

# Legal & General European Trust

Unit Trust (UCITS compliant) C-Class GBP

Base currency: **GBP**

Domicile: **UK**



## FUND AIM

The objective of the Fund is to provide growth above that of the FTSE World Europe ex UK TR Net Index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 4% per annum. This objective is before the deduction of any charges and 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 6 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 European company shares (excluding UK companies).
- 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	Launch date
<b>£135.8m</b>	<b>9 Sep 1985</b>
Historical yield	
<b>0.8%</b>	

## COSTS

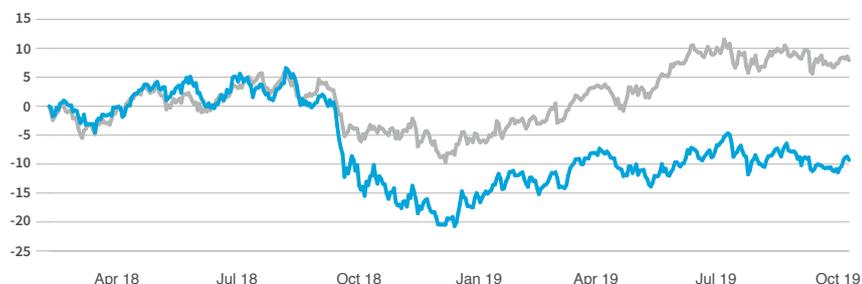
Initial charge	Ongoing charge
<b>0.00%</b>	<b>0.60%</b>
Price basis	Bid / Offer spread
<b>Dual</b>	<b>0.23%</b>

## BENCHMARKS

Target benchmark
<b>FTSE World Europe ex UK TR Net Index</b>
Comparator benchmark
<b>IA Sector: Europe Ex UK</b>

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	Launch
■ Fund	-0.25	-4.90	3.23	-	-9.27
■ Index	-1.57	-1.91	11.54	-	7.95
Relative to Index	1.32	-2.99	-8.31	-	-17.22
Comparator	-1.31	-3.06	8.33	-	2.55

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

12 months to 30 September	2019	2018	2017	2016	2015
Fund	-9.08	-	-	-	-
Index	6.35	-	-	-	-
Relative to Index	-15.43	-	-	-	-
Comparator	1.96	-	-	-	-

Performance for the C Inc unit class in GBP, launched on 28 February 2018. 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.**

## FUND SNAPSHOT

- **What does it invest in?** Invests at least 90% in shares of European companies, excluding the UK.
- **How does it invest?** Actively managed, with holdings in between 10 and 50 companies on average over a typical market cycle of 3-5 years, which means the fund may be concentrated at times.

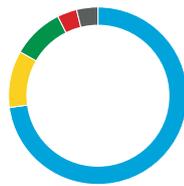


## PORTFOLIO BREAKDOWN

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

### COUNTRY (%)

	France	23.6
	Germany	22.3
	Netherlands	18.9
	Italy	12.5
	Sweden	5.2
	Switzerland	4.3
	Denmark	3.9
	Norway	2.9
	Austria	2.6
	Other	3.7



### MARKET CAPITALISATION (%)

■ Large	72.9
■ Mid	10.4
■ Small	9.4
■ Micro	3.5
■ Cash and Equivalents	3.9



■ Top 10 holdings 38.4%  
■ Rest of portfolio 61.6%  
No. of holdings 36

### TOP 10 HOLDINGS (%)

Varta AG NPV (Germany)	4.7
Teleperformance	4.5
Novo Nordisk	3.9
Campari	3.8
Adyen	3.8
ASML Holding	3.7
Prosus	3.6
Moncler	3.6
Ubisoft Entertainment	3.4
SAP	3.4

### SECTOR (%)

Consumer Goods	25.7	
Technology	14.9	
Industrials	14.6	
Health Care	13.4	
Unclassified	12.7	
Basic Materials	7.0	
Consumer Services	5.4	
Oil & Gas	4.9	
Financials	1.3	

### TOP 5 STOCK OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Varta AG NPV (Germany)	4.7	4.7	
Teleperformance	4.5	4.3	
Campari	3.8	3.7	
Adyen	3.8	3.7	
Moncler	3.6	3.5	
LVMH	0.0	-1.6	
Total	0.0	-1.9	
Novartis	0.0	-2.8	
Roche Hldgs (Genus)	0.0	-3.1	
Nestle	0.0	-4.6	

## FUND MANAGER COMMENTARY

Another month passes with little concrete development around US-China trade developments, though there is growing optimism for a deal. In UK politics, Brexit-related risk has now moved onto worries over the outcome of a December general election. Meanwhile, the Q3 reporting season has been better than expected for most sectors. Globally, share price reaction has generally been skewed to the upside, though there have been some industry specific pockets of weakness as the market has now moved on to outlook commentary for 2020.

Momentum across European manufacturing remains soft following subdued September data. Yet, there are more encouraging signs that global industrial data is bottoming. Further, if we consider a healthier yield curve and supportive central bank policy then there is evidence to suggest headwinds to market upside have been reduced. Any improvement in European policy uncertainty would also help key confidence and sentiment measures begin to flatten out.

For the fund, we saw small outperformance of the benchmark. Stock selection in Industrials, Tech and Consumer Services made a positive contribution. On allocation, we benefitted from our underweight positioning in Telcos, Utilities and Oils. At the stock level, leading individual performers were Kion Group, Varta, Tikehau and Shop Apotheke. Meanwhile, a warning from Ubisoft proved the biggest detractor. For trading activity, Airbus, Prosus and Basic Fit were new additions to the portfolio. Amadeus, Kion and Europcar were all sold.



### GAVIN LAUNDER

Gavin joined LGIM in 2007 and is a Fund Manager for the European ex UK portfolios. He has managed the European Growth Trust since January 2010. 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, he was a top-rated, sell-side analyst covering the Autos, Capital Goods and Conglomerates sectors at investment banks including SG Warburg and Goldman Sachs. Gavin holds a degree in Philosophy and Economics from University College, London.

## KEY RISKS

- The value of your investment and any income you take from it may fall as well as rise and is not guaranteed. You might get back less than you invest.
- 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
Final	06 Aug 18	28 Sep 18	0.43p



### 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 £1,134.5 billion (as at 30 June 2019). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

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>	C Acc	GB00BF5DV386
	C Inc	GB00BF5DV493
<b>SEDOL</b>	C Acc	BF5DV38
	C Inc	BF5DV49
<b>Bloomberg</b>	C Acc	LGEUTAA LN
	C Inc	LGEUTCI 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.

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