

Legal & General Growth Trust
**Interim Manager's
Short Report**
for the period ended
15 November 2018



Investment Objective and Policy

The objective of the Trust is to secure capital growth by investing in a portfolio principally of UK shares. Securities of companies with strong growth prospects will be chosen.

The Trust may hold derivatives for the purpose of Efficient Portfolio Management.

Risk Profile

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.

Trust Facts

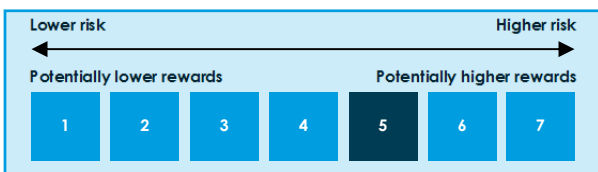
Period End Dates for Distributions:	15 May, 15 Nov	
Distribution Dates:	15 Jul, 15 Jan	
Ongoing Charges Figures:	15 Nov 18	15 May 18
R-Class	1.53%	1.71%
E-Class*	–	1.82%
F-Class	1.03%	1.21%
I-Class	0.78%	0.88%
C-Class	0.50%	0.50%

*As at 10 November 2017, the E-Class was closed. All unitholders in the E-Class as at 10 November 2017 have been moved into the R-Class. The terms and charges are identical between the classes.

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total disclosable 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 a representative benchmark 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 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 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

R-Class

The distribution payable on 15 January 2019 is 0.0444p per unit for distribution units and 0.0563p per unit for accumulation units.

F-Class

The distribution payable on 15 January 2019 is 0.2615p per unit for distribution units and 0.3235p per unit for accumulation units.

I-Class

The distribution payable on 15 January 2019 is 0.3697p per unit for distribution units and 0.4845p per unit for accumulation units.

C-Class

The distribution payable on 15 January 2019 is 0.2772p per unit for distribution units and 0.2788p 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)
R-Class			
Distribution Units	144,589,007	169,536,467	85.28
Accumulation Units	12,778,709	12,506,929	102.17
F-Class			
Distribution Units	559	650	86.00
Accumulation Units	121,369	114,419	106.07
I-Class			
Distribution Units	2,068,885	2,424,126	85.35
Accumulation Units	5,051,208	4,497,352	112.32
C-Class			
Distribution Units	581,230	1,208,037	48.11
Accumulation Units	22,210,724	45,636,383	48.67

Past performance is not a guide to future performance.

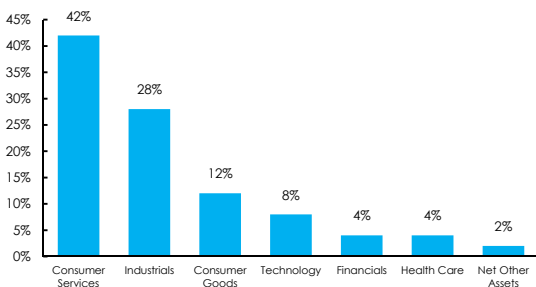
The price of units and any income from them may go down as well as up.

Portfolio Information

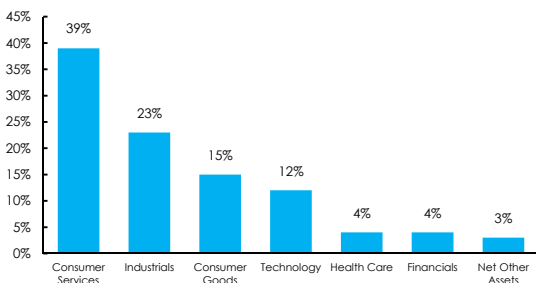
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 15 November 2018		Top 10 Holdings at 15 May 2018	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Melrose Industries	4.48%	Boohoo.com	4.27%
Fevertree Drinks	4.23%	GVC	4.22%
Vivo Energy	4.22%	Sophos Group	4.21%
AVEVA Group	4.17%	Ashtead Group	4.17%
NMC Health	4.10%	Just Eat	4.11%
Aston Martin Lagonda Global	4.10%	Burberry Group	4.06%
Rentokil Initial	4.08%	NMC Health	4.01%
Boohoo.com	4.05%	Auto Trader Group	4.00%
Bunzl	4.05%	BAE Systems	3.97%
Coca-Cola HBC	4.04%	Coca-Cola HBC	3.93%

Trust Holdings as at 15 November 2018



Trust Holdings as at 15 May 2018



Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units fell by 9.54%. This compares to a fall in the FTSE All-Share Index of 9.07% on a capital only basis.

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.

Market/Economic Review

Global equity indices have made significant gains over the last six months for Sterling-based investors, as the pound's weakness, particularly against the US Dollar, enhanced returns. As trade tensions remained in the spotlight, the oil price rallied to over \$82 per barrel, its highest level since November 2014, underpinned by the supply issue in the Permian basin and looming US sanctions against Iran. However, a favourable economic background and encouraging corporate earnings announcements underpinned markets until October, when concerns over the impact of escalating trade conflict between the US and China heralded a sharp sell-off. The technology and healthcare sectors outperformed, boosted by robust earnings growth. 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.

In contrast, UK equities underperformed global indices as uncertainty surrounding the outcome of Brexit negotiations overshadowed the market. Sterling's recent weakness has provided a boost for companies with substantial international earnings, with FTSE 100 Index stocks outperforming both mid-caps and smaller companies. Although the Bank of England indicated interest rates may need to be increased as soon as May, the economy grew at its slowest pace for six years during the first quarter, leading the Bank to adopt a more cautious approach and raise its benchmark base rate to 0.75% in August. Pharmaceuticals and energy stocks performed well, the latter boosted by the strength of the oil price, while companies with significant exposure to emerging markets underperformed.

Trust Review

The Trust delivered a negative total return over the course of the period, severely affected by a very tough October for equity markets. Much of this particular fall stems from the Trust's overweight positioning to consumer services and industrials, which were victims of the cyclical sell-off and market rotation.

Ocado Group delivered strong returns and the Ocado solutions platform has the potential to become industry standard for online food retail logistics on a global scale. We concur with expectations for more partnership announcements, however, the stock detracted from performance late into the period after some profit-taking from investors.

Manager's Investment Report continued

Airline stock Wizz Air was also weak, with the company caught up in the contagion effect from industry disruption over the summer and oil price strength. While this has been disappointing, we maintain conviction in the growth strategy from both demand and market share gain. This stems from the group's low exposure to capacity constrained airports and lack of competition over much of its route network.

For activity, we bought a new position in carbonated mixer business Fevertree Drinks, taking advantage of a significant recent pull-back in the shares. The latest UK Nielsen soft drinks sales data highlighted a slowdown in performance in recent weeks, which has seen the market turn more cautious on the stock. While our decision to invest at this time may seem like swimming against the current, we see considerable scope for Fevertree Drinks to continue to deliver long-term growth. We have confidence in their ability to exceed consensus forecasts this year and are comfortable with assertions for growth in the medium term. Much of this stems from the large growth opportunity in the US, given the premiumisation trends in spirits and a culture of long drink mixability. Currently the penetration of mixers in the US is well below the figure in the UK market, which we expect will narrow over time. Importantly, the recent agreement with Southern Glazer's Wine & Spirits provides distribution muscle and removes a barrier to gaining scale in this market.

Making way for Fevertree Drinks was our position in consumer business Reckitt Benckiser, which we believe has inferior growth prospects and lower operational quality. While Reckitt Benckiser remains a decent business, we do have concerns over a slowdown in its health segment and are also unclear on the strategic plan for the HyHo business.

Outlook

Two countervailing forces have kept markets in a holding pattern recently: growth in the global economy and company earnings, and the ascent of populist economic policies. Trade wars continue to occupy markets' attention and, although there has yet to be any major fall-out, our economists do anticipate some damage to growth over the next year. We are also closely monitoring the ongoing Brexit negotiations and the impact it may have on UK companies.

Legal & General Investment Management Limited
(Investment Adviser)
7 December 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.

Minimum Investment Amounts

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

R-Class	£100
F-Class	£500
I-Class	£1,000,000
C-Class	£20,000,000

In addition, monthly contributions can be made into the F-Class with a minimum amount of £50 per month and with a minimum amount of £20 per month into the R-Class.

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 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.

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.

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, through the size of any return will be dependent on the size of subscriptions and redemptions.

Significant Changes

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 Growth 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 SE

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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