                        | 7600 Call on FTSE 100 Expiry 16/03/2018   | 20,000               | —                     |
| 1,000                        | 7600 Call on FTSE 100 Expiry 18/05/2018   | 35,000               | 0.01                  |
|                              |   | 55,000               | 0.01                  |

## Portfolio Statement continued

| <b>Holding/<br/>Nominal<br/>Value</b> | <b>Investment</b>   | <b>Market<br/>Value<br/>£</b> | <b>% of<br/>Net<br/>Assets</b> |
|---------------------------------------|---|-------------------------------|--------------------------------|
|                                       | <b>FORWARD CURRENCY CONTRACTS</b><br><b>— -2.14% (0.36%)</b>                |                               |                                |
| GBP(559,994)<br>AUD1,000,000          | Sold Sterling<br>for Australian Dollar<br>(Expires 27/03/2018) <sup>2</sup> | 31                            | —                              |
| USD25,340,000<br>BRL82,045,625        | Sold US Dollars<br>for Brazilian Real<br>(Expires 28/03/2018) <sup>2</sup>  | (155,951)                     | (0.04)                         |
| GBP(4,452,810)<br>EUR5,000,000        | Sold Sterling<br>for Euro (Expires 27/03/2018) <sup>2</sup>                 | 2,748                         | —                              |
| USD(4,350,623)<br>EUR3,503,862        | Sold US Dollars<br>for Euro (Expires 27/03/2018) <sup>2</sup>               | (20,325)                      | (0.01)                         |
| MXN(10,300,000)<br>GBP387,091         | Sold Mexican Peso<br>for Sterling (Expires 27/03/2018) <sup>2</sup>         | (5,776)                       | —                              |
| EUR(101,000,000)<br>GBP88,389,476     | Sold Euro<br>for Sterling (Expires 27/03/2018) <sup>2</sup>                 | (1,612,795)                   | (0.39)                         |
| USD(381,000,000)<br>GBP267,493,660    | Sold US Dollars<br>for Sterling (Expires 27/03/2018) <sup>2</sup>           | (8,023,773)                   | (1.93)                         |
| ZAR(19,300,000)<br>GBP1,132,491       | Sold South African Rand<br>for Sterling (Expires 27/03/2018) <sup>2</sup>   | (31,329)                      | (0.01)                         |
| CHF(1,200,000)<br>GBP910,482          | Sold Swiss Franc<br>for Sterling (Expires 27/03/2018) <sup>2</sup>          | (16,791)                      | —                              |
| HKD(14,500,000)<br>GBP1,303,191       | Sold Hong Kong Dollar<br>for Sterling (Expires 27/03/2018) <sup>2</sup>     | (36,609)                      | (0.01)                         |
| AUD(5,000,000)<br>GBP2,828,616        | Sold Australian Dollar<br>for Sterling (Expires 27/03/2018) <sup>2</sup>    | 28,488                        | 0.01                           |
| CAD(350,000)<br>GBP199,237            | Sold Canadian Dollar<br>for Sterling (Expires 27/03/2018) <sup>2</sup>      | 3,110                         | —                              |
| NZD(200,000)<br>GBP102,887            | Sold New Zealand Dollar<br>for Sterling (Expires 27/03/2018) <sup>2</sup>   | (1,602)                       | —                              |
| GBP(429,164)<br>JPY66,000,000         | Sold Sterling<br>for Japanese Yen<br>(Expires 27/03/2018) <sup>2</sup>      | 23,277                        | 0.01                           |
| USD(5,500,000)<br>JPY598,596,350      | Sold US Dollars<br>for Japanese Yen<br>(Expires 27/03/2018) <sup>2</sup>    | 126,189                       | 0.03                           |
| USD(14,000,000)<br>JPY1,516,954,600   | Sold US Dollars<br>for Japanese Yen<br>(Expires 28/03/2018) <sup>2</sup>    | 275,821                       | 0.07                           |
| GBP(1,782,261)<br>RUB143,000,000      | Sold Sterling<br>for Russian Ruble<br>(Expires 27/03/2018) <sup>2</sup>     | 22,139                        | 0.01                           |
| USD(21,810,000)<br>RUB1,236,400,176   | Sold US Dollars<br>for Russian Ruble<br>(Expires 28/03/2018) <sup>2</sup>   | (172,526)                     | (0.04)                         |
| USD(5,370,000)<br>TRY20,499,825       | Sold US Dollars<br>for Turkish Lira (Expires 28/03/2018) <sup>2</sup>       | (24,295)                      | (0.01)                         |
| GBP(5,691,439)<br>USD8,000,000        | Sold Sterling<br>for US Dollars (Expires 27/03/2018) <sup>2</sup>           | 93,704                        | 0.02                           |
| TRY(42,022,350)<br>USD10,900,000      | Sold Turkish Lira<br>for US Dollars (Expires 28/03/2018) <sup>2</sup>       | (28,221)                      | (0.01)                         |
| GBP(6,717,677)<br>USD9,500,000        | Sold Sterling<br>for US Dollars (Expires 28/03/2018) <sup>2</sup>           | 151,794                       | 0.04                           |
| ZAR(68,570,333)<br>USD5,700,000       | Sold South African Rand<br>for US Dollars (Expires 28/03/2018) <sup>2</sup> | (12,296)                      | —                              |
| KRW(5,622,081,000)<br>USD5,300,000    | Sold South Korean Won<br>for US Dollars (Expires 28/03/2018) <sup>2</sup>   | 70,330                        | 0.02                           |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value      | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|-----------------------------------|---|----------------------|-----------------------|
| <b>FORWARD CURRENCY CONTRACTS</b> |   |                      |                       |
| <b>— (cont.)</b>                  |   |                      |                       |
| AUD(17,995,290)                   | Sold Australian Dollar                                  |                      |                       |
| USD14,580,000                     | for US Dollars (Expires 28/03/2018) <sup>2</sup>        | 465,552              | 0.11                  |
| CNY(135,148,000)                  | Sold Chinese Yuan                                       |                      |                       |
| USD20,800,000                     | for US Dollars (Expires 28/03/2018) <sup>2</sup>        | (351,671)            | (0.08)                |
| BRL(34,970,892)                   | Sold Brazilian Real                                     |                      |                       |
| USD10,940,000                     | for US Dollars (Expires 28/03/2018) <sup>2</sup>        | 167,093              | 0.04                  |
| MXN(240,183,205)                  | Sold Mexican Peso                                       |                      |                       |
| USD12,850,000                     | for US Dollars (Expires 28/03/2018) <sup>2</sup>        | 132,846              | 0.03                  |
| MXN(10,000,000)                   | Sold Mexican Peso                                       |                      |                       |
| USD528,484                        | for US Dollars (Expires 25/05/2018) <sup>2</sup>        | 4,257                | —                     |
| TWD(50,000,000)                   | Sold Taiwan Dollar                                      |                      |                       |
| USD1,726,519                      | for US Dollars (Expires 25/05/2018) <sup>2</sup>        | 5,433                | —                     |
| SGD(1,500,000)                    | Sold Singapore Dollar                                   |                      |                       |
| USD1,139,050                      | for US Dollars (Expires 25/05/2018) <sup>2</sup>        | 737                  | —                     |
|                                   |   | (8,920,411)          | (2.14)                |
| <b>FUTURES CONTRACTS</b>          |   |                      |                       |
| <b>— -0.32% (-0.43%)</b>          |   |                      |                       |
| 270                               | Euro-Bund Future Expiry March 2018                      | 4,809                | —                     |
| (675)                             | CBT ULT Future Expiry June 2018                         | (117,742)            | (0.03)                |
| (189)                             | Euro-Bono Future Expiry June 2018                       | (31,017)             | (0.01)                |
| (200)                             | Euro-Bono Future Expiry March 2018                      | 7,200                | —                     |
| (600)                             | Euro-BTP Future Expiry March 2018                       | (98,846)             | (0.02)                |
| (206)                             | Euro-Buxl Future Expiry March 2018                      | 22,013               | 0.01                  |
| (615)                             | LIFFE Long Gilt Index Future Expiry June 2018           | (575,025)            | (0.14)                |
| 1,914                             | Short Future Euro-Btp Eux Mar18                         | (392,017)            | (0.09)                |
| 1,770                             | US Treasury 2 Year Note Future Expiry June 2018         | 42,218               | 0.01                  |
| (919)                             | US Ultra 10 Year Treasury Notes Future Expiry June 2018 | (213,108)            | (0.05)                |
|                                   |   | (1,351,515)          | (0.32)                |
| <b>INTEREST RATE SWAPS</b>        |   |                      |                       |
| <b>— -0.14% (0.86%)</b>           |   |                      |                       |
| USD170,000,000                    | IRS LIBOR3M 2.8785% Expiry 20/02/2021 <sup>3</sup>      | 49,579               | 0.01                  |
| USD170,000,000                    | IRS LIBOR3M 2.8875% Expiry 20/02/2021 <sup>3</sup>      | 60,057               | 0.01                  |
| USD170,000,000                    | IRS LIBOR3M 2.9335% Expiry 01/03/2021 <sup>3</sup>      | 120,606              | 0.03                  |
| AUD250,000,000                    | IRS BBSW3M 2.563% Expiry 05/05/2021 <sup>3</sup>        | 32,009               | 0.01                  |
| AUD285,000,000                    | IRS BBSW3M 2.5775% Expiry 05/05/2021 <sup>3</sup>       | 58,392               | 0.01                  |
| AUD220,000,000                    | IRS BBSW3M 2.52% Expiry 02/11/2021 <sup>3</sup>         | (125,468)            | (0.03)                |
| AUD63,000,000                     | IRS BBSW6M 3.38% Expiry 12/05/2027 <sup>3</sup>         | 139,937              | 0.03                  |
| AUD60,000,000                     | IRS BBSW6M 3.215% Expiry 22/05/2027 <sup>3</sup>        | (104,431)            | (0.02)                |
| AUD56,000,000                     | IRS BBSW6M 3.0875% Expiry 08/06/2027 <sup>3</sup>       | (271,077)            | (0.07)                |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value                     | Investment   | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|--|--|----------------------|-----------------------|
| <b>INTEREST RATE SWAPS — (cont.)</b>             |  |                      |                       |
| AUD45,000,000                                    | IRS BBSW6M 3.091% Expiry<br>05/12/2027 <sup>3</sup>          | (262,270)            | (0.06)                |
| AUD43,000,000                                    | IRS BBSW6M 3.085% Expiry<br>18/12/2027 <sup>3</sup>          | (259,806)            | (0.06)                |
|  |  | (562,472)            | (0.14)                |
| <b>CREDIT DEFAULT SWAPS<br/>— 2.47% (-0.57%)</b> |  |                      |                       |
| USD(2,000,000)                                   | CDS AK Steel Corporation 5%<br>20/06/2022 <sup>4</sup>       | 126,508              | 0.03                  |
| USD(2,000,000)                                   | CDS AK Steel Corporation 5%<br>20/06/2022 <sup>4</sup>       | 126,508              | 0.03                  |
| USD6,000,000                                     | CDS Ally Financial 5% 20/06/2021 <sup>4</sup>                | (584,859)            | (0.14)                |
| EUR5,000,000                                     | CDS Allice Finco 5% 20/12/2020 <sup>4</sup>                  | (251,828)            | (0.06)                |
| EUR3,500,000                                     | CDS Allice Finco 5% 20/12/2020 <sup>4</sup>                  | (176,280)            | (0.04)                |
| USD(2,000,000)                                   | CDS American Axle 5% 20/06/2022 <sup>4</sup>                 | 165,119              | 0.04                  |
| USD(2,000,000)                                   | CDS American Axle 5% 20/06/2022 <sup>4</sup>                 | 165,119              | 0.04                  |
| USD2,975,000                                     | CDS Amkor 5% 20/12/2020 <sup>4</sup>                         | (240,776)            | (0.06)                |
| USD1,785,000                                     | CDS Amkor 5% 20/12/2020 <sup>4</sup>                         | (144,466)            | (0.03)                |
| USD1,240,000                                     | CDS Amkor 5% 20/12/2020 <sup>4</sup>                         | (100,357)            | (0.02)                |
| USD(1,875,000)                                   | CDS Anadarko Petroleum 1%<br>20/06/2022 <sup>4</sup>         | 10,502               | —                     |
| USD(5,625,000)                                   | CDS Anadarko Petroleum 1%<br>20/06/2022 <sup>4</sup>         | 31,505               | 0.01                  |
| EUR3,167,000                                     | CDS Anglo American Capital 1%<br>20/12/2020 <sup>4</sup>     | (37,807)             | (0.01)                |
| EUR3,167,000                                     | CDS Anglo American Capital 1%<br>20/12/2020 <sup>4</sup>     | (37,807)             | (0.01)                |
| USD(5,500,000)                                   | CDS Apache 1% 20/12/2022 <sup>4</sup>                        | 4,070                | —                     |
| EUR4,830,000                                     | CDS Arcelormittal 5% 20/12/2020 <sup>4</sup>                 | (531,062)            | (0.13)                |
| EUR1,000,000                                     | CDS Australia 5% 20/12/2019 <sup>4</sup>                     | 308,389              | 0.07                  |
| USD2,250,000                                     | CDS Australia 1% 20/06/2022 <sup>4</sup>                     | (58,628)             | (0.01)                |
| USD(2,000,000)                                   | CDS Beazer Homes 5% 20/06/2022 <sup>4</sup>                  | 134,254              | 0.03                  |
| USD6,000,000                                     | CDS Best Buy 5% 20/12/2021 <sup>4</sup>                      | (706,301)            | (0.17)                |
| USD(2,000,000)                                   | CDS Calpine 5% 20/12/2022 <sup>4</sup>                       | 106,712              | 0.03                  |
| USD6,500,000                                     | CDS Canadian Natural Resources<br>1% 20/09/2020 <sup>4</sup> | (83,703)             | (0.02)                |
| USD6,500,000                                     | CDS Canadian Natural Resources<br>1% 20/09/2020 <sup>4</sup> | (83,703)             | (0.02)                |
| EUR(7,500,000)                                   | CDS Ceconomy 1% 20/06/2022 <sup>4</sup>                      | 70,269               | 0.02                  |
| EUR(4,900,000)                                   | CDS Centrica 1% 20/12/2022 <sup>4</sup>                      | 46,069               | 0.01                  |
| USD(2,000,000)                                   | CDS Charter Communications 5%<br>20/12/2022 <sup>4</sup>     | 207,655              | 0.05                  |
| USD5,500,000                                     | CDS Citizens Communications 5%<br>20/12/2020 <sup>4</sup>    | 621,241              | 0.15                  |
| EUR(3,750,000)                                   | CDS CNH Industrial 5% 20/06/2022 <sup>4</sup>                | 628,967              | 0.15                  |
| USD5,500,000                                     | CDS Communications Sales 5%<br>20/12/2020 <sup>4</sup>       | 136,028              | 0.03                  |
| EUR(3,500,000)                                   | CDS Deutsche Bank 1% 20/12/2022 <sup>4</sup>                 | (16,559)             | —                     |
| EUR(4,250,000)                                   | CDS Deutsche Bank 1% 20/12/2022 <sup>4</sup>                 | 22,142               | 0.01                  |
| USD2,745,000                                     | CDS Echostar DBS 5% 20/12/2020 <sup>4</sup>                  | (126,778)            | (0.03)                |
| USD2,600,000                                     | CDS Echostar DBS 5% 20/12/2020 <sup>4</sup>                  | (120,081)            | (0.03)                |



## Portfolio Statement continued

| Holding/<br>Nominal<br>Value          | Investment   | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|---------------------------------------|--|----------------------|-----------------------|
| <b>CREDIT DEFAULT SWAPS — (cont.)</b> |  |                      |                       |
| EUR5,000,000                          | CDS Energias de Portugal 5%<br>20/06/2019 <sup>4</sup>     | (283,520)            | (0.07)                |
| USD(10,000,000)                       | CDS Energy Transfer Partners 1%<br>20/12/2022 <sup>4</sup> | 23,759               | 0.01                  |
| EUR10,000,000                         | CDS Fiat Finance 5% 20/12/2020 <sup>4</sup>                | (1,055,931)          | (0.25)                |
| USD1,400,000                          | CDS First Data Corporation 5%<br>20/12/2020 <sup>4</sup>   | (114,613)            | (0.03)                |
| USD3,500,000                          | CDS First Data Corporation 5%<br>20/12/2020 <sup>4</sup>   | (286,532)            | (0.07)                |
| USD1,295,000                          | CDS First Data Corporation 5%<br>20/12/2020 <sup>4</sup>   | (106,017)            | (0.02)                |
| EUR(2,000,000)                        | CDS Galapagos 5% 20/12/2022 <sup>4</sup>                   | (342,002)            | (0.08)                |
| EUR12,000,000                         | CDS Glencore Finance 1%<br>20/12/2020 <sup>4</sup>         | (129,669)            | (0.03)                |
| EUR5,000,000                          | CDS Hema Bondco 5% 20/12/2020 <sup>4</sup>                 | (321,272)            | (0.08)                |
| USD7,500,000                          | CDS Hewlett-Packard 1%<br>20/12/2020 <sup>4</sup>          | (120,432)            | (0.03)                |
| EUR8,500,000                          | CDS HSBC 1% 20/12/2021 <sup>4</sup>                        | (183,863)            | (0.04)                |
| EUR(1,000,000)                        | CDS Iceland Bondco 5%<br>20/12/2022 <sup>4</sup>           | 52,317               | 0.01                  |
| EUR(1,000,000)                        | CDS Iceland Bondco 5%<br>20/12/2022 <sup>4</sup>           | 52,317               | 0.01                  |
| USD1,300,000                          | CDS INEOS Group 1% 20/12/2022 <sup>4</sup>                 | (5,055)              | —                     |
| EUR(1,900,000)                        | CDS INEOS Group 5% 20/12/2022 <sup>4</sup>                 | 242,224              | 0.06                  |
| EUR(1,900,000)                        | CDS INEOS Group 5% 20/12/2022 <sup>4</sup>                 | 242,224              | 0.06                  |
| EUR(715,000)                          | CDS INEOS Group 5% 20/12/2022 <sup>4</sup>                 | 91,153               | 0.02                  |
| USD42,500,000                         | CDS iTraxx Asia 1% 20/12/2021 <sup>4</sup>                 | (514,863)            | (0.12)                |
| USD(42,500,000)                       | CDS iTraxx Asia 1% 20/06/2022 <sup>4</sup>                 | 473,526              | 0.11                  |
| EUR(200,000,000)                      | CDS iTraxx Europe 1% 20/12/2022 <sup>4</sup>               | 3,844,543            | 0.92                  |
| EUR(200,000,000)                      | CDS iTraxx Europe 1% 20/12/2022 <sup>4</sup>               | 3,844,543            | 0.92                  |
| EUR(100,000,000)                      | CDS iTraxx Europe 1% 20/12/2022 <sup>4</sup>               | 1,922,272            | 0.46                  |
| EUR42,500,000                         | CDS iTraxx Europe 5% 20/12/2022 <sup>4</sup>               | (3,740,372)          | (0.90)                |
| EUR(8,900,000)                        | CDS Jaguar Land Rover 5%<br>20/12/2021 <sup>4</sup>        | 1,091,388            | 0.26                  |
| EUR(7,100,000)                        | CDS Jaguar Land Rover 5%<br>20/12/2021 <sup>4</sup>        | 870,658              | 0.21                  |
| USD5,100,000                          | CDS JC Penney 5% 20/12/2020 <sup>4</sup>                   | 122,340              | 0.03                  |
| USD(4,450,000)                        | CDS Kroger 1% 20/06/2022 <sup>4</sup>                      | 35,576               | 0.01                  |
| USD(4,450,000)                        | CDS Kroger 1% 20/06/2022 <sup>4</sup>                      | 35,576               | 0.01                  |
| EUR(1,080,000)                        | CDS Ladbrokes Coral Group 1%<br>20/12/2022 <sup>4</sup>    | (28,936)             | (0.01)                |
| EUR(720,000)                          | CDS Ladbrokes Coral Group 1%<br>20/12/2022 <sup>4</sup>    | (19,291)             | —                     |
| EUR(3,500,000)                        | CDS Ladbrokes Coral Group 1%<br>20/12/2022 <sup>4</sup>    | (69,512)             | (0.02)                |
| EUR(1,200,000)                        | CDS Ladbrokes Coral Group 1%<br>20/12/2022 <sup>4</sup>    | (32,151)             | (0.01)                |
| USD9,000,000                          | CDS Limited Brands 1% 20/12/2020 <sup>4</sup>              | (29,111)             | (0.01)                |
| EUR(2,000,000)                        | CDS Loxam 5% 20/06/2022 <sup>4</sup>                       | 177,732              | 0.04                  |
| EUR(2,500,000)                        | CDS Loxam 5% 20/06/2022 <sup>4</sup>                       | 222,165              | 0.05                  |
| USD8,000,000                          | CDS Macys 1% 20/12/2021 <sup>4</sup>                       | 51,843               | 0.01                  |
| USD700,000                            | CDS Malaysia 1% 20/06/2022 <sup>4</sup>                    | (8,718)              | —                     |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|------------------------------|---|----------------------|-----------------------|
|                              | <b>CREDIT DEFAULT SWAPS — (cont.)</b>                             |                      |                       |
| USD900,000                   | CDS Malaysia 1% 20/06/2022 <sup>4</sup>                           | (11,209)             | —                     |
| USD(5,625,000)               | CDS Marathon Oil 1% 20/06/2022 <sup>4</sup>                       | 46,802               | 0.01                  |
| USD(1,875,000)               | CDS Marathon Oil 1% 20/06/2022 <sup>4</sup>                       | 15,601               | —                     |
| EUR(4,000,000)               | CDS Marks & Spencer 1%<br>20/06/2022 <sup>4</sup>                 | (32,582)             | (0.01)                |
| EUR(4,000,000)               | CDS Marks & Spencer 1%<br>20/06/2022 <sup>4</sup>                 | (32,582)             | (0.01)                |
| USD(2,000,000)               | CDS Murphy Oil Corporation 1%<br>20/06/2022 <sup>4</sup>          | (34,400)             | (0.01)                |
| EUR(4,900,000)               | CDS Next 1% 20/12/2022 <sup>4</sup>                               | (13,055)             | —                     |
| EUR6,500,000                 | CDS NXP Funding 5% 20/12/2020 <sup>4</sup>                        | (743,986)            | (0.18)                |
| USD7,500,000                 | CDS Petrobras International Finance<br>1% 20/12/2020 <sup>4</sup> | 21,473               | 0.01                  |
| USD5,250,000                 | CDS Pitney Bowe 1% 20/12/2020 <sup>4</sup>                        | 67,918               | 0.02                  |
| EUR5,000,000                 | CDS Pizzaexpress Financing 5%<br>20/12/2020 <sup>4</sup>          | 331,382              | 0.08                  |
| EUR(1,684,000)               | CDS Porsche International<br>Financing 1% 20/06/2022 <sup>4</sup> | 36,131               | 0.01                  |
| USD(10,000,000)              | CDS Qantas Airways 1% 20/06/2022 <sup>4</sup>                     | 80,237               | 0.02                  |
| EUR(10,000,000)              | CDS Renault 1% 20/12/2022 <sup>4</sup>                            | 181,278              | 0.04                  |
| USD1,350,000                 | CDS Republic of Chile 1%<br>20/06/2022 <sup>4</sup>               | (23,596)             | (0.01)                |
| USD1,850,000                 | CDS Republic of Chile 1%<br>20/06/2022 <sup>4</sup>               | (32,336)             | (0.01)                |
| USD900,000                   | CDS Republic of China 1%<br>20/06/2022 <sup>4</sup>               | (13,100)             | —                     |
| USD900,000                   | CDS Republic of China 1%<br>20/06/2022 <sup>4</sup>               | (13,100)             | —                     |
| USD900,000                   | CDS Republic of Columbia 1%<br>20/06/2022 <sup>4</sup>            | (1,664)              | —                     |
| USD9,000,000                 | CDS Republic of Turkey 1%<br>20/12/2020 <sup>4</sup>              | 14,799               | —                     |
| USD8,500,000                 | CDS Republic of Turkey 1%<br>20/12/2020 <sup>4</sup>              | 13,976               | —                     |
| USD2,500,000                 | CDS Rite Aid Corporation 5%<br>20/12/2020 <sup>4</sup>            | (74,778)             | (0.02)                |
| EUR(8,500,000)               | CDS Sainsbury 1% 20/06/2022 <sup>4</sup>                          | (61,755)             | (0.01)                |
| USD600,000                   | CDS Saudi 1% 20/12/2022 <sup>4</sup>                              | (3,794)              | —                     |
| EUR(4,000,000)               | CDS Schaeffler Finance 5%<br>20/06/2022 <sup>4</sup>              | 655,952              | 0.16                  |
| EUR2,000,000                 | CDS Selecta Group 5% 20/12/2022 <sup>4</sup>                      | (79,418)             | (0.02)                |
| USD4,330,000                 | CDS Sprint Nextel 5% 20/12/2020 <sup>4</sup>                      | (217,126)            | (0.05)                |
| USD8,670,000                 | CDS Sprint Nextel 5% 20/12/2020 <sup>4</sup>                      | (434,753)            | (0.10)                |
| EUR10,000,000                | CDS Standard Chartered Bank 1%<br>20/12/2020 <sup>4</sup>         | (158,534)            | (0.04)                |
| EUR(3,500,000)               | CDS Stretford 5% 20/06/2022 <sup>4</sup>                          | 206,629              | 0.05                  |
| EUR(4,211,000)               | CDS Synnex 1% 20/06/2022 <sup>4</sup>                             | (74,511)             | (0.02)                |
| EUR(3,789,000)               | CDS Synnex 1% 20/12/2022 <sup>4</sup>                             | (97,537)             | (0.02)                |
| USD(4,000,000)               | CDS US Steel 5% 20/06/2022 <sup>4</sup>                           | 371,521              | 0.09                  |
| USD(4,000,000)               | CDS US Steel 5% 20/06/2022 <sup>4</sup>                           | 371,521              | 0.09                  |
| USD(3,750,000)               | CDS Verizon 1% 20/06/2022 <sup>4</sup>                            | 50,246               | 0.01                  |
| USD(3,750,000)               | CDS Verizon 1% 20/06/2022 <sup>4</sup>                            | 50,246               | 0.01                  |

## Portfolio Statement continued

| Holding/<br>Nominal<br>Value                | Investment  | Market<br>Value<br>£ | % of<br>Net<br>Assets |
|---|---|----------------------|-----------------------|
| <b>CREDIT DEFAULT SWAPS — (cont.)</b>       |   |                      |                       |
| USD(6,300,000)                              | CDS Viacom 1% 20/06/2022 <sup>4</sup>                 | 49,948               | 0.01                  |
| USD5,000,000                                | CDS Windstream Services 5%<br>20/12/2020 <sup>4</sup> | 1,176,129            | 0.28                  |
| USD(225,000,000)                            | CDS/CDX.NA.IG 1% 20/12/2022 <sup>4</sup>              | 3,110,121            | 0.75                  |
| USD1,600,000                                | CDS/STS Barclays 1% 20/06/2022 <sup>4</sup>           | (29,911)             | (0.01)                |
|   |   | 10,282,541           | 2.47                  |
| <b>Portfolio of investments<sup>5</sup></b> |   | 381,237,607          | 91.54                 |
| <b>Net other assets</b>                     |   | 35,223,756           | 8.46                  |
| <b>Total net assets</b>                     |   | £416,461,363         | 100.00%               |

<sup>1</sup> These are sub-investment grade fixed interest securities and represent 56.10% of the net assets of the Trust.

<sup>2</sup> Unlisted securities are valued at the Manager's best assessment of their fair and reasonable value.

<sup>3</sup> An Interest Rate Swap (IRS) position denoted as a negative nominal indicates the Trust has paid fixed rate to receive floating, whilst an IRS position denoted as a positive nominal indicates the Trust has paid floating rate to receive fixed.

<sup>4</sup> A short Credit Default Swap (CDS) position (denoted as a negative nominal) indicates the Trust has sold protection, whilst a long CDS position (denoted as a positive nominal) indicates the Trust has bought protection.

<sup>5</sup> Including investment liabilities.

Total purchases for the period: £260,258,209.

Total sales for the period: £294,628,429.

## Financial Statements

### Statement of Total Return For the period ended 5 March 2018

|  | 05/03/18          |                            | 05/03/17          |                             |
|--|-------------------|----------------------------|-------------------|-----------------------------|
|  | £                 | £                          | £                 | £                           |
| <b>Income</b>  |                   |                            |                   |                             |
| Net capital losses   |                   | (2,988,789)                |                   | (37,249,599)                |
| Revenue  | 15,828,435        |                            | 23,847,966        |                             |
| Expenses   | (1,071,593)       |                            | (2,057,298)       |                             |
| Interest payable and similar charges   | (1,654,791)       |                            | (50,656)          |                             |
| <b>Net revenue before taxation</b>   | <u>13,102,051</u> |                            | <u>21,740,012</u> |                             |
| Taxation   | —                 |                            | —                 |                             |
| <b>Net revenue after taxation for the period</b>                                   |                   | <u>13,102,051</u>          |                   | <u>21,740,012</u>           |
| Total return before distributions  |                   | 10,113,262                 |                   | (15,509,587)                |
| Distributions  |                   | <u>(13,638,076)</u>        |                   | <u>(22,768,888)</u>         |
| <b>Change in net assets attributable to Unitholders from investment activities</b> |                   | <u><b>£(3,524,814)</b></u> |                   | <u><b>£(38,278,475)</b></u> |

### Statement of Change in Net Assets attributable to Unitholders for the period ended 5 March 2018

|  | 05/03/18     |                            | 05/03/17      |                            |
|--|--------------|----------------------------|---------------|----------------------------|
|  | £            | £                          | £             | £                          |
| Opening net assets attributable to Unitholders                                     |              | 484,665,122                |               | 897,399,792                |
| Amounts received on issue of units   | 6,896,496    |                            | 7,861,738     |                            |
| Amounts paid on cancellation of units  | (75,362,231) |                            | (226,462,182) |                            |
|  |              | <u>(68,465,735)</u>        |               | <u>(218,600,444)</u>       |
| <b>Change in net assets attributable to Unitholders from investment activities</b> |              | (3,524,814)                |               | (38,278,475)               |
| Retained distributions on accumulation units                                       |              | 3,786,728                  |               | 5,259,208                  |
| Unclaimed distributions  |              | <u>62</u>                  |               | <u>—</u>                   |
| <b>Closing net assets attributable to Unitholders</b>                              |              | <u><b>£416,461,363</b></u> |               | <u><b>£645,780,081</b></u> |

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

## Financial Statements continued

### Balance Sheet as at 5 March 2018

|   | 05/03/18<br>£        | 05/09/17<br>£        |
|---|----------------------|----------------------|
| <b>ASSETS</b>                                 |                      |                      |
| <b>Fixed assets:</b>                          |                      |                      |
| Investments                                   | 407,058,956          | 480,323,129          |
| <b>Current assets:</b>                        |                      |                      |
| Debtors                                       | 6,013,956            | 16,077,712           |
| Cash and bank balances                        | 148,596,775          | 136,725,329          |
| <b>Total assets</b>                           | <b>561,669,687</b>   | <b>633,126,170</b>   |
| <b>LIABILITIES</b>                            |                      |                      |
| <b>Investment liabilities</b>                 |                      |                      |
|   | (25,821,349)         | (26,351,666)         |
| <b>Creditors:</b>                             |                      |                      |
| Bank overdrafts                               | (112,222,927)        | (100,012,527)        |
| Distributions payable                         | (4,586,658)          | (6,667,455)          |
| Other creditors                               | (2,577,390)          | (15,429,400)         |
| <b>Total liabilities</b>                      | <b>(145,208,324)</b> | <b>(148,461,048)</b> |
| <b>Net assets attributable to Unitholders</b> | <b>£416,461,363</b>  | <b>£484,665,122</b>  |

# Notes to the Financial Statements

## 1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

## 2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

### (a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

## Trust Information

### Net Asset Values and Units in Issue

| Class              | Net Asset Value (£) | Units in Issue | Net Asset Value per Unit (p) |
|--------------------|---------------------|----------------|------------------------------|
| R-Class            |                     |                |                              |
| Distribution Units | 2,639,716           | 4,622,914      | 57.10                        |
| Accumulation Units | 21,393,552          | 23,878,772     | 89.59                        |
| F-Class            |                     |                |                              |
| Distribution Units | 48,862              | 83,687         | 58.39                        |
| Accumulation Units | 64,834              | 69,986         | 92.64                        |
| I-Class            |                     |                |                              |
| Distribution Units | 112,389,318         | 189,622,536    | 59.27                        |
| Accumulation Units | 101,985,993         | 105,772,628    | 96.42                        |
| X-Class            |                     |                |                              |
| Distribution Units | 34,363,375          | 57,638,027     | 59.62                        |
| Accumulation Units | 3,474,008           | 3,216,912      | 107.99                       |
| L-Class            |                     |                |                              |
| Distribution Units | 140,101,705         | 228,775,482    | 61.24                        |

**Past performance is not a guide to future performance.**

**The price of units and any income from them may go down as well as up.**

**Exchange rate changes may cause the value of any overseas investments to rise or fall.**

### Ongoing Charges Figures

|         | 5 Mar 18 | 5 Sep 17 |
|---------|----------|----------|
| R-Class | 1.42%    | 1.42%    |
| F-Class | 0.92%    | 0.92%    |
| I-Class | 0.63%    | 0.63%    |
| X-Class | 0.63%    | 0.63%    |
| L-Class | 0.03%    | 0.03%    |

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total disclosable costs (excluding overdraft interest) and all costs suffered through holdings in underlying Collective Investment Schemes, to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a trust and is calculated based on the last period's figures.

## Trust Information continued

### Distribution Information

#### R-Class

The distribution payable on 5 May 2018 is 0.8267p per unit for distribution units and 1.2787p per unit for accumulation units.

#### F-Class

The distribution payable on 5 May 2018 is 0.8838p per unit for distribution units and 1.3792p per unit for accumulation units.

#### I-Class

The distribution payable on 5 May 2018 is 0.9176p per unit for distribution units and 1.4700p per unit for accumulation units.

#### X-Class

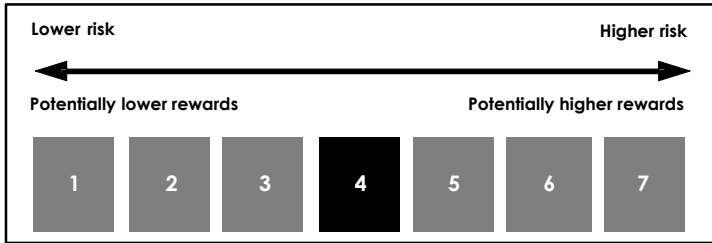
The distribution payable on 5 May 2018 is 0.9230p per unit for distribution units and 1.6463p per unit for accumulation units.

#### L-Class

The distribution payable on 5 May 2018 is 0.9947p per unit for distribution units.



## Risk and Reward Profile



- This risk and reward indicator is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category number highlighted above reflects the higher of the rate at which the Trust's unit price could move up and down based on the Trust's performance target and internal risk limit, or the rate at which a representative mix of the underlying investments has moved up and down in the past. If the Trust has at least five years' track record, the number could instead reflect the rate at which the Trust's unit price has moved up and down in the past, but only when this would put the Trust in a higher category. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- The Trust is in category four because it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

## General Information

### Constitution

|                                      |  |
|--------------------------------------|--|
| Launch date:                         | 1 May 2007   |
| Period end dates for distributions:  | 5 March, June,<br>September, December  |
| Distribution dates:                  | 5 February, May,<br>August, November   |
| Minimum initial lump sum investment: | R-Class £500<br>F-Class* £500<br>I-Class £1,000,000<br>C-Class** £50,000,000<br>X-Class*** £1,000,000<br>L-Class^ £100,000 |
| Valuation point:                     | 12 noon  |
| Fund management fees:                | R-Class 1.42%<br>F-Class* 0.92%<br>I-Class 0.63%<br>C-Class** 0.50%<br>X-Class*** 0.63%<br>L-Class^ 0.03%                  |
| Initial charges:                     | R-Class Nil<br>F-Class* Nil<br>I-Class Nil<br>C-Class** Nil<br>X-Class*** Nil<br>L-Class^ Nil                              |

\* F-Class units are only available to:

- (i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Trust and
- (ii) authorised intermediaries or distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

\*\* C-Class units are only available to distributors who actively market and distribute such units (or whom the Manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet the criteria for investment in such units.

\*\*\* X-Class are gross units which are only available to investors who are eligible to invest in gross units and who have completed a satisfactory Declaration of Eligibility and Undertaking.

^ L-Class is not available to retail customers and is intended only for investment by Legal & General group companies.

## General Information continued

### Pricing and Dealing

The prices are published on the internet at [www.legalandgeneral.com/investments/fund-information/daily-fund-prices](http://www.legalandgeneral.com/investments/fund-information/daily-fund-prices) immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 8:30am to 6:00pm, Monday to Friday.

### Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at [www.legalandgeneral.com](http://www.legalandgeneral.com). Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

### ISA Status

This Trust may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

Call charges will vary. We may record and monitor calls.

### Prospectus and Manager's Reports

The Manager will send to all persons on the Unitholder Register annual and interim short form reports.

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

### EU Savings Directive

The Trust has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with Tax authorities in those countries.

The Trust falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant Tax authorities.

## **General Information continued**

### **Dual Pricing Arrangement**

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Trust. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Trust in the form of a payment from the Manager. This provides an enhanced return to the Trust, though the size of any return will be dependent on the size of subscriptions and redemptions.

### **Significant Changes**

#### **New Unit Class: C-Class**

With effect from 12 March 2018, C-Class units have launched with accumulation units available.

## General Information continued

### Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited  
Registered in England and Wales No. 01009418  
Registered office:  
One Coleman Street,  
London EC2R 5AA  
Telephone: 0370 050 3350  
Authorised and regulated by the Financial Conduct Authority

### Directors of the Manager

R. M. Bartley  
A. J. C. Craven  
S. Hynes  
H. Morrissey (appointed 5 July 2017)  
H. Solomon  
S. D. Thomas  
L. W. Toms  
A. R. Toutouchi\*  
M. J. Zinkula

\*Non-executive Director

### Secretary

J. McCarthy

### Registrar

Legal & General (Unit Trust Managers) Limited  
P.O. Box 6080,  
Wolverhampton WV1 9RB  
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956  
Enquiries: 0370 050 0955  
Registration: 0370 050 0955

Call charges will vary. We may record and monitor calls.

### Trustee

Northern Trust Global Services PLC  
Trustee and Depositary Services  
50 Bank Street,  
Canary Wharf,  
London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

### Independent Auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London SE1 2RT

### Investment Adviser

Legal & General Investment Management Limited  
One Coleman Street,  
London EC2R 5AA  
Authorised and regulated by the Financial Conduct Authority





**Authorised and regulated by the  
Financial Conduct Authority**

Legal & General  
(Unit Trust Managers) Limited  
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Registered office:  
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[www.legalandgeneral.com](http://www.legalandgeneral.com)

