

Legal & General Emerging Markets Government
Bond (US\$) Index Fund

**Interim Manager's Report
for the period ended
10 May 2018
(Unaudited)**

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Manager's Investment Report

Investment Objective and Policy

The objective of this Fund is to provide income. The Fund will achieve this objective by investing primarily in emerging market government bonds which are included in the JPMorgan Emerging Markets Bond Index Plus.

Securities will be held with weightings generally proportionate to the weightings in the JPMorgan Emerging Markets Bond Index Plus. The bonds the Fund invests in will be composed primarily of securities issued by sovereign entities and which are denominated in US Dollar. Sub-investment grade bonds may be used.

The Fund may also invest in other transferable securities, fixed interest securities, permitted deposits, money market instruments, cash, near cash and units in collective investment schemes.

The Fund may hold derivatives for efficient portfolio management purposes.

Manager's Investment Report

During the period under review, the bid price of the Fund's I-Class accumulation units fell by 7.00%. JP Morgan Chase, the Index compiler, calculates the benchmark Index at the end of the business day using closing bid prices, whereas the Fund is valued using prevailing mid prices at 12 noon. Therefore, for tracking purposes the Fund has been revalued using closing prices. On this basis over the review period, the Fund fell by 4.86%, compared with a decrease in the Index of 4.89% (Source: JP Morgan Chase), producing a tracking difference of +0.03%.

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

Whilst the US Dollar/Sterling rate has moved from 1.32 to 1.41 against Sterling over the review period, it is the more recent rise since the beginning of April against a broad range of local currencies in emerging markets that has raised concerns about the ability of both sovereign and corporate borrowers to repay Dollar-denominated debt. Rising US interest rates have presented a further headwind for emerging market bonds. With the 10-year US Treasury bond yield having risen significantly since the start of 2018, climbing above 3% in late April and standing at 2.96% at the end of the review period, the appeal of emerging market debt has lost a little of its lustre for international investors.

Inflationary pressures are also a concern for investors in emerging market bonds. A notable example is Argentina, where the central bank raised interest rates by 3% to stem weakness in the Peso, which had forced it to deploy over \$3 billion of reserves to defend the currency. Investors have increasingly been questioning the central bank's credibility, since it relaxed its inflation target in December. Moreover, the country is running substantial budget and current account deficits, and is therefore heavily reliant on international markets to finance the shortfall.

More broadly, recent evidence suggests that growth in the emerging economies is losing momentum, particularly in commodity producing economies such as Russia and Brazil. Purchasing managers' indices of manufacturing activity have also softened in recent months, in India, Taiwan, China and Poland, with South Korea now seeing an outright contraction in its manufacturing sector.

Manager's Investment Report continued

Emerging bond markets have attracted substantial inflows from international investors looking for higher levels of income; although currency adjusted returns have been disappointing. Accordingly, issuance levels in emerging bond markets have been high as both sovereign and corporate borrowers have looked to attract international investors. However, there have been concerns about deteriorating credit quality amongst sovereign issuers in particular, with ratings downgrades for China, Brazil, Turkey and South Africa. Nevertheless, South African bonds have rallied in recent months after the pro-reform candidate, Cyril Ramaphosa won the leadership of the ruling African National Congress.

Fund Review

All investment activity was prompted either by unit holder investment or redemption, or by changes in the profile of the benchmark. The Fund experienced a net positive cash flow during the review period.

The Fund's bond holdings underperformed US Treasury Securities over the review period, the Index yield spread over US Treasury Securities widening by 14 basis points to 362 basis points. Compared to some other emerging market (EM) debt indices, the EMBI+ Index is relatively stable, having 159 constituents at the beginning and 158 at the end of the review period. There was no change to the country composition of the Index, with 16 countries represented.

The regional breakdown of the Index at the end of the review period was EMEA (Europe, Middle East and Africa) 37.44%, Asia 16.15% and Latin America 46.41%. The most significant changes were reductions in the Index weights of Argentina (-1.51%) and Indonesia (-0.92%), with increases in the weights of Brazil (+1.36%) and Russia (+1.25%).

At the end of the period, the Fund held 178 bonds issued by 16 countries. The Index consisted of 158 bonds issued by 16 countries.

Outlook

The shift in creditworthiness in emerging markets aligns with increasingly prudent central bank activity, relatively careful public sector spending and improving GDP growth. In the 1980s, emerging economies contributed 30% to global GDP growth, whereas developed economies contributed 70%. This picture has now reversed, with emerging economies contributing 70% and developed economies contributing only 30% to growth. As a result of the divergence, emerging markets have increased their geopolitical significance: another reason why developed market protectionism may ultimately be blunted.

While emerging markets remain vulnerable in the short term to any pick-up in US protectionism, their increased interdependence provides a buffer, as does the relative improvement in emerging market versus developed market fundamentals over the past years.

Legal & General Investment Management Limited
(Investment Adviser)
24 May 2018

Authorised Status

Authorised Status

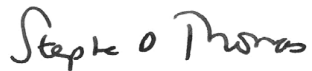
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

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
28 June 2018

Portfolio Statement

Portfolio Statement as at 10 May 2018

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 10 November 2017.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	NORTH AMERICA		
	— 14.37% (13.71%)		
	Mexico — 11.31% (10.99%)		
USD3,225,000	Mexico Government International Bond 3.5% 21/01/2021	2,409,359	0.29
USD7,100,000	Mexico Government International Bond 3.625% 15/03/2022	5,234,352	0.64
USD10,680,000	Mexico Government International Bond 4% 02/10/2023	7,884,431	0.96
USD7,850,000	Mexico Government International Bond 3.6% 30/01/2025	5,569,530	0.68
USD9,100,000	Mexico Government International Bond 4.125% 21/01/2026	6,609,944	0.80
USD11,000,000	Mexico Government International Bond 4.15% 28/03/2027	7,909,848	0.96
USD1,986,000	Mexico Government International Bond 3.75% 11/01/2028	1,368,797	0.17
USD6,270,000	Mexico Government International Bond 6.75% 27/09/2034	5,492,605	0.67
USD11,950,000	Mexico Government International Bond 6.05% 11/01/2040	9,495,871	1.15
USD15,740,000	Mexico Government International Bond 4.75% 08/03/2044	10,679,374	1.30
USD9,816,000	Mexico Government International Bond 5.55% 21/01/2045	7,431,101	0.90
USD9,650,000	Mexico Government International Bond 4.6% 23/01/2046	6,405,591	0.78
USD6,700,000	Mexico Government International Bond 4.35% 15/01/2047	4,272,077	0.52
USD8,587,000	Mexico Government International Bond 4.6% 10/02/2048	5,668,330	0.69
USD9,150,000	Mexico Government International Bond 5.75% 12/10/2110	6,542,458	0.80
		92,973,668	11.31
	Panama — 3.06% (2.72%)		
USD3,325,000	Panama Government International Bond 5.2% 30/01/2020	2,527,573	0.31
USD3,700,000	Panama Government International Bond 3.75% 16/03/2025	2,672,859	0.33
USD3,405,000	Panama Government International Bond 7.125% 29/01/2026	2,980,567	0.36
USD625,000	Panama Government International Bond 8.875% 30/09/2027	621,959	0.08
USD3,885,000	Panama Government International Bond 3.875% 17/03/2028	2,784,102	0.34
USD3,960,000	Panama Government International Bond 9.375% 01/04/2029	4,135,781	0.50
USD6,925,000	Panama Government International Bond 6.7% 26/01/2036	6,202,178	0.75

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Panama — (cont.)		
USD4,000,000	Panama Government International Bond 4.5% 15/05/2047	2,809,414	0.34
USD574,000	Panama Government International Bond 4.5% 16/04/2050	398,787	0.05
		<u>25,133,220</u>	<u>3.06</u>
	CONTINENTAL EUROPE		
	— 21.60% (19.82%)		
	Croatia — 2.42% (2.39%)		
USD4,965,000	Croatia Government International Bond 6.75% 05/11/2019 ¹	3,823,481	0.47
USD4,250,000	Croatia Government International Bond 6.625% 14/07/2020 ¹	3,313,440	0.40
USD5,305,000	Croatia Government International Bond 6.375% 24/03/2021 ¹	4,157,898	0.51
USD4,815,000	Croatia Government International Bond 5.5% 04/04/2023 ¹	3,720,264	0.45
USD6,100,000	Croatia Government International Bond 6% 26/01/2024 ¹	4,843,083	0.59
		<u>19,858,166</u>	<u>2.42</u>
	Hungary — 3.93% (4.10%)		
USD6,735,000	Hungary Government International Bond 6.25% 29/01/2020	5,190,507	0.63
USD9,100,000	Hungary Government International Bond 6.375% 29/03/2021	7,187,698	0.87
USD5,940,000	Hungary Government International Bond 5.375% 21/02/2023	4,642,412	0.56
USD6,764,000	Hungary Government International Bond 5.75% 22/11/2023	5,387,216	0.66
USD6,870,000	Hungary Government International Bond 5.375% 25/03/2024	5,390,008	0.66
USD4,410,000	Hungary Government International Bond 7.625% 29/03/2041	4,479,566	0.55
		<u>32,277,407</u>	<u>3.93</u>
	Romania — 1.88% (1.92%)		
USD7,900,000	Romanian Government International Bond 6.75% 07/02/2022	6,346,528	0.77
USD4,800,000	Romanian Government International Bond 4.375% 22/08/2023	3,559,239	0.43
USD3,376,000	Romanian Government International Bond 4.875% 22/01/2024	2,560,011	0.31
USD3,570,000	Romanian Government International Bond 6.125% 22/01/2044	3,000,000	0.37
		<u>15,465,778</u>	<u>1.88</u>
	Russian Federation — 9.06% (7.87%)		
USD12,700,000	Russian Federation 5% 29/04/2020	9,548,871	1.16
USD6,600,000	Russian Federation 4.5% 04/04/2022	4,913,755	0.60
USD11,800,000	Russian Federation 4.875% 16/09/2023	8,917,062	1.09

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Russian Federation — (cont.)		
USD10,200,000	Russian Federation 4.75% 27/05/2026	7,488,586	0.91
USD7,200,000	Russian Federation 4.25% 23/06/2027	5,104,633	0.62
USD14,013,050	Russian Federation 7.5% 31/03/2030	11,435,747	1.39
USD10,200,000	Russian Federation 5.625% 04/04/2042	7,649,833	0.93
USD5,000,000	Russian Federation 5.875% 16/09/2043	3,856,148	0.47
USD22,400,000	Russian Federation 5.25% 23/06/2047	15,535,157	1.89
		74,449,792	9.06
	Ukraine — 4.31% (3.54%)		
USD2,050,000	Ukraine Government International Bond 7.75% 01/09/2019 ¹	1,549,247	0.19
USD5,371,000	Ukraine Government International Bond 7.75% 01/09/2020 ¹	4,042,899	0.49
USD4,777,000	Ukraine Government International Bond 7.75% 01/09/2021 ¹	3,579,264	0.44
USD4,702,000	Ukraine Government International Bond 7.75% 01/09/2022 ¹	3,480,610	0.42
USD4,527,000	Ukraine Government International Bond 7.75% 01/09/2023 ¹	3,304,316	0.40
USD4,452,000	Ukraine Government International Bond 7.75% 01/09/2024 ¹	3,199,917	0.39
USD4,677,000	Ukraine Government International Bond 7.75% 01/09/2025 ¹	3,346,023	0.41
USD4,418,000	Ukraine Government International Bond 7.75% 01/09/2026 ¹	3,142,687	0.38
USD4,588,000	Ukraine Government International Bond 7.75% 01/09/2027 ¹	3,255,160	0.40
USD9,797,000	Ukraine Government International Bond 7.375% 25/09/2032 ¹	6,517,611	0.79
		35,417,734	4.31
	SOUTH AMERICA — 30.72% (31.66%)		
	Argentina — 10.60% (12.22%)		
USD14,920,000	Argentina Government International Bond 6.875% 22/04/2021 ¹	11,064,071	1.35
USD11,350,000	Argentina Government International Bond 5.625% 26/01/2022 ¹	8,073,676	0.98
USD2,345,000	Argentina Government International Bond 4.625% 11/01/2023 ¹	1,594,621	0.20
USD20,773,000	Argentina Government International Bond 7.5% 22/04/2026 ¹	15,121,138	1.84
USD11,900,000	Argentina Government International Bond 6.875% 26/01/2027 ¹	8,289,473	1.01
USD3,488,000	Argentina Government International Bond 5.875% 11/01/2028 ¹	2,243,314	0.27

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Argentina — (cont.)		
USD3,450,000	Argentina Government International Bond 6.625% 06/07/2028 ¹	2,326,957	0.28
USD18,766,276	Argentina Government International Bond 8.28% 31/12/2033 ¹	13,999,558	1.70
USD5,150,000	Argentina Government International Bond 7.125% 06/07/2036 ¹	3,378,667	0.41
USD16,945,000	Argentina Government International Bond 2.5% 31/12/2038 ¹	7,744,287	0.94
USD9,500,000	Argentina Government International Bond 7.625% 22/04/2046 ¹	6,318,347	0.77
USD1,933,000	Argentina Government International Bond 6.875% 11/01/2048 ¹	1,200,466	0.15
USD9,046,000	Argentina Government International Bond 7.125% 28/06/2117 ¹	5,717,930	0.70
		87,072,505	10.60
	Brazil — 8.64% (7.63%)		
USD1,000,000	Brazilian Government International Bond 8.875% 14/10/2019 ¹	796,108	0.10
USD10,575,000	Brazilian Government International Bond 4.875% 22/01/2021 ¹	8,021,284	0.98
USD7,250,000	Brazilian Government International Bond 2.625% 05/01/2023 ¹	4,956,786	0.60
USD14,925,000	Brazilian Government International Bond 4.25% 07/01/2025 ¹	10,633,209	1.29
USD2,300,000	Brazilian Government International Bond 8.75% 04/02/2025 ¹	2,115,030	0.26
USD7,200,000	Brazilian Government International Bond 6% 07/04/2026 ¹	5,660,327	0.69
USD11,770,000	Brazilian Government International Bond 4.625% 13/01/2028 ¹	8,203,721	1.00
USD5,115,000	Brazilian Government International Bond 8.25% 20/01/2034 ¹	4,599,955	0.56
USD6,930,000	Brazilian Government International Bond 7.125% 20/01/2037 ¹	5,683,049	0.69
USD8,230,000	Brazilian Government International Bond 5.625% 07/01/2041 ¹	5,605,572	0.68
USD12,200,000	Brazilian Government International Bond 5% 27/01/2045 ¹	7,603,641	0.93
USD10,500,000	Brazilian Government International Bond 5.625% 21/02/2047 ¹	7,078,173	0.86
		70,956,855	8.64
	Colombia — 6.65% (7.31%)		
USD6,925,000	Colombia Government International Bond 4.375% 12/07/2021	5,211,871	0.63
USD3,145,000	Colombia Government International Bond 2.625% 15/03/2023	2,173,402	0.26

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Colombia — (cont.)		
USD7,650,000	Colombia Government International Bond 4% 26/02/2024	5,610,718	0.68
USD3,220,000	Colombia Government International Bond 8.125% 21/05/2024	2,860,165	0.35
USD4,800,000	Colombia Government International Bond 4.5% 28/01/2026	3,582,485	0.43
USD8,000,000	Colombia Government International Bond 3.875% 25/04/2027	5,653,195	0.69
USD5,905,000	Colombia Government International Bond 7.375% 18/09/2037	5,408,346	0.66
USD8,415,000	Colombia Government International Bond 6.125% 18/01/2041	6,885,338	0.84
USD8,710,000	Colombia Government International Bond 5.625% 26/02/2044	6,789,639	0.83
USD14,650,000	Colombia Government International Bond 5% 15/06/2045	10,493,880	1.28
		54,669,039	6.65
	Peru — 2.46% (2.48%)		
USD5,470,000	Peruvian Government International Bond 7.35% 21/07/2025	4,919,209	0.60
USD3,200,000	Peruvian Government International Bond 4.125% 25/08/2027	2,400,118	0.29
USD2,045,000	Peruvian Government International Bond 8.75% 21/11/2033	2,195,593	0.27
USD4,060,000	Peruvian Government International Bond 6.55% 14/03/2037	3,740,970	0.45
USD8,281,000	Peruvian Government International Bond 5.625% 18/11/2050	6,989,344	0.85
		20,245,234	2.46
	Venezuela — 2.37% (2.02%)		
USD3,150,000	Venezuela Government International Bond 7% 01/12/2018 ¹	789,473	0.09
USD10,775,000	Venezuela Government International Bond 7.75% 13/10/2019 ¹	2,144,516	0.26
USD3,670,000	Venezuela Government International Bond 6% 09/12/2020 ¹	708,812	0.09
USD13,285,000	Venezuela Government International Bond 12.75% 23/08/2022 ¹	2,827,199	0.34
USD3,575,000	Venezuela Government International Bond 9% 07/05/2023 ¹	698,345	0.08
USD8,810,000	Venezuela Government International Bond 8.25% 13/10/2024 ¹	1,704,721	0.21
USD5,550,000	Venezuela Government International Bond 7.65% 21/04/2025 ¹	1,087,008	0.13

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Venezuela — (cont.)		
USD8,825,000	Venezuela Government International Bond 11.75% 21/10/2026 ¹	1,869,127	0.23
USD11,360,000	Venezuela Government International Bond 9.25% 15/09/2027 ¹	2,367,389	0.29
USD6,925,000	Venezuela Government International Bond 9.25% 07/05/2028 ¹	1,381,836	0.17
USD12,601,500	Venezuela Government International Bond 11.95% 05/08/2031 ¹	2,693,819	0.33
USD2,585,000	Venezuela Government International Bond 9.375% 13/01/2034 ¹	578,700	0.07
USD3,025,000	Venezuela Government International Bond 7% 31/03/2038 ¹	628,146	0.08
		19,479,091	2.37
	AFRICA — 3.51% (3.87%)		
	South Africa — 3.51% (3.87%)		
USD840,000	South Africa Government International Bond 6.875% 27/05/2019	639,319	0.08
USD5,610,000	South Africa Government International Bond 5.5% 09/03/2020	4,259,663	0.52
USD3,000,000	South Africa Government International Bond 5.875% 30/05/2022	2,333,525	0.28
USD4,985,000	South Africa Government International Bond 4.665% 17/01/2024	3,614,763	0.44
USD7,500,000	South Africa Government International Bond 5.875% 16/09/2025	5,719,746	0.69
USD3,500,000	South Africa Government International Bond 4.875% 14/04/2026	2,495,614	0.30
USD1,500,000	South Africa Government International Bond 4.85% 27/09/2027	1,044,891	0.13
USD6,269,000	South Africa Government International Bond 4.3% 12/10/2028	4,175,790	0.51
USD2,900,000	South Africa Government International Bond 5.375% 24/07/2044	1,945,304	0.24
USD2,550,000	South Africa Government International Bond 5% 12/10/2046	1,619,831	0.20
USD1,500,000	South Africa Government International Bond 5.65% 27/09/2047	1,023,131	0.12
		28,871,577	3.51
	ASIA — 15.92% (16.58%)		
	Indonesia — 9.16% (9.99%)		
USD7,050,000	Indonesia Government International Bond 4.875% 05/05/2021	5,342,472	0.65

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Indonesia — (cont.)		
USD7,450,000	Indonesia Government International Bond 3.75% 25/04/2022	5,414,715	0.66
USD1,875,000	Indonesia Government International Bond 3.75% 01/03/2023	1,344,621	0.16
USD5,475,000	Indonesia Government International Bond 3.375% 15/04/2023	3,874,682	0.47
USD6,305,000	Indonesia Government International Bond 5.875% 15/01/2024	4,992,160	0.61
USD5,500,000	Indonesia Government International Bond 4.35% 10/09/2024	4,029,633	0.49
USD6,350,000	Indonesia Government International Bond 4.125% 15/01/2025	4,603,768	0.56
USD7,000,000	Indonesia Government International Bond 4.75% 08/01/2026	5,243,727	0.64
USD3,675,000	Indonesia Government International Bond 4.35% 08/01/2027	2,672,474	0.33
USD3,125,000	Indonesia Government International Bond 3.5% 11/01/2028	2,096,968	0.26
USD2,625,000	Indonesia Government International Bond 4.4% 01/03/2028	1,881,288	0.23
USD1,500,000	Indonesia Government International Bond 4.1% 24/04/2028	1,069,027	0.13
USD6,025,000	Indonesia Government International Bond 7.75% 17/01/2038	5,763,871	0.70
USD6,675,000	Indonesia Government International Bond 5.25% 17/01/2042	4,868,179	0.59
USD4,500,000	Indonesia Government International Bond 4.625% 15/04/2043	3,068,880	0.37
USD5,755,000	Indonesia Government International Bond 6.75% 15/01/2044	5,096,814	0.62
USD6,300,000	Indonesia Government International Bond 5.125% 15/01/2045	4,561,916	0.56
USD3,600,000	Indonesia Government International Bond 5.95% 08/01/2046	2,900,340	0.35
USD4,850,000	Indonesia Government International Bond 5.25% 08/01/2047	3,561,824	0.43
USD4,375,000	Indonesia Government International Bond 4.35% 11/01/2048	2,891,621	0.35
		<u>75,278,980</u>	<u>9.16</u>

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Philippines — 6.76% (6.59%)		
USD2,800,000	Philippine Government International Bond 8.375% 17/06/2019	2,179,187	0.26
USD2,425,000	Philippine Government International Bond 6.5% 20/01/2020	1,886,660	0.23
USD5,400,000	Philippine Government International Bond 4% 15/01/2021	4,053,495	0.49
USD5,400,000	Philippine Government International Bond 4.2% 21/01/2024	4,092,962	0.50
USD3,540,000	Philippine Government International Bond 5.5% 30/03/2026	2,892,601	0.35
USD3,000,000	Philippine Government International Bond 3% 01/02/2028	2,047,609	0.25
USD6,215,000	Philippine Government International Bond 9.5% 02/02/2030	6,704,086	0.82
USD5,975,000	Philippine Government International Bond 7.75% 14/01/2031	5,858,750	0.71
USD3,215,000	Philippine Government International Bond 6.375% 15/01/2032	2,871,382	0.35
USD6,085,000	Philippine Government International Bond 6.375% 23/10/2034	5,519,834	0.67
USD4,325,000	Philippine Government International Bond 5% 13/01/2037	3,453,372	0.42
USD6,475,000	Philippine Government International Bond 3.95% 20/01/2040	4,564,313	0.56
USD6,350,000	Philippine Government International Bond 3.7% 01/03/2041	4,329,761	0.53
USD7,500,000	Philippine Government International Bond 3.7% 02/02/2042	5,112,423	0.62
		55,566,435	6.76
	MIDDLE EAST — 11.76% (12.48%)		
	Turkey — 11.76% (12.48%)		
USD1,010,000	Turkey Government International Bond 7% 11/03/2019 ¹	760,141	0.09
USD4,822,000	Turkey Government International Bond 7.5% 07/11/2019 ¹	3,699,675	0.45
USD5,880,000	Turkey Government International Bond 7% 05/06/2020 ¹	4,503,379	0.55
USD6,805,000	Turkey Government International Bond 5.625% 30/03/2021 ¹	5,076,913	0.62
USD2,900,000	Turkey Government International Bond 5.125% 25/03/2022 ¹	2,111,711	0.26
USD8,890,000	Turkey Government International Bond 6.25% 26/09/2022 ¹	6,686,505	0.81
USD5,500,000	Turkey Government International Bond 3.25% 23/03/2023 ¹	3,620,004	0.44
USD8,025,000	Turkey Government International Bond 5.75% 22/03/2024 ¹	5,809,257	0.71
USD11,525,000	Turkey Government International Bond 7.375% 05/02/2025 ¹	8,940,692	1.09

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Turkey — (cont.)		
USD5,350,000	Turkey Government International Bond 4.25% 14/04/2026 ¹	3,405,222	0.41
USD8,350,000	Turkey Government International Bond 4.875% 09/10/2026 ¹	5,507,525	0.67
USD8,300,000	Turkey Government International Bond 6% 25/03/2027 ¹	5,869,305	0.71
USD6,000,000	Turkey Government International Bond 5.125% 17/02/2028 ¹	3,904,945	0.48
USD3,000,000	Turkey Government International Bond 6.125% 24/10/2028 ¹	2,090,225	0.25
USD3,960,000	Turkey Government International Bond 11.875% 15/01/2030 ¹	4,047,653	0.49
USD1,000,000	Turkey Government International Bond 7.25% 05/03/2038 ¹	746,351	0.09
USD5,945,000	Turkey Government International Bond 6.75% 30/05/2040 ¹	4,161,790	0.51
USD8,640,000	Turkey Government International Bond 6% 14/01/2041 ¹	6,117,293	0.75
USD9,874,000	Turkey Government International Bond 4.875% 16/04/2043 ¹	5,511,105	0.67
USD11,025,000	Turkey Government International Bond 6.625% 17/02/2045 ¹	7,478,414	0.91
USD10,850,000	Turkey Government International Bond 5.75% 11/05/2047 ¹	6,570,814	0.80
		<hr/> 96,618,919	<hr/> 11.76
Portfolio of investments		804,334,400	97.88
Net other assets		17,430,964	2.12
Total net assets		<hr/> £821,765,364	<hr/> 100.00%

¹ These are sub-investment grade fixed interest securities and represent 40.10% of the net assets of the Fund.

Total purchases for the period: £157,006,374.

Total sales for the period: £54,215,043.

Financial Statements

Statement of Total Return for the period ended 10 May 2018

	10/05/18		10/05/17	
	£	£	£	£
Income				
Net capital losses		(71,712,598)		(24,407,413)
Revenue	14,605,159		14,109,915	
Expenses	(566,894)		(357,418)	
Interest payable and similar charges	(5,702)		(11,741)	
Net revenue before taxation	<u>14,032,563</u>		<u>13,740,756</u>	
Taxation	—		—	
Net revenue after taxation for the period		<u>14,032,563</u>		<u>13,740,756</u>
Total return before distributions		(57,680,035)		(10,666,657)
Distributions		<u>(14,599,457)</u>		<u>(14,098,167)</u>
Change in net assets attributable to Unitholders from investment activities		<u>£(72,279,492)</u>		<u>£(24,764,824)</u>

Statement of Change in Net Assets attributable to Unitholders for the period ended 10 May 2018

	10/05/18		10/05/17	
	£	£	£	£
Opening net assets attributable to Unitholders		792,728,267		527,052,987
Amounts received on issue of units	108,636,777		153,040,495	
Amounts paid on cancellation of units	<u>(13,246,885)</u>		<u>(35,959,640)</u>	
		95,389,892		117,080,855
Change in net assets attributable to Unitholders from investment activities		(72,279,492)		(24,764,824)
Retained distributions on accumulation units		<u>5,926,697</u>		<u>5,612,768</u>
Closing net assets attributable to Unitholders		<u>£821,765,364</u>		<u>£624,981,786</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 10 May 2018

	10/05/18 £	10/11/17 £
ASSETS		
Fixed assets:		
Investments	804,334,400	777,849,999
Current assets:		
Debtors	12,015,475	12,214,718
Cash and bank balances	16,029,380	22,239,174
Total assets	832,379,255	812,303,891
LIABILITIES		
Creditors:		
Distributions payable	(9,429,029)	(11,809,634)
Other creditors	(1,184,862)	(7,765,990)
Total liabilities	(10,613,891)	(19,575,624)
Net assets attributable to Unitholders	£821,765,364	£792,728,267

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.

Fund Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Distribution Units	37,899	75,728	50.05
Accumulation Units	118,340	189,463	62.46
I-Class			
Distribution Units	12,391,803	24,733,611	50.10
Accumulation Units	293,339,381	468,985,707	62.55
C-Class			
Distribution Units	3,320,677	6,594,817	50.35
Accumulation Units	26,994,714	42,966,095	62.83
L-Class			
Distribution Units	485,562,550	955,382,153	50.82

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

	10 May 18	10 Nov 17
F-Class	0.48%	0.48%
I-Class	0.29%	0.29%
C-Class	0.19%	0.19%
L-Class	0.04%	0.04%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

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

Fund Information continued

Distribution Information

F-Class

The distribution payable on 10 July 2018 is 0.9413p per unit for distribution units and 1.1531p per unit for accumulation units.

I-Class

The distribution payable on 10 July 2018 is 0.9424p per unit for distribution units and 1.1569p per unit for accumulation units.

C-Class

The distribution payable on 10 July 2018 is 0.9473p per unit for distribution units and 1.1604p per unit for accumulation units.

L-Class

The distribution payable on 10 July 2018 is 0.9559p per unit for distribution units.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Fund's risk and reward category in the future.
- The category number highlighted above reflects the rate at which the Fund's unit price has moved up and down in the past. If the Fund has less than five years' track record, the number also reflects the rate at which the Index the Fund tracks has moved up and down in the past. Higher numbers mean the potential reward could be greater, but this comes with increased risk of losing money.
- The Fund is in category five 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 Fund's category is not guaranteed to remain the same and may change over time.
- Even a fund in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	11 December 2012
Period end dates for distributions:	10 May, 10 November
Distribution dates:	10 January, 10 July
Minimum initial lump sum investment:	F-Class* £500 I-Class £1,000,000 C-Class** £100,000,000 L-Class*** £500,000
Valuation point:	12 noon
Fund Management fees:	F-Class* Annual 0.48% I-Class Annual 0.29% C-Class** Annual 0.19% L-Class*** Annual 0.04%
Initial charges:	F-Class* Nil I-Class Nil C-Class** Nil L-Class*** Nil

* F-Class units are only available to:

- (i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Fund and
- (ii) 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.

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

Pricing and Dealing

The prices are published on the internet at 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. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

General Information continued

ISA Status

This Fund 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.

Information on Tracking Error

The 'Tracking Error' of a Fund is the measure of the volatility of the differences between the return of the Fund and the return of the benchmark Index. It provides an indication of how closely the Fund is tracking the performance of the benchmark Index after considering things such as Fund charges and taxation.

Using monthly returns, over the review period, the annualised Tracking Error of the Fund is 0.06%, whilst over the last 3 years, to the end of May 2018, the annualised Tracking Error is 0.08%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.50% per annum.

EU Savings Directive

The Fund 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 Fund 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.

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Fund. 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 Fund in the form of a payment from the Manager. This provides an enhanced return to the Fund, though the size of any return will be dependent on the size of subscriptions and redemptions.

General Information continued

Significant Changes

Change of Auditor

With effect from 28 April 2018, PricewaterhouseCoopers LLP ceased to be Independent Auditors of the Fund and KPMG LLP have been appointed. The change of Auditor has no impact on the way the Fund is operated.

General Data Protection Regulation (GDPR)

Legal & General takes your privacy very seriously. Under data protection legislation, we have classified ourselves as a 'data controller'. This means that we are subject to certain obligations relating to how we process personal data. These obligations include, without limitation, providing individuals with certain information regarding how we process their personal data.

We will use the personal data you have provided to us in connection with an investment in units of Legal & General Emerging Markets Government Bond (US\$) Index Fund, including your name, age, contact details, bank account details, transactions and the invested amount, and any information regarding the dealing in units in accordance with all applicable data protection laws and our Privacy Policy which is available from 25 May 2018 at www.lgim.com/UTMprivacy (or available upon request). Our Privacy Policy sets out, amongst other things, the purpose or purposes for which your personal data is collected and intended to be processed and also contains any other information prescribed by data protection legislation.

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 Depository 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

KPMG LLP
15 Canada Square,
London E14 5GL London

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**

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(Unit Trust Managers) Limited
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