

Legal & General
All Stocks Index Linked Gilt Index Trust
**Interim Manager's
Short Report
for the period ended
26 May 2018**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The investment objective of the Trust is to track the performance of the FTSE Actuaries UK Index Linked Gilt All Stock Index (the Index) (after adjustment for management charge and taxation).

The Manager will seek to achieve this objective by investing primarily in Government or other public securities issued by the Government of the United Kingdom. The Manager may also invest in other assets, including Government or public securities issued by other public bodies (including those outside the United Kingdom), and may make use of optimisation techniques in order to construct and maintain a portfolio, the underlying value of which exhibits the total return performance characteristics of the Index. The Manager may invest in other Collective Investment Schemes, including those managed by companies in the Legal & General Group.

Risk Profile

Credit Risk

This Trust is invested in financial securities such as bonds. With these investments, there is a risk of suffering loss due to a party not meeting its financial obligations. This risk is managed by monitoring the credit profile of financial instruments and Government counterparties.

Market Risk

Market risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Interest Rate Risk

This Trust is invested in interest bearing securities. The performance of the Trust may therefore be affected by changes in interest rates. The active monitoring and adjustment of the investments in the portfolio manages this risk.

Trust Facts

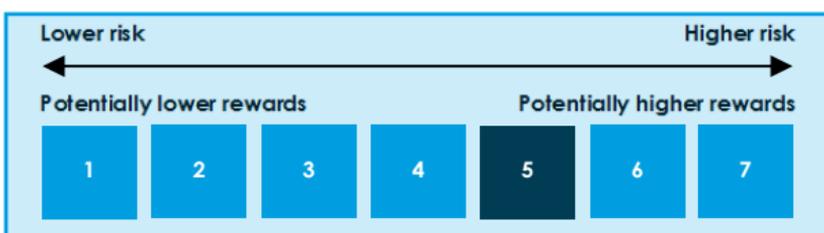
Period End Dates for Distributions:	26 May, 26 Nov	
Distribution Dates:	26 Jul, 26 Jan	
Ongoing Charges Figures:	26 May 18	24 Nov 17
F-Class	0.37%	0.37%
M-Class	—	0.15%
I-Class	0.15%	0.15%
C-Class	0.10%	0.10%

The Trust's final accounting date, usually 26 November, was moved to 24 November 2017 in order to facilitate the closure of M-Class (See significant changes on page 12).

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) 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.

Risk and Reward Profile



- This risk and reward profile 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 rate at which the Trust's unit price has moved up and down in the past. If the Trust has less than five years' track record, the number also reflects the rate at which the Index the Trust 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 Trust 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 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.

Distribution Information

As at 26 May 2018, the whole Trust was in a shortfall position, as the expenses of the Trust exceeded distributable revenue and as such there were no distributions.

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Distribution Units	9,830	8,591	114.42
Accumulation Units	518,237	393,212	131.80
I-Class			
Distribution Units	460,113,122	400,086,262	115.00
Accumulation Units	684,483,370	515,261,941	132.84
C-Class			
Distribution Units	155,280,351	134,450,139	115.49
Accumulation Units	40,429,835	30,301,034	133.43

Past performance is not a guide to future performance.

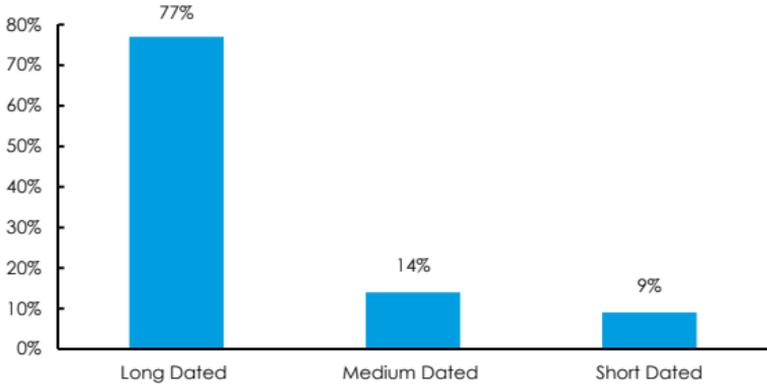
The price of units and any income from them may go down as well as up.

Portfolio Information

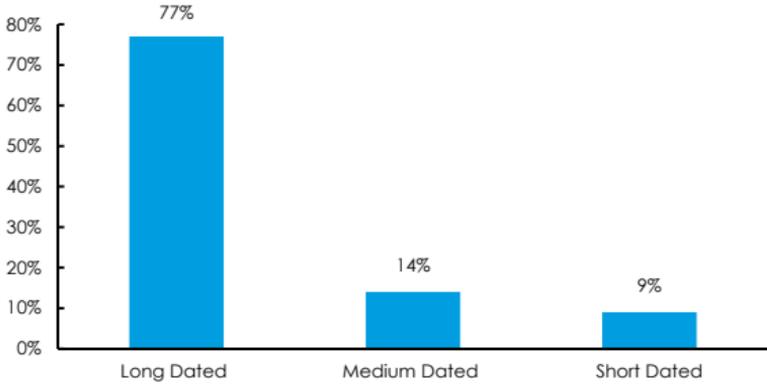
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 26 May 2018		Top 10 Holdings at 24 November 2017	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
United Kingdom Gilt Inflation Linked 1.25% 22/11/2055	5.35%	United Kingdom Gilt Inflation Linked 1.25% 22/11/2055	5.65%
United Kingdom Gilt Inflation Linked 0.375% 22/03/2062	4.90%	United Kingdom Gilt Inflation Linked 0.125% 22/03/2068	5.07%
United Kingdom Gilt Inflation Linked 0.125% 22/03/2068	4.85%	United Kingdom Gilt Inflation Linked 0.375% 22/03/2062	5.04%
United Kingdom Gilt Inflation Linked 1.125% 22/11/2037	4.48%	United Kingdom Gilt Inflation Linked 1.125% 22/11/2037	4.60%
United Kingdom Gilt Inflation Linked 0.5% 22/03/2050	4.46%	United Kingdom Gilt Inflation Linked 0.5% 22/03/2050	4.53%
United Kingdom Gilt Inflation Linked 0.75% 22/11/2047	4.43%	United Kingdom Gilt Inflation Linked 0.625% 22/03/2040	4.50%
United Kingdom Gilt Inflation Linked 0.625% 22/03/2040	4.38%	United Kingdom Gilt Inflation Linked 0.75% 22/11/2047	4.47%
United Kingdom Gilt Inflation Linked 0.125% 22/03/2044	4.23%	United Kingdom Gilt Inflation Linked 1.25% 22/11/2027	4.26%
United Kingdom Gilt Inflation Linked 0.625% 22/11/2042	4.21%	United Kingdom Gilt Inflation Linked 0.125% 22/03/2044	4.23%
United Kingdom Gilt Inflation Linked 1.25% 22/11/2027	4.10%	United Kingdom Gilt Inflation Linked 0.625% 22/11/2042	4.19%

Trust Holdings as at 26 May 2018



Trust Holdings as at 24 November 2017



Manager's Investment Report

During the period under review, the bid price of the Trust's I-Class accumulation units fell by 2.50%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for tracking purposes the Trust has been revalued using closing prices and adjusted for Trust charges and taxation. On this basis, over the review period, the Trust performance was -2.36%, compared with the Index performance of -2.34% (Source: Bloomberg), producing a tracking difference of -0.02%.

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.

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Market Review

The global economic background has improved over the past twelve months, led by solid growth in the major developed economies, although recent indicators suggest there has been some loss of momentum, particularly in Europe. Despite a rise in commodity prices, with the oil price (Brent crude) recovering to \$79 per barrel in May, its highest level since 2014, inflationary pressures worldwide have remained subdued by historical standards.

In the US, economic activity remains in good shape, underpinned by improving consumer and business sentiment, a strong labour market and a recovery in the energy sector. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates three times over the last twelve months. The Fed also began unwinding its asset purchase programme, known as quantitative easing (QE), in October. In December, Congress approved the Trump administration's tax reforms which include a cut in the main rate of corporation tax from 35% to 21%.

The Eurozone economy grew at its fastest pace for a decade in 2017 although there has been some loss of momentum in recent months with a slowdown in Germany and France, the region's two largest economies. The European Central Bank (ECB) announced it would reduce its monthly asset purchase programme with effect from 2018 but with inflation remaining subdued the ECB has signalled monetary policy will remain accommodative.

Manager's Investment Report continued

In the UK, the economy grew at its slowest pace for six years during the first quarter of 2018. The Bank of England voted to increase interest rates to 0.5% in November, removing the emergency support announced in August 2016 in the wake of the EU referendum.

Returns from bond markets have been disappointing over the last 12 months, although a marked rise in equity market volatility in early 2018 highlighted the 'safe haven' appeal of government bonds. In the US, investors have discounted Fed rate hikes and looser fiscal policy. In the UK, inflation peaked at over 3% in November and declined towards the Bank of England's (BoE) 2% target. As a result, index-linked gilts underperformed conventional securities. The Bank's decision to add high quality corporate bonds to its QE programme sparked an upsurge in new issuance in the Sterling-denominated market in 2017. Although the BoE has completed its purchases of corporate bonds, the asset class continued to attract investors, as yields on government bonds remained unattractively low. Returns from bond markets have generally been disappointing over the last 12 months. Since late 2016, longer-term interest rates in the major economies have moved higher, particularly in the US where investors discounted Fed rate hikes and looser fiscal policy. However, in the UK the sharp devaluation of Sterling following the EU referendum has fed through to inflation, which has accelerated above the Bank of England (BoE)'s 2% target to record a five-year high in recent months.

Trust Review

All investment activity was prompted either by unit holder investment or redemption or by changes in the profile of the benchmark.

There were 6 auctions and 1 syndication of index-linked securities during the period, which raised a total of £8.1 billion for government funding. The only bond tapped by syndication was the 0.125% Index-linked Treasury Gilt 2048 for £2.75 billion nominal in February 2018 and its subsequent tap for £750 million in April 2018. Each issuance resulted in a change to the constituent weightings of the benchmark Index and required the Trust to be rebalanced in line with the revised Index distribution.

The Trust experienced net negative cash flow during the period. The cash flows were used to adjust the Trust's holdings in such a way so as to ensure the Trust maintained an Index distribution at all times.

Manager's Investment Report continued

Outlook

Longer term, we retain a bias towards being long duration as we remain cautious about global growth and the ability of a highly-leveraged global economy to withstand higher interest rates. In the shorter term, however, we expect higher US and Eurozone core inflation to test the market's belief that inflationary pressure will be low for an extended period. These higher inflation expectations should push up interest rates. Versus the rest of the world, we still believe that Brexit negotiations will be a leading driver of relative performance during 2018. However, with parliament unlikely to have a meaningful vote until October, the potential for material news (in either direction) seems limited during the summer.

We expect headline inflation to still stay below 3% unless oil prices rise further.

Legal & General Investment Management Limited

(Investment Adviser)

22 June 2018

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

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

Information on Tracking Error

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

Using monthly returns, over the review period, the annualised Tracking Error of the Trust is 0.02%, whilst over the last three years to the end of May 2018, the annualised Tracking Error of the Trust is 0.02%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/-0.25% per annum.

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.

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

F-Class	£500
I-Class	£1,000,000
C-Class	£100,000,000

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 Trust 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.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

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

Significant Changes

Closure of M-Class

As at 24 November 2017, the M-Class was closed. All unitholders in the M-Class as at 24 November 2017 have been moved into the I-Class which is identical to the M-Class. The terms and charges are identical between the classes.

Change of Accounting Date

The Trust's Annual accounting date, usually 26 November, was moved to 24 November 2017 in order to facilitate the closure of M-Class as detailed above. As such, the Trust's corresponding distribution payment date, usually 26 January was moved to 24 January 2018. The accounting and distribution payment dates reverted to their normal dates after this event.

Change of Auditor

With effect from 28 April 2018, PricewaterhouseCoopers LLP ceased to be Independent Auditors of the Trust and KPMG LLP have been appointed. The change of Auditor has no impact on the way the Trust 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 All Stocks Index Linked Gilt Index Trust, 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.

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

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

Trustee

Northern Trust Global Services PLC

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

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Financial Conduct Authority**

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