

Legal & General European Trust



Unit Trust (UCITS compliant) I-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
£137.2m	9 Sep 1985
Historical yield	
0.6%	

COSTS

Initial charge	Ongoing charge
0.00%	0.81%
Price basis	Bid / Offer spread
Dual	0.23%

BENCHMARKS

Target benchmark
FTSE World Europe ex UK TR Net Index
Comparator benchmark
IA Sector: Europe Ex UK

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	-4.22	5.59	-13.10	11.46	37.48
■ Index	-1.35	6.99	4.80	33.92	56.54
Relative to Index	-2.87	-1.40	-17.90	-22.46	-19.06
Comparator	-2.15	6.49	0.07	26.81	52.96

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 June	2019	2018	2017	2016	2015
Fund	-9.57	7.18	29.93	-0.13	9.42
Index	7.93	2.52	29.05	6.05	1.12
Relative to Index	-17.50	4.66	0.88	-6.18	8.30
Comparator	3.09	3.14	29.27	4.68	4.14

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 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.

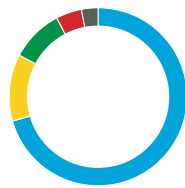


PORTFOLIO BREAKDOWN

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

COUNTRY (%)

	Germany	25.8
	France	20.5
	Netherlands	13.1
	Italy	12.9
	Switzerland	6.4
	Norway	4.0
	Denmark	3.8
	Spain	3.3
	Sweden	3.2
	Other	7.1



MARKET CAPITALISATION (%)

■ Large	70.6
■ Mid	12.2
■ Small	9.6
■ Micro	4.7
■ Cash and Equivalents	3.0












■ Top 10 holdings 39.5%
■ Rest of portfolio 60.5%
No. of holdings 35











TOP 10 HOLDINGS (%)

Teleperformance	4.6
Infineon Technologies	4.4
Adyen	4.1
Campari	4.1
Varta AG NPV (Germany)	4.1
Novo Nordisk	3.8
Delivery Hero AG	3.8
SAP	3.7
ASML Holding	3.6
Ubisoft Entertainment	3.4

SECTOR (%)

Consumer Goods	24.9	
Technology	17.6	
Industrials	14.3	
Health Care	11.2	
Unclassified	8.6	
Consumer Services	8.3	
Basic Materials	8.1	
Oil & Gas	5.2	
Financials	1.8	

TOP 5 STOCK OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Teleperformance	4.6	4.4	
Infineon Technologies	4.4	4.1	
Varta AG NPV (Germany)	4.1	4.1	
Campari	4.1	4.0	
Adyen	4.1	4.0	
LVMH	0.0	-1.6	
Total	0.0	-1.9	
Roche Hldgs (Genus)	0.0	-3.0	
Novartis	0.0	-3.1	
Nestle	0.0	-5.3	

FUND MANAGER COMMENTARY

The re-escalation in global trade tensions continues to drive market direction. Investor risk appetite remains highly sensitive to newsflow between the US and China as uncertainty continues to weigh on economic data. Monthly activity readings for Germany disappointingly reflect the negative impact of these trade dispute. A fifth consecutive monthly fall in the German Ifo Business Climate index presents the Eurozone with a clear headache. Meanwhile, global central banks, including the ECB, continue to review policy and decisions about future asset purchases.

European equity markets struggled in the face of ongoing macro uncertainty as almost all industry sectors de-rated in August. It was however a better relative month for defensives – healthcare and utilities – as Resources, Financials and Technology fared worse. Earnings season hardly helped, but the underperformance of Value continues. Top stocks were once again the global branded consumer plays such as Pernod-Ricard, L’Oreal and Danone.

Fund performance disappointed in the period, having delivered a negative return of -4.2%. Relative underperformance was driven by our cyclical exposure, with Technology, Materials and some pockets in the Consumer sectors weak. On reflection, the lack of ‘Quality’ global brands and defensive growth names hurt. Leading detractors were AMS, Global Fashion Group and Shop Apotheke. On the flipside, HelloFresh, Varta and Schibsted made a positive contribution. For activity, we sold the position of Westwing which has been a disappointment since IPO.



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	2.07p
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



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

ISIN	I Acc	GB00B7J5FY33
	I Inc	GB00B78RV756
SEDOL	I Acc	B7J5FY3
	I Inc	B78RV75
Bloomberg	I Acc	LGEUTIA LN
	I Inc	LGEUTII LN

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 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.

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