

Legal & General Global Infrastructure
Index Fund

**Interim Manager's
Short Report
for the period ended
15 September 2018**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

The objective of the Fund is to aim to achieve capital growth and income by tracking the performance of the FTSE Global Core Infrastructure Index (the “Index”).

The Fund will invest predominantly in equities that make up the constituents of the Index. Equity securities that make up the Index will be held with weightings generally proportionate to their company’s market capitalisation.

The Fund may also invest in permitted deposits, money market instruments, cash, near cash, units in other collective investment schemes and other equities which are reasonably expected, at the investment manager’s discretion, to become part of the Index in the near future. The Fund may hold depositary receipts and derivatives for the purpose of efficient portfolio management only.

From time to time non-Index constituents may be held as a result of a corporate action or Index changes and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. It represents the potential loss the Fund 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.

Currency Risk

This Fund is invested in overseas financial securities.

The performance of the Fund may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

Fund Facts

Period End Dates for Distributions:	15 Mar, 15 Sep
Distribution Dates:	15 May, 15 Nov
Ongoing Charges Figures:	15 Sep 18*
I-Class	0.31%
C-Class	0.21%
L-Class	0.07%

* There are no comparative figures shown as the Fund launched on 9 April 2018.

The Ongoing Charges Figure (OCF) is the ratio of the Fund'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 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.

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 shares which are sensitive to variations in the stock market. The value of company shares can change substantially over short periods of time. Company shares are generally considered to be higher risk investments than bonds or cash.
- 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.

Distribution Information

I-Class

The distribution payable on 15 November 2018 is 0.7316p per unit for distribution units and 0.7339p per unit for accumulation units.

C-Class

The distribution payable on 15 November 2018 is 0.7550p per unit for distribution units and 0.7550p per unit for accumulation units.

L-Class

The distribution payable on 15 November 2018 is 0.7885p per unit for distribution units and 0.7861p per unit for accumulation units.

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
I-Class			
Distribution Units	846,583	1,495,447	56.61
Accumulation Units	1,269,046	2,213,249	57.34
C-Class			
Distribution Units	1,132	2,000	56.60
Accumulation Units	1,147	2,000	57.35
L-Class			
Distribution Units	276,820,186	489,027,819	56.61
Accumulation Units	1,346,637	2,340,307	57.54

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.

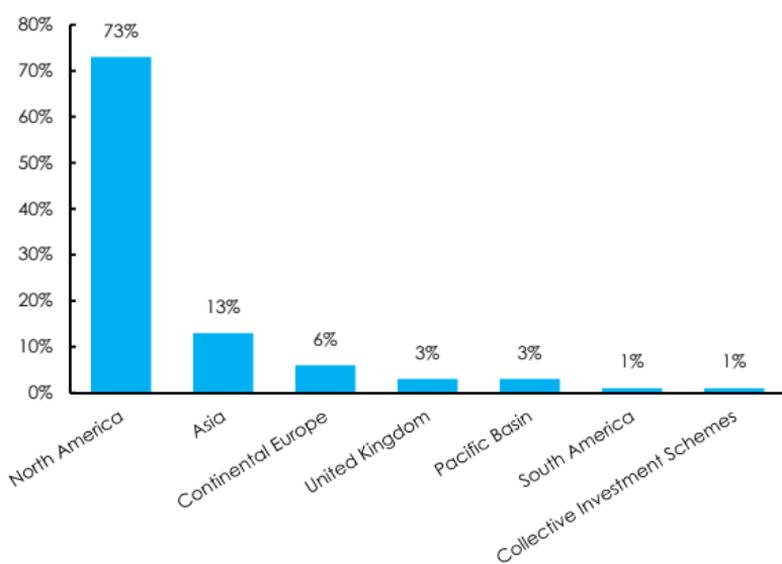
Exchange rate changes may cause the value of any overseas investments to rise or fall.

Portfolio Information

The top 10 holdings and their associated weighting for the current period end were:

Top 10 Holdings at 15 September 2018*	
Holding	Percentage of Net Asset Value
Union Pacific	5.97%
NextEra Energy	4.01%
American Tower	3.21%
Canadian National Railway	3.17%
CSX	3.02%
Enbridge	2.90%
Duke Energy	2.83%
Norfolk Southern	2.49%
Dominion Energy	2.30%
Crown Castle International	2.29%

Fund Holdings as at 15 September 2018*



* There are no comparative figures shown as the Fund launched on 9 April 2018.

Manager's Investment Report

During the period under review since the launch of the Fund on 9 April 2018, the bid price of the Fund's I-Class distribution units rose by 14.66%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Fund is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Fund has been revalued using closing prices and foreign exchange rates. On this basis, over the review period, the Fund rose by 13.70% on a capital only basis compared with the FTSE Global Core Infrastructure Index rise of 13.73% (Source: Rimes), 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.

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Market/Economic Review

Global equity indices overcame a turbulent first quarter to gain ground over the period. Market volatility had risen markedly during the first quarter of 2018, particularly as trade tensions between the US and China escalated. However, a favourable economic background and encouraging corporate earnings announcements enabled markets to end the period on a firmer footing. Energy stocks performed well as the oil price reached \$79 per barrel in May, its highest level since 2014. Technology stocks and healthcare providers also outperformed, boosted by an encouraging second quarter reporting season. Financials were amongst the weakest sectors as the differential between 2-year and 10-year US Treasury bond yields reached its lowest point since 2007.

Fund Review

Companies within the Fund are held with weightings generally proportionate to those of the benchmark Index. Therefore, investment activity, other than to raise or invest cash, is only necessary when there are changes to the benchmark Index or as a result of corporate action.

The June quarterly Index review resulted in no additions and one deletion. There were 106 changes to the free share capital of constituents with the largest increases being American Tower,

Manager's Investment Report continued

ONEOK and Enbridge, and the largest decreases being Union Pacific, Canadian National Railway and CSX.

At the end of the period, the three largest countries in the Fund were US (59.64%), Canada (11.70%) and Japan (7.57%), while the three largest stocks were Union Pacific (5.97%), NextEra Energy (4.01%) and American Tower (3.21%).

Outlook

The outperformance enjoyed by US equities could be at risk given investors' continued high expectations. We expect the US fiscal stimulus to fade, potentially reversing some of the tailwind that the US has enjoyed relative to other regions. The earnings picture looks similar, as the extraordinary boost afforded by the tax cuts will fall out of comparisons and a tightening labour market with rising wages could put greater pressure on labour costs than in other regions. Eurozone equities are the mirror image of the US in terms of sentiment and we continue to see the region as a potential outperformer within developed markets.

Legal & General Investment Management Limited
(Investment Adviser)
15 October 2018

Manager's Report and Accounts

A copy of the most recent Interim Long Form Manager's Report is 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 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 since the launch of the Fund on 9 April 2018, the annualised Tracking Error of the Fund is 0.27%. This Tracking Error is within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.75% per annum.

Minimum Investment Amounts

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

I-Class	£1,000,000
C-Class	£100,000,000
L-Class	£100,000

C-Class units are available to certain eligible investors who meet the criteria for investment in such units as outlined in the share class policy of the Manager, which is available to investors in the C-Class upon request. Where investors in the C-Class no longer continue to meet the criteria for investment in such units, further investment in such units may not be permitted.

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

Other Information

The information in this report is designed to enable unitholders to understand how the Fund 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 Fund can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited

Registered in England and Wales No. 01009418

Registered office:

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Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

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

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by the Financial Conduct Authority and the Prudential

Regulation Authority

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Financial Conduct Authority**

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