

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



Investment Objective and Policy

The objective of the Trust is to track the total return of UK Government Securities as represented by the FTSE Actuaries UK Conventional Gilts All Stocks Index after adjustment for management charges and taxation, by investment in a representative sample of stocks.

For the purposes of Efficient Portfolio Management, any of the forms of derivative in the Prospectus may be effected.

Risk Profile

Credit Risk

This Trust is invested in financial securities such as Government 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:	25 May, 25 Nov	
Distribution Dates:	25 Jul, 25 Jan	
Ongoing Charges Figures:	25 Nov 18	25 May 18
R-Class†	0.53%	–
F-Class	0.37%	0.37%
I-Class	0.15%	0.15%
C-Class	0.10%	0.10%

† R-Class Units launched on 1 June 2018.

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 indicator 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 four 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

R-Class

The distribution payable on 25 January 2019 is 0.2700p per unit for distribution units and 0.2696p per unit for accumulation units.

F-Class

The distribution payable on 25 January 2019 is 0.7340p per unit for distribution units and 1.3187p per unit for accumulation units.

I-Class

The distribution payable on 25 January 2019 is 0.8029p per unit for distribution units and 1.4539p per unit for accumulation units.

C-Class

The distribution payable on 25 January 2019 is 0.8198p per unit for distribution units and 1.4862p 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	9,762	19,887	49.09
Accumulation Units	498,168	1,009,267	49.36
F-Class			
Distribution Units	1,293	1,079	119.83
Accumulation Units	391,866	180,295	217.35
I-Class			
Distribution Units	418,216,725	346,982,336	120.53
Accumulation Units	403,817,945	183,808,165	219.70
C-Class			
Distribution Units	109,277,140	90,504,229	120.74
Accumulation Units	31,182,000	14,149,791	220.37

Past performance is not a guide to future performance.

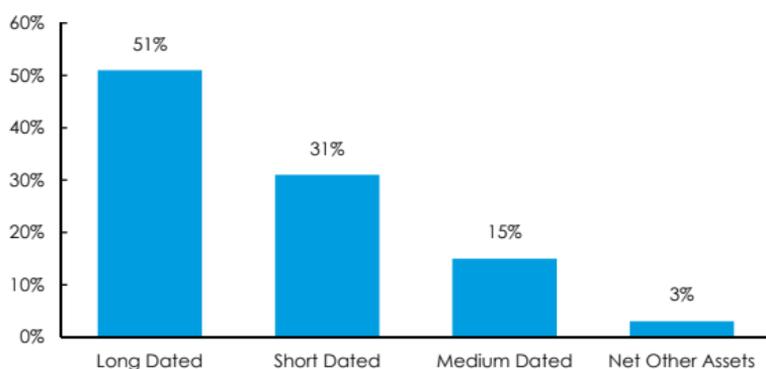
The price of units and any income from them may go down as well as up.

Portfolio Information

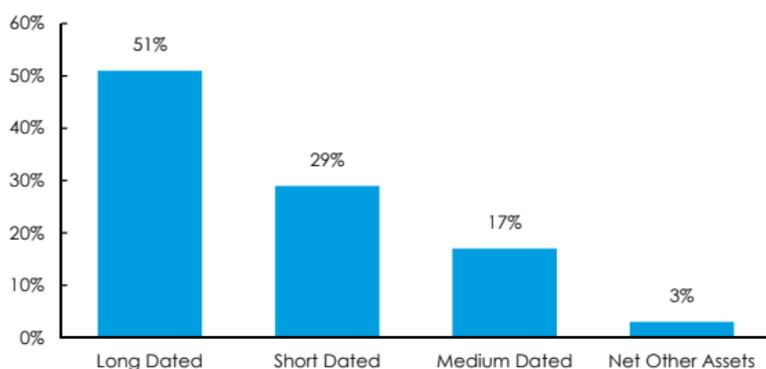
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 25 November 2018		Top 10 Holdings at 25 May 2018	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
United Kingdom Gilt 4.25% 07/06/2032	3.30%	United Kingdom Gilt 4.25% 07/06/2032	3.23%
United Kingdom Gilt 4.75% 07/12/2030	3.20%	United Kingdom Gilt 4.75% 07/12/2030	3.20%
United Kingdom Gilt 4.5% 07/09/2034	3.07%	United Kingdom Gilt 4.25% 07/12/2055	3.07%
United Kingdom Gilt 5% 07/03/2025	3.04%	United Kingdom Gilt 5% 07/03/2025	3.07%
United Kingdom Gilt 4.25% 07/12/2055	3.01%	United Kingdom Gilt 4.5% 07/09/2034	3.00%
United Kingdom Gilt 4% 07/03/2022	2.92%	United Kingdom Gilt 4.5% 07/12/2042	2.88%
United Kingdom Gilt 4.25% 07/03/2036	2.84%	United Kingdom Gilt 4.25% 07/03/2036	2.86%
United Kingdom Gilt 4.5% 07/12/2042	2.80%	United Kingdom Gilt 4% 07/03/2022	2.83%
United Kingdom Gilt 4.25% 07/12/2027	2.75%	United Kingdom Gilt 4% 22/01/2060	2.80%
United Kingdom Gilt 4% 22/01/2060	2.67%	United Kingdom Gilt 4.5% 07/03/2019	2.77%

Trust Holdings as at 25 November 2018



Trust Holdings as at 25 May 2018



Manager's Investment Report

During the period under review, the bid price of the Trust's I-Class accumulation units fell by 0.32%. 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. On this basis over the review period, the Trust performance was -0.64%, compared with the Index performance of -0.65% (Source: Bloomberg), producing a tracking difference of +0.01%.

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.

The FTSE Actuaries UK Conventional Gilts All Stocks Index is calculated by FTSE International Limited ("FTSE"). FTSE does not sponsor, endorse or promote this product.

All copyright in the Index values and constituent list belongs to FTSE. Legal & General has obtained full licence from FTSE to use such copyright in the creation of this product.

"FTSE™", "FT-SE®" and "Footsie®" are trademarks of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited ("FTSE") under license.

Market/Economic Review

Although the global economy remains on track for another year of solid growth, growth has become less synchronised in contrast to 2017 and more uneven across countries and regions. Despite a rise in commodity prices, with the oil price (Brent crude) recovering to over \$82 per barrel in September, 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, as the impact of tax cuts and a strong labour market have boosted domestic demand. GDP growth during the third quarter was ahead of expectations as consumer spending accelerated. The Federal Reserve (Fed) sanctioned a gradual tightening of monetary policy, raising interest rates four times over the last twelve months. The Fed also continued to unwind its asset purchase programme, known as quantitative easing (QE), last 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 was some loss of momentum during 2018. The European Central Bank (ECB) acknowledged the 'weaker momentum' of the Eurozone economy, which grew at its slowest rate since the second quarter of 2014 during the three months to September, as the Italian economy stalled for the first time in almost four years. The ECB announced it would cease its monthly asset purchase programme by the end of 2018, and signalled interest rates are likely to remain on hold at least until mid-2019 with inflation remaining subdued.

Manager's Investment Report continued

In the UK, both economic and political uncertainty have heightened over the last 12 months, with precariousness as to the outcome of Brexit negotiations and the implications for trade with the EU. 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 and sanctioned a further rate hike to 0.75% in August as inflation remained above its 2% target. Although UK GDP grew at its slowest pace for six years during the first quarter of 2018 subsequently the economy has been resilient, underpinned by consumer demand and exports.

Returns from bonds have been modest over the last 12 months, although a marked rise in equity market volatility in early 2018 and in October highlighted the 'safe haven' appeal of major government bond markets. In the US, investors have discounted Fed rate hikes and looser fiscal policy. In the UK, as inflation has remained well above the Bank of England's (BoE) 2% target, index-linked gilts outperformed conventional securities. Corporate bonds have struggled to make headway on concerns about the impact of weaker UK economic growth on earnings, and uncertainty over the outcome of Brexit negotiations.

Trust Review

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

During the review period there were 14 gilt auctions and one syndication, raising a total of £41.3 billion for government funding. The bond issued by syndication was a £5.25 billion tap of the 1.625% Treasury Gilt 2071. The 1% Treasury Gilt 2024 was issued for approximately £2.75 billion nominal in July, and was the subject of 3 further auctions over the period. The 1.625% Treasury Gilt 2028, which was issued earlier this year, was the subject of 4 further auctions over the period, raising a total of £13.7 billion. One bond was redeemed: the 1.25% Treasury Gilt 2018. Each auction, syndication and redemption 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 positive 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 the Index distribution at all times.

Outlook

Longer term, we retain a bias towards being long duration as we remain cautious about global growth, economic impact of trade wars and the ability of a highly-leveraged global economy to withstand higher interest rates. Despite the slowdown in Global manufacturing, the underlying demand is steady and inventories near neutral and we expect growth to stabilize slightly below trend. Versus the rest of the world, we still believe that Brexit negotiations

Manager's Investment Report continued

will be a leading driver of relative performance during early 2019.

The BoE is likely to stay on hold with regards to monetary policy until next year (May is our base case as the transition period should be in place by then).

Legal & General Investment Management Limited

(Investment Adviser)

19 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.

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 0.04%, whilst over the last three years to October 2018, the annualised Tracking Error of the Trust is 0.07%. 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:

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

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

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 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.

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

Significant Change

New Unit Class: R-Class

With effect from 1 June 2018, R-Class units have been launched with both accumulation and distribution units available.

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

Trustee and Depositary 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

**Authorised and regulated by the
Financial Conduct Authority**

Legal & General
(Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
www.legalandgeneral.com
GIL0119

