

# Legal & General UK Select Equity Fund

Unit Trust (UK UCITS compliant) I-Class GBP

Base currency: **GBP**

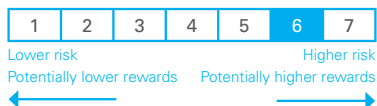
Domicile: **UK**



## FUND AIM

The objective of this Fund is to provide growth above that of the FTSE All Share TR Net Index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 3% per annum before charges, over rolling three year periods.

## RISK AND REWARD PROFILE



The synthetic risk and reward indicator (SRRI) is based on the historic volatility of the fund's value and it may change in the future.

This fund is in category 6 because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.

For more information, please refer to the Key Risks section on page 3.

## WHO IS THIS FUND FOR?

- This fund is designed for investors looking for growth from an investment in UK shares.
- Although investors can take their money out at any time, this fund may not be appropriate for those who plan to withdraw their money within five years.
- This fund is not designed for investors who cannot afford more than a minimal loss of their investment.
- If you do not understand this document we recommend you seek additional information to help you decide if this fund is right for you.

## FUND FACTS

Fund size <b>£354.1m</b>	Fund launch date <b>2 Jan 1996</b>
Historical yield <b>0.6%</b>	

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.78%</b>
Price basis <b>Single swing</b>	Dilution adjustment <b>0.85%- round trip</b>

## BENCHMARKS

Benchmark  
**FTSE All Share TR Net Index**

Performance objective  
**FTSE All Share TR Net Index +3%**

Comparator benchmark  
**IA Sector: UK All Companies**

## PERFORMANCE (%)



	1 month	3 months	1 year	3 years	5 years
■ Fund	0.06	-1.31	33.06	24.88	31.42
■ Benchmark	1.82	3.53	35.34	17.49	31.17
Performance objective	-	-	-	28.02	51.08
Comparator	0.21	1.65	37.22	23.81	38.26

## 12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 September	2021	2020	2019	2018	2017
Fund	29.73	-6.92	-3.27	2.64	11.81
Benchmark	27.84	-16.63	2.64	5.83	11.90
Comparator	32.50	-13.13	0.08	5.63	13.84

## FUND SNAPSHOT

- **What does it invest in?** Invests at least 90% in shares of UK companies. The proportion of the fund invested in a company can vary between -10% and +5% of the weighting of that company in the Index.
- **How does it invest?** Actively managed, with holdings in between 30 and 60 companies on average over a typical market cycle of 3-5 years, which means the fund may be concentrated at times.

For annual performance against the performance objective please see the Key Investor Information Document (KIID). Performance for the I Inc unit class in GBP, launched on 31 October 2012. Source: Lipper. Performance assumes all fund charges have been taken and that all income generated by the investments, after deduction of tax, remains in the fund.

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



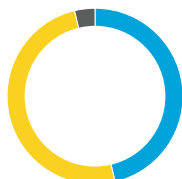
## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



### SECTOR (%)

Industrials	24.8
Consumer Staples	14.3
Technology	11.7
Consumer Discretionary	10.1
Financials	9.2
Health Care	7.4
Unclassified	6.7
Real Estate	6.5
Basic Materials	4.8
Other	4.5



### MARKET CAPITALISATION (%)

Large	46.3
Mid	49.9
Small	-
Micro	-
Cash and Equivalents	3.7



■ Top 10 holdings 32.7%  
■ Rest of portfolio 67.3%  
No. of holdings 44

### TOP 10 HOLDINGS (%)

Unilever	5.2
AstraZeneca	4.9
Ashtead Group	3.3
Experian	3.2
Tritax Big Box REIT	2.9
Aveva Group	2.9
Ocado Group	2.7
Pets at Home Group	2.6
Ceres Power Holdings	2.6
Derwent London	2.6

### COUNTRY (%)

United Kingdom	97.2
Netherlands	2.1
Ireland	0.7

## FUND MANAGER COMMENTARY

Equity markets kicked on during October, seemingly happy to climb the wall of worry and test all-time highs. The monetary policy backdrop has however become less supportive for risk assets, with growing realisation from central banks that perhaps not all inflationary pressures in play will be that transitory, while supply chain headwinds show little sign of abating any time soon. For corporate earnings, while it may not feel it on the ground, it's been a decent quarter with momentum turning more positive.

Turning to equity performance, market leadership changed through October with some big differences at the sector level by region. Despite outperforming in September, the UK benchmarks failed to keep pace with gains elsewhere. Banks enjoyed a strong month, while Utilities and Healthcare also outperformed. Conversely, SMID caps found life tougher going, with both Consumer-facing groups and Tech names struggling, and Housebuilders also lagged.

The L&G UK Select Equity Fund underperformed its benchmark by ~170bps. Stock selection was disappointing with weakness in Tech and Telecoms. On sector allocation, the underweight to Financials (Banks) and Healthcare cost 50bps. While the overweight to Tech and Consumer Discretionary was also unhelpful given the negative sector relative return. Top stock contributors were Ceres Power, Watches of Switzerland, Croda, Ocado Group and Ashtead. Detractors were Alphawave, Victorian Plumbing, Trustpilot, Helios Towers, Boohoo Group and Network International. On trading activity we introduced new positions in Spirax Sarco, Hill & Smith, Grainger and DS Smith, as we continue to increase the number of positions on the portfolio.



### GAVIN LAUNDER

Gavin joined LGIM in 2007 and has been the Fund Manager for the UK Select Equity Fund since June 2018. Previously, he was a Global Equities Analyst at BlueBay Asset Management. Gavin spent the majority of his buy-side career as a Portfolio Manager with UBS O'Connor. Prior to this, he was a top-rated, sell-side analyst covering the Autos, Capital Goods and Conglomerates sectors at investment banks including SG Warburg (now part of UBS) and Goldman Sachs. Gavin holds a degree in Philosophy and Economics from University College, London.

**KEY RISKS**

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- The return from this fund is dependent on relatively few individual investments. This means that a fall in the value of an individual investment can have a major impact on the overall performance of the fund.
- The fund could lose money if any institution providing services such as acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.
- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.
- The fund may have underlying investments that are valued in currencies that are different from sterling (British pounds). Exchange rate fluctuations will impact the value of your investment. Currency hedging techniques may be applied to reduce this impact but may not entirely eliminate it.

For more information, please refer to the key investor information document on our website [↗](#)

**LATEST DISTRIBUTION INFORMATION**

For distributing unit classes, the latest payments are shown below. Please note that these payments are not guaranteed, are at the discretion of the manager and may be paid out of capital.

Type	Ex-div date	Pay date	Pence per unit
Interim	01 Apr 21	31 May 21	0.86p
Final	01 Oct 20	30 Nov 20	0.95p
Interim	01 Apr 20	31 May 20	1.85p
Final	01 Oct 19	29 Nov 19	4.86p



**SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT**

We are one of Europe’s largest asset managers and a major global investor, with assets under management of £1,326.8 billion (as at 30 June 2021). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Source: LGIM internal data as at 30 June 2021. The AUM disclosed aggregates the assets managed by LGIM in the UK, LGIMA in the US and LGIM Asia in Hong Kong. The AUM includes the value of securities and derivatives positions.

**DEALING INFORMATION**

Valuation frequency	Daily, 12pm (UK time)
Dealing frequency	Daily
Settlement period	T+4

**CODES**

<b>ISIN</b>	I Acc	GB00B8F72V68
	I Inc	GB00B887M570
<b>SEDOL</b>	I Acc	B8F72V6
	I Inc	B887M57
<b>Bloomberg</b>	I Acc	LGUSEIA LN
	I Inc	LGUSEII LN

**TO FIND OUT MORE**

 Visit [www.legalandgeneral.com](http://www.legalandgeneral.com)

 Call **0370 050 0955**

 Email [investments@landg.com](mailto:investments@landg.com)

Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.

**Important information**

Copyright © 2021 Legal & General. This document is subject to copyright. Any unauthorised use is strictly prohibited. All rights are reserved. Issued by Legal & General (Unit Trust Managers) Limited as management company for this fund. Registered in England and Wales No. 01009418. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and Regulated by the Financial Conduct Authority No. 119273. We are members of the Investment Association. All features described in this fact sheet are those current at the time of publication and may be changed in the future. Nothing in this fact sheet should be construed as advice and it is therefore not a recommendation to buy or sell investments. If in doubt about the suitability of this product, you should seek professional advice. No investment decisions should be made without first reviewing the key investor information document of the Fund (“KIID”) which can be obtained from [www.legalandgeneral.com](http://www.legalandgeneral.com). This fact sheet is only directed at investors resident in jurisdictions where this fund is registered for sale. It is not an offer or invitation to persons outside of those jurisdictions. We reserve the right to reject any applications from outside of such jurisdictions.

Source: London Stock Exchange Group plc and its group undertakings (collectively, the “LSE Group”). © LSE Group 2021. FTSE Russell is a trading name of certain of the LSE Group companies. “FTSE®” is a trade mark of the relevant LSE Group companies and is used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company’s express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.