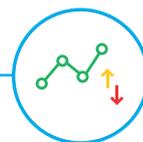


Legal & General UK Select Equity Fund



Unit Trust (UCITS compliant) I-Class GBP

FUND AIM

The objective of this fund is to provide growth by investing predominantly in shares of UK companies. The fund currently has a target to outperform the benchmark ('The FTSE All-Share Index') by 1.25% per annum before charges, measured 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.

The fund is in category 5 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.

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 £433.3m	Base currency GBP	IA Sector IA UK All Companies
Launch date 2 Jan 1996	Domicile UK	Historical yield 2.90%

COSTS

Initial charge 0.00%	Ongoing charge 0.79%
Price basis Single- dilution levy	Dilution levy 0.61% - round trip

For detail on price basis methodologies please refer to the 'Guide to Investing With Us' found on our website. [↗](#)

PERFORMANCE (%)



	1 month	3 months	1 year	3 years	5 years
■ Fund	-1.26	-3.69	2.64	35.33	43.04
■ IA Sector	-0.52	-1.09	5.63	34.65	45.07
Quartile ranking	3	4	4	3	3

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 September	2018	2017	2016	2015	2014
Fund	2.64	11.81	17.92	-1.18	6.96
IA Sector	5.63	13.84	11.98	1.70	5.94
Quartile ranking	4	3	1	3	3

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 future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down.

FUND SNAPSHOT

- We invest in 30-40 UK companies, with the aim of providing growth through a portfolio of high conviction ideas
- Adopt a bottom-up, stock picking approach with a strong investment process
- Our size means we can leverage LGIM's scale to gain exceptional access to corporate management teams, which is a key pillar for stock selection



PORTFOLIO BREAKDOWN

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



SECTOR (%)

Financials	19.3
Consumer Services	19.2
Industrials	18.3
Oil & Gas	11.1
Consumer Goods	11.0
Health Care	9.1
Basic Materials	4.7
Technology	4.6
Telecommunications	2.6



MARKET CAPITALISATION (%)

Large	85.5
Mid	12.6
Small	0.0
Micro	0.0
Cash and Equivalents	1.8



■ Top 10 holdings 39.8%
 ■ Rest of portfolio 60.2%
 No. of holdings 45

TOP 10 HOLDINGS (%)

Royal Dutch Shell	5.7
BP	5.4
HSBC Holdings	4.7
AstraZeneca	4.3
British American Tobacco	4.2
Rio Tinto	3.6
Standard Chartered	3.1
Tesco	3.0
Sophos Group	2.9
Smiths Group	2.8

COUNTRY (%)

United Kingdom	100.0
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FUND MANAGER COMMENTARY

September proved to be a testing month for investor resolve. The overhang of key uncertainties hanging over global equity markets proved challenging, with it being notably difficult for mid-caps and ‘growth’ focused investors. In particular, the deteriorating relationship between China and the US appeared the most important narrative for risk assets. Markets have begun to treat this as much more than just a short-term nuisance, as positions appear to harden on both sides. Elsewhere, there were more headlines over Italy’s fiscal intentions, which is a clear headache for its European partners. Finally, Oil extended its gains, having seen the largest quarterly rally in a decade. Much of this is driven by concerns over supply risk following the looming sanctions on Iran and continued decline from Venezuela.

In terms of performance, it was a disappointing month for the fund. Both sector positioning and stock selection made a negative contribution, with a large part owing primarily to our underweight allocation in Resource stocks and overweight in Consumer Services. Meanwhile, stock selection in Industrials also disappointed, given that cyclicals were out of favour towards the end of the period. Negative contributors included NMC Health and Just Eat, though there was no stock specific news. These stocks were caught up in the wider sell-off of growth names. In terms of positives, our new position in TUI Group saw a good start to life on the fund. Rio Tinto and RBS also added value.



GAVIN LAUNDER

Gavin joined LGIM in 2007 and is a Fund Manager within the High Alpha team for Europe ex-UK portfolios. He joined LGIM from BlueBay Asset Management where he was a Global Equities Analyst. 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 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). Any such investments will be impacted by exchange rate fluctuations and this may affect the value of your investment and any income from it. Currency hedging techniques may be applied to reduce the impact of exchange rate fluctuations 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	03 Apr 18	31 May 18	4.04p
Final	02 Oct 17	30 Nov 17	5.40p
Interim	31 Mar 17	31 May 17	3.67p
Final	30 Sep 16	30 Nov 16	4.60p



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 £984.8 billion (as at 30 June 2018). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management include derivative positions and assets managed by LGIMA, an SEC Registered Investment Advisor.

DEALING INFORMATION

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

CODES

ISIN	I Acc	GB00B8F72V68
	I Inc	GB00B887M570
SEDOL	I Acc	B8F72V6
	I Inc	B887M57
Bloomberg	I Acc	LGUSEIA LN
	I Inc	LGUSEII LN

TO FIND OUT MORE

 Visit www.legalandgeneral.com

 Call **0370 050 0955**

 Email 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

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