

# Legal & General European Trust

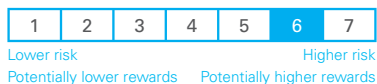
Unit Trust (UCITS compliant) I-Class GBP



## FUND AIM

The objective of this fund is to provide growth. The fund will typically invest between 90% and 100% in company shares. The fund will invest in a broad range of company shares from all economic sectors. The company shares that the fund invests in will be exclusively from Europe (excluding the UK). These shares will be issued by leading industrial and commercial companies as well as newly emerging companies.

## 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 <b>£156.4m</b>	Base currency <b>GBP</b>	IA Sector <b>IA Europe ex UK</b>
Launch date <b>9 Sep 1985</b>	Domicile <b>UK</b>	Historical yield <b>1.00%</b>

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.81%</b>
Price basis <b>Dual</b>	Bid / Offer spread <b>0.31%</b>

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

## PERFORMANCE (%)



	1 month	6 months	1 year	3 years	5 years
■ Fund	-0.31	1.56	17.69	39.58	76.79
■ IA Sector	-2.70	-0.92	13.79	38.46	66.41
Quartile ranking	1	1	1	2	2

## ANNUAL PERFORMANCE (%)

12 months to 31 December	2017	2016	2015	2014	2013
Fund	17.17	17.93	7.99	0.93	30.23
IA Sector	17.36	16.85	9.29	-0.81	26.00
Quartile ranking	3	3	3	2	1

Performance for the I Inc unit class in GBP launched on 17 August 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











- Focuses on investing in shares listed throughout Europe, excluding the UK, with the aim of providing long-term capital growth
- Europe is a diverse range of countries, economies and currencies with a wealth of investment opportunities
- We aim to focus on identifying companies where returns are sustainably high or where improvements are anticipated

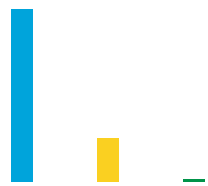


## PORTFOLIO BREAKDOWN

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

### COUNTRY (%)

	Germany	29.3
	France	18.4
	Italy	17.1
	Denmark	9.1
	Netherlands	7.9
	Switzerland	6.1
	Belgium	3.5
	Spain	3.3
	Austria	2.9
	Finland	2.5



### MARKET CAPITALISATION (%)

Large	77.2
Mid	19.4
Small	0.0
Micro	0.9
Cash and Equivalents	2.4













■ Top 10 holdings 36.39%  
■ Rest of portfolio 63.61%  
No. of holdings 36











### TOP 10 HOLDINGS (%)

ASML Holding	4.3
AMS AG	3.9
Pandora	3.8
Ferrari	3.7
Infineon Technology	3.6
Unicredit	3.5
Umicore	3.5
Vapiano SE	3.4
Delivery Hero Ag	3.4
Daimler AG	3.4

### TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Technology	21.9	16.7	
Consumer Services	10.9	6.2	
Consumer Goods	23.4	4.3	
Oil & Gas	5.0	0.9	
Basic Materials	8.2	0.3	
Telecommunications	2.5	-0.9	
Utilities	0.0	-3.8	
Industrials	11.6	-5.2	
Health Care	2.3	-8.9	
Financials	14.0	-9.6	

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

	Fund	Relative	
AMS AG	3.9	3.8	
Pandora	3.8	3.6	
Ferrari	3.7	3.4	
Vapiano SE	3.4	3.4	
ASML Holding	4.3	3.4	
Banco Santander	0.0	-1.6	
Total	0.0	-1.8	
Roche Hldgs (Genus)	0.0	-2.3	
Novartis	0.0	-2.7	
Nestle	0.0	-3.6	

## FUND MANAGER COMMENTARY

European equity markets saw a sharp correction in February, triggered by a surge in volatility as concerns over faster than expected central bank increases in interest rates and potential for a decent pick-up in inflation weighed on risk assets. Ongoing signs of global protectionism and populism, alongside rising bond yields also played a part. The European Central Bank has also taken the first, very tentative, steps towards policy normalisation.

Despite being a difficult period for markets, the Eurozone economic activity readings remain strong. Private and public sector data continues to be healthy, with the improvement in labour markets a key element supporting consumer spending. Overall, we find the data to be supportive of underlying equity performance.

Turning to markets, all sectors were under pressure to varying degrees. The one exception was the technology sector, which managed to comfortably outperform, helped by earnings and the strength of company balance sheets. Oil & gas was also a relative outperformer. At the bottom of the leaderboard were the bond proxies: consumer staples, utilities and healthcare sectors.

The fund delivered a modest negative return during February but outperformed both its benchmark and comparative sector. Returns predominantly were driven by stock selection across multiple industries. Sector allocation was also positive, driven by our underweight in bond proxies and overweight in technology.



### 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
Final	31 Jul 17	28 Sep 17	4.54p
Final	28 Jul 16	28 Sep 16	1.47p
Final	28 Jul 15	28 Sep 15	1.56p
Final	28 Jul 14	28 Sep 14	4.89p



**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 £957.2 billion (as at 30 June 2017). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management includes 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**

<b>ISIN</b>	I Acc	GB00B7J5FY33
	I Inc	GB00B78RV756
<b>SEDOL</b>	I Acc	B7J5FY3
	I Inc	B78RV75
<b>Bloomberg</b>	I Acc	LGEUTIA LN
	I Inc	LGEUTII 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**

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