

Legal & General Emerging Markets
Government Bond (US\$) Index Fund

**Interim Manager's Report
for the period ended
10 May 2017
(Unaudited)**

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DAY
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Manager's Investment Report

Investment Objective and Policy

The objective of this Fund is to provide income. The Fund will achieve this objective by investing primarily in emerging market government bonds which are included in the JPMorgan Emerging Markets Bond Index Plus.

Securities will be held with weightings generally proportionate to the weightings in the JPMorgan Emerging Markets Bond Index Plus. The bonds the Fund invests in will be composed primarily of securities issued by sovereign entities and which are denominated in US Dollar. Sub-investment grade bonds may be used.

The Fund may also invest in other transferable securities, fixed interest securities, permitted deposits, money market instruments, cash, near cash and units in collective investment schemes.

The Fund may hold derivatives for efficient portfolio management purposes.

Manager's Investment Report

During the period under review, the bid price of the Fund's I-Class accumulation units fell by 1.44%. JP Morgan Chase, the Index compiler, calculates the benchmark Index at the end of the business day using closing mid prices, whereas the Fund is valued using prevailing bid prices at 12 noon. Therefore, for tracking purposes the Fund has been revalued using closing prices, closing exchange rates and ignoring the effects of Fund charges and taxation. On this basis over the review period, the Fund rose by 1.07%, compared with a rise in the benchmark Index of 1.27% (Source: JP Morgan Chase), producing a tracking difference of -0.20%.

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.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Market/Economic Review

During 2017 so far, emerging market (EM) assets have benefited from the fading risks of imminent policies coming from the US administration that would disrupt trade or significantly boost growth, inflation and rates in the US, as well as evidence of what looks like a global cyclical pick-up in business activity and confidence. These forces are by now well-understood and EM investors are already bullishly positioned.

Since March, the US Dollar has weakened versus EM currencies, US rates moved lower on fading policy risks, and US data surprises fell amid an apparent rotation in growth from the US to the rest of the world, all of which has helped the performance of EM assets. While markets are looking for new drivers ahead, there is nothing significant on the horizon in the coming months.

EM bonds gained further ground in April, propelled by further inflows from international investors in search of higher yielding securities. The broader JP Morgan Emerging Markets Bond Index Global return for April was 1.63% in local currency terms, although this translated into a

Manager's Investment Report continued

return of -1.77% in Sterling as the Pound rallied in response to the UK government's calling of a snap general election for June.

In several emerging economies, notably Brazil, Mexico and India, governments have been addressing budget deficits and pursuing policies aimed at fiscal consolidation and control of inflation. This has helped to boost currency values in many emerging economies and encouraged inflows into bonds denominated in local currencies. The main political event during April occurred in Turkey, where the focus was on the Presidential referendum. As widely expected, Erdogan was successful in securing a package of constitutional amendments leading to an Executive Presidency. The perceived political stability that comes with Erdogan openly taking control of the country triggered a significant relief rally in Turkish assets.

Fund Review

All investment activity was prompted either by unit holder investment or redemption, or by changes in the profile of the benchmark Index. The Fund experienced net Positive cash flow during the review period.

The Fund's bond holdings outperformed US treasuries over the review period, the Index yield spread over US treasuries tightening by 49 basis points to 320 basis points. Compared to some other emerging market (EM) debt indices, the EMBI+ Index is relatively stable, having a constant 156 constituents at the beginning and end of the review period. There was no change to the country composition of the Index, with 16 countries represented.

The regional breakdown of the Index at the end of the review period was EMEA (Europe, Middle East and Africa) 39.53%, Asia 16.21% and Latin America 44.26%. The most significant changes were reductions in the Index weights of Indonesia (-0.96%) and Philippines (-0.64%), with increases in the weights of Argentina (+1.10%) and Brazil (+0.68%).

At the end of the period, the Fund held 172 bonds issued by 16 countries. The Index consisted of 156 bonds issued by 16 countries.

Outlook

EM growth forecast upgrades have accelerated as post-US election fears related to tightening financial conditions and trade protectionism have faded. Following the US election last year, there was an anticipation of greater US fiscal stimulus that would have boosted demand and in turn posed upside risks to EM growth. The bulk of the benefits of this stimulus would have accrued in the US, based on pronouncements made during the campaign promising stronger trade protectionism. It is likely that higher US growth would have tightened global financial conditions through a steeper US term structure, dampening real activity in EM. However, such fears have since faded, which, along with some country-specific factors, has led to a spate of meaningful growth forecast upgrades across EM economies. At the aggregate level, EM growth is now expected to reach 4.4% in 2017, with the higher GDP growth expected in EM Asia and EMEA EM outweighing the downward revisions in Latin America.

Authorised Status

Authorised Status

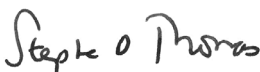
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



S. D. Thomas
(Director)

Legal & General (Unit Trust Managers) Limited
28 June 2017

Portfolio Statement

Portfolio Statement as at 10 May 2017

All investments are in investment grade fixed interest securities unless otherwise stated. The percentages in brackets show the equivalent sector holdings at 10 November 2016.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	LATIN AMERICA — 43.12% (42.72%)		
	Argentina — 8.90% (8.02%)		
\$6,250,000	Argentina Republic Government International Bond 6.25% 22/04/2019 [^]	5,107,361	0.82
\$9,900,000	Argentina Republic Government International Bond 6.875% 22/04/2021 [^]	8,319,456	1.33
\$600,000	Argentina Republic Government International Bond 5.625% 26/01/2022 [^]	478,489	0.08
\$14,500,000	Argentina Republic Government International Bond 7.5% 22/04/2026 [^]	12,224,261	1.96
\$750,000	Argentina Republic Government International Bond 6.875% 26/01/2027 [^]	603,615	0.10
\$2,950,000	Argentina Republic Government International Bond 6.625% 06/07/2028 [^]	2,309,280	0.37
\$13,158,124	Argentina Republic Government International Bond 8.28% 31/12/2033 [^]	11,275,878	1.80
\$4,350,000	Argentina Republic Government International Bond 7.125% 06/07/2036 [^]	3,393,450	0.54
\$12,645,000	Argentina Republic Government International Bond 1.33% 31/12/2038 [^]	6,465,583	1.03
\$6,750,000	Argentina Republic Government International Bond 7.625% 22/04/2046 [^]	5,461,207	0.87
		55,638,580	8.90
	Brazil — 8.12% (7.59%)		
\$4,385,000	Brazilian Government International Bond 5.875% 15/01/2019 [^]	3,610,081	0.58
\$1,775,000	Brazilian Government International Bond 8.875% 14/10/2019 [^]	1,590,330	0.25
\$6,825,000	Brazilian Government International Bond 4.875% 22/01/2021 [^]	5,566,695	0.89
\$4,700,000	Brazilian Government International Bond 2.625% 05/01/2023 [^]	3,371,534	0.54
\$900,000	Brazilian Government International Bond 8.875% 15/04/2024 [^]	875,879	0.14
\$9,425,000	Brazilian Government International Bond 4.25% 07/01/2025 [^]	7,183,324	1.15
\$1,550,000	Brazilian Government International Bond 8.75% 04/02/2025 [^]	1,526,415	0.24
\$5,200,000	Brazilian Government International Bond 6% 07/04/2026 [^]	4,367,807	0.70
\$1,535,000	Brazilian Government International Bond 10.125% 15/05/2027 [^]	1,693,930	0.27

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Brazil — (cont.)		
\$3,615,000	Brazilian Government International Bond 8.25% 20/01/2034 [^]	3,498,148	0.56
\$5,130,000	Brazilian Government International Bond 7.125% 20/01/2037 [^]	4,536,842	0.73
\$5,730,000	Brazilian Government International Bond 5.625% 07/01/2041 [^]	4,337,221	0.69
\$8,950,000	Brazilian Government International Bond 5% 27/01/2045 [^]	6,169,673	0.99
\$3,200,000	Brazilian Government International Bond 5.625% 21/02/2047 [^]	2,409,825	0.39
		50,737,704	8.12
	Colombia — 6.44% (5.92%)		
\$3,845,000	Colombia Government International Bond 7.375% 18/03/2019	3,270,076	0.52
\$550,000	Colombia Government International Bond 11.75% 25/02/2020	531,224	0.08
\$4,925,000	Colombia Government International Bond 4.375% 12/07/2021	4,041,718	0.65
\$2,895,000	Colombia Government International Bond 2.625% 15/03/2023	2,154,983	0.35
\$4,900,000	Colombia Government International Bond 4% 26/02/2024	3,888,739	0.62
\$2,220,000	Colombia Government International Bond 8.125% 21/05/2024	2,179,362	0.35
\$3,500,000	Colombia Government International Bond 4.5% 28/01/2026	2,860,122	0.46
\$3,655,000	Colombia Government International Bond 7.375% 18/09/2037	3,602,209	0.58
\$6,915,000	Colombia Government International Bond 6.125% 18/01/2041	6,088,746	0.97
\$5,460,000	Colombia Government International Bond 5.625% 26/02/2044	4,575,655	0.73
\$9,150,000	Colombia Government International Bond 5% 15/06/2045	7,054,858	1.13
		40,247,692	6.44
	Mexico — 10.18% (10.87%)		
\$4,900,000	Mexico Government International Bond 5.125% 15/01/2020	4,102,572	0.66
\$1,975,000	Mexico Government International Bond 3.5% 21/01/2021	1,584,942	0.25
\$5,600,000	Mexico Government International Bond 3.625% 15/03/2022	4,450,761	0.71
\$7,680,000	Mexico Government International Bond 4% 02/10/2023	6,148,390	0.98
\$6,100,000	Mexico Government International Bond 3.6% 30/01/2025	4,726,191	0.76
\$6,600,000	Mexico Government International Bond 4.125% 21/01/2026	5,263,382	0.84
\$530,000	Mexico Government International Bond 8.3% 15/08/2031	597,667	0.10
\$1,500,000	Mexico Government International Bond 7.5% 08/04/2033	1,529,312	0.24
\$3,770,000	Mexico Government International Bond 6.75% 27/09/2034	3,631,104	0.58
\$8,000,000	Mexico Government International Bond 6.05% 11/01/2040	7,098,169	1.14

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Mexico — (cont.)		
\$10,740,000	Mexico Government International Bond 4.75% 08/03/2044	8,087,974	1.29
\$7,216,000	Mexico Government International Bond 5.55% 21/01/2045	6,094,613	0.98
\$6,650,000	Mexico Government International Bond 4.6% 23/01/2046	4,907,759	0.79
\$6,900,000	Mexico Government International Bond 5.75% 12/10/2110	5,364,061	0.86
		63,586,897	10.18
	Panama — 2.83% (2.76%)		
\$3,325,000	Panama Government International Bond 5.2% 30/01/2020	2,780,036	0.44
\$2,900,000	Panama Government International Bond 3.75% 16/03/2025	2,293,099	0.37
\$1,705,000	Panama Government International Bond 7.125% 29/01/2026	1,672,473	0.27
\$1,425,000	Panama Government International Bond 8.875% 30/09/2027	1,561,535	0.25
\$1,885,000	Panama Government International Bond 3.875% 17/03/2028	1,488,694	0.24
\$500,000	Panama Government International Bond 3.875% 17/06/2028	394,396	0.06
\$1,850,000	Panama Government International Bond 9.375% 01/04/2029	2,109,417	0.34
\$4,675,000	Panama Government International Bond 6.7% 26/01/2036	4,612,893	0.74
\$1,000,000	Panama Government International Bond 4.5% 15/05/2047	769,483	0.12
		17,682,026	2.83
	Peru — 2.37% (3.00%)		
\$3,720,000	Peruvian Government International Bond 7.35% 21/07/2025	3,732,355	0.60
\$1,000,000	Peruvian Government International Bond 4.125% 25/08/2027	831,853	0.13
\$2,545,000	Peruvian Government International Bond 8.75% 21/11/2033	2,992,788	0.48
\$2,060,000	Peruvian Government International Bond 6.55% 14/03/2037	2,071,855	0.33
\$5,631,000	Peruvian Government International Bond 5.625% 18/11/2050	5,208,251	0.83
		14,837,102	2.37
	Venezuela — 4.28% (4.56%)		
\$1,650,000	Venezuela Government International Bond 7% 01/12/2018 [^]	834,749	0.13
\$5,775,000	Venezuela Government International Bond 7.75% 13/10/2019 [^]	2,408,666	0.39
\$3,670,000	Venezuela Government International Bond 6% 09/12/2020 [^]	1,371,129	0.22
\$8,785,000	Venezuela Government International Bond 12.75% 23/08/2022 [^]	3,837,119	0.61
\$3,575,000	Venezuela Government International Bond 9% 07/05/2023 [^]	1,308,836	0.21

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Venezuela — (cont.)		
\$5,110,000	Venezuela Government International Bond 8.25% 13/10/2024 [^]	1,780,034	0.28
\$2,550,000	Venezuela Government International Bond 7.65% 21/04/2025 [^]	869,564	0.14
\$6,825,000	Venezuela Government International Bond 11.75% 21/10/2026 [^]	2,815,623	0.45
\$10,360,000	Venezuela Government International Bond 9.25% 15/09/2027 [^]	4,040,936	0.65
\$4,175,000	Venezuela Government International Bond 9.25% 07/05/2028 [^]	1,467,232	0.23
\$10,101,500	Venezuela Government International Bond 11.95% 05/08/2031 [^]	4,096,152	0.66
\$2,585,000	Venezuela Government International Bond 9.375% 13/01/2034 [^]	906,517	0.15
\$3,025,000	Venezuela Government International Bond 7% 31/03/2038 [^]	1,004,673	0.16
		26,741,230	4.28
	EUROPE — 35.36% (35.05%)		
	Croatia — 2.42% (2.36%)		
\$3,415,000	Croatia Government International Bond 6.75% 05/11/2019 [^]	2,873,960	0.46
\$2,750,000	Croatia Government International Bond 6.625% 14/07/2020 [^]	2,335,386	0.37
\$3,555,000	Croatia Government International Bond 6.375% 24/03/2021 [^]	3,030,001	0.49
\$3,815,000	Croatia Government International Bond 5.5% 04/04/2023 [^]	3,184,634	0.51
\$4,300,000	Croatia Government International Bond 6% 26/01/2024 [^]	3,680,577	0.59
		15,104,558	2.42
	Hungary — 4.34% (4.55%)		
\$1,680,000	Hungary Government International Bond 4% 25/03/2019	1,345,422	0.21
\$4,485,000	Hungary Government International Bond 6.25% 29/01/2020	3,796,679	0.61
\$7,100,000	Hungary Government International Bond 6.375% 29/03/2021	6,185,177	0.99
\$4,590,000	Hungary Government International Bond 5.375% 21/02/2023	3,926,972	0.63
\$4,670,000	Hungary Government International Bond 5.75% 22/11/2023	4,101,174	0.66
\$4,870,000	Hungary Government International Bond 5.375% 25/03/2024	4,212,868	0.67
\$3,160,000	Hungary Government International Bond 7.625% 29/03/2041	3,581,756	0.57
		27,150,048	4.34

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Romania — 1.87% (1.88%)		
\$5,100,000	Romanian Government International Bond 6.75% 07/02/2022	4,561,362	0.73
\$3,600,000	Romanian Government International Bond 4.375% 22/08/2023	2,940,450	0.47
\$2,376,000	Romanian Government International Bond 4.875% 22/01/2024	1,994,926	0.32
\$2,320,000	Romanian Government International Bond 6.125% 22/01/2044	2,213,022	0.35
		11,709,760	1.87
	Russia — 10.41% (10.79%)		
\$6,520,000	Russian Federation 11% 24/07/2018	5,587,500	0.89
\$4,600,000	Russian Federation 3.5% 16/01/2019	3,634,664	0.58
\$8,300,000	Russian Federation 5% 29/04/2020	6,840,272	1.10
\$4,600,000	Russian Federation 4.5% 04/04/2022	3,790,710	0.61
\$7,400,000	Russian Federation 4.875% 16/09/2023	6,178,906	0.99
\$7,600,000	Russian Federation 4.75% 27/05/2026	6,171,573	0.99
\$25,270,200	Russian Federation 7.5% 31/03/2030	23,519,418	3.76
\$7,200,000	Russian Federation 5.625% 04/04/2042	6,139,492	0.98
\$3,600,000	Russian Federation 5.875% 16/09/2043	3,183,478	0.51
		65,046,013	10.41
	Turkey — 12.60% (11.99%)		
\$3,500,000	Turkey Government International Bond 6.75% 03/04/2018^	2,804,655	0.45
\$3,255,000	Turkey Government International Bond 7% 11/03/2019^	2,683,802	0.43
\$2,822,000	Turkey Government International Bond 7.5% 07/11/2019^	2,393,052	0.38
\$4,380,000	Turkey Government International Bond 7% 05/06/2020^	3,706,305	0.59
\$4,305,000	Turkey Government International Bond 5.625% 30/03/2021^	3,509,405	0.56
\$2,100,000	Turkey Government International Bond 5.125% 25/03/2022^	1,674,303	0.27
\$5,140,000	Turkey Government International Bond 6.25% 26/09/2022^	4,295,574	0.69
\$2,950,000	Turkey Government International Bond 3.25% 23/03/2023^	2,124,345	0.34
\$5,975,000	Turkey Government International Bond 5.75% 22/03/2024^	4,859,781	0.78
\$7,425,000	Turkey Government International Bond 7.375% 05/02/2025^	6,622,867	1.06
\$3,500,000	Turkey Government International Bond 4.25% 14/04/2026^	2,554,890	0.41
\$6,950,000	Turkey Government International Bond 4.875% 09/10/2026^	5,264,006	0.84
\$3,960,000	Turkey Government International Bond 11.875% 15/01/2030^	4,850,335	0.78
\$2,870,000	Turkey Government International Bond 8% 14/02/2034^	2,738,105	0.44

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Turkey — (cont.)		
\$6,630,000	Turkey Government International Bond 6.875% 17/03/2036 [^]	5,718,433	0.91
\$2,000,000	Turkey Government International Bond 7.25% 05/03/2038 [^]	1,801,128	0.29
\$5,130,000	Turkey Government International Bond 6.75% 30/05/2040 [^]	4,387,933	0.70
\$6,540,000	Turkey Government International Bond 6% 14/01/2041 [^]	5,145,048	0.82
\$7,724,000	Turkey Government International Bond 4.875% 16/04/2043 [^]	5,302,696	0.85
\$7,125,000	Turkey Government International Bond 6.625% 17/02/2045 [^]	6,046,647	0.97
\$350,000	Turkey Government International Bond 5.75% 11/05/2047 [^]	262,839	0.04
		78,746,149	12.60
	Ukraine — 3.72% (3.48%)		
\$3,550,000	Ukraine Government International Bond 7.75% 01/09/2019 [^]	2,818,174	0.45
\$4,671,000	Ukraine Government International Bond 7.75% 01/09/2020 [^]	3,661,280	0.59
\$3,077,000	Ukraine Government International Bond 7.75% 01/09/2021 [^]	2,392,654	0.38
\$3,202,000	Ukraine Government International Bond 7.75% 01/09/2022 [^]	2,454,611	0.39
\$3,427,000	Ukraine Government International Bond 7.75% 01/09/2023 [^]	2,596,892	0.42
\$3,202,000	Ukraine Government International Bond 7.75% 01/09/2024 [^]	2,388,705	0.38
\$3,177,000	Ukraine Government International Bond 7.75% 01/09/2025 [^]	2,345,881	0.38
\$3,418,000	Ukraine Government International Bond 7.75% 01/09/2026 [^]	2,503,665	0.40
\$2,838,000	Ukraine Government International Bond 7.75% 01/09/2027 [^]	2,075,267	0.33
		23,237,129	3.72
	ASIA — 15.96% (17.23%)		
	Indonesia — 9.21% (9.88%)		
\$4,780,000	Indonesia Government International Bond 11.625% 04/03/2019	4,330,897	0.69
\$5,325,000	Indonesia Government International Bond 5.875% 13/03/2020	4,508,489	0.72
\$5,450,000	Indonesia Government International Bond 4.875% 05/05/2021	4,511,941	0.72
\$426,000	Indonesia Government International Bond 3.7% 08/01/2022	337,316	0.05
\$4,800,000	Indonesia Government International Bond 3.75% 25/04/2022	3,801,862	0.61
\$3,225,000	Indonesia Government International Bond 3.375% 15/04/2023	2,493,204	0.40
\$2,400,000	Indonesia Government International Bond 5.375% 17/10/2023	2,062,526	0.33
\$3,550,000	Indonesia Government International Bond 5.875% 15/01/2024	3,116,956	0.50
\$5,600,000	Indonesia Government International Bond 4.125% 15/01/2025	4,446,669	0.71

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Indonesia — (cont.)		
\$5,000,000	Indonesia Government International Bond 4.75% 08/01/2026	4,114,403	0.66
\$625,000	Indonesia Government International Bond 4.35% 08/01/2027	501,551	0.08
\$550,000	Indonesia Government International Bond 8.5% 12/10/2035	607,944	0.10
\$4,275,000	Indonesia Government International Bond 7.75% 17/01/2038	4,527,889	0.73
\$5,425,000	Indonesia Government International Bond 5.25% 17/01/2042	4,495,090	0.72
\$2,750,000	Indonesia Government International Bond 4.625% 15/04/2043	2,146,714	0.34
\$4,755,000	Indonesia Government International Bond 6.75% 15/01/2044	4,704,831	0.75
\$4,150,000	Indonesia Government International Bond 5.125% 15/01/2045	3,399,823	0.54
\$2,600,000	Indonesia Government International Bond 5.95% 08/01/2046	2,349,541	0.38
\$1,350,000	Indonesia Government International Bond 5.25% 08/01/2047	1,116,228	0.18
		57,573,874	9.21
	Philippines — 6.75% (7.35%)		
\$1,475,000	Philippine Government International Bond 9.875% 15/01/2019	1,291,927	0.21
\$2,300,000	Philippine Government International Bond 8.375% 17/06/2019	2,013,334	0.32
\$1,925,000	Philippine Government International Bond 6.5% 20/01/2020	1,661,352	0.27
\$3,900,000	Philippine Government International Bond 4% 15/01/2021	3,205,413	0.51
\$2,650,000	Philippine Government International Bond 4.2% 21/01/2024	2,224,206	0.36
\$4,290,000	Philippine Government International Bond 5.5% 30/03/2026	3,929,944	0.63
\$4,315,000	Philippine Government International Bond 9.5% 02/02/2030	5,291,872	0.85
\$4,475,000	Philippine Government International Bond 7.75% 14/01/2031	4,940,773	0.79
\$2,465,000	Philippine Government International Bond 6.375% 15/01/2032	2,465,337	0.39
\$4,585,000	Philippine Government International Bond 6.375% 23/10/2034	4,708,416	0.75
\$3,325,000	Philippine Government International Bond 5% 13/01/2037	3,005,136	0.48
\$4,575,000	Philippine Government International Bond 3.95% 20/01/2040	3,624,585	0.58
\$4,950,000	Philippine Government International Bond 3.7% 01/03/2041	3,798,811	0.61
		42,161,106	6.75
	AFRICA — 3.57% (3.02%)		
	South Africa — 3.57% (3.02%)		
\$4,340,000	South Africa Government International Bond 6.875% 27/05/2019	3,626,779	0.58
\$3,610,000	South Africa Government International Bond 5.5% 09/03/2020	2,960,272	0.48

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	South Africa — (cont.)		
\$2,250,000	South Africa Government International Bond 5.875% 30/05/2022	1,898,095	0.30
\$3,635,000	South Africa Government International Bond 4.665% 17/01/2024	2,857,295	0.46
\$4,500,000	South Africa Government International Bond 5.875% 16/09/2025	3,765,480	0.60
\$3,969,000	South Africa Government International Bond 4.3% 12/10/2028	2,888,817	0.46
\$1,410,000	South Africa Government International Bond 6.25% 08/03/2041	1,194,376	0.19
\$2,150,000	South Africa Government International Bond 5.375% 24/07/2044	1,640,689	0.26
\$2,050,000	South Africa Government International Bond 5% 12/10/2046	1,484,417	0.24
		<hr/> 22,316,220	<hr/> 3.57
	Portfolio of investments	612,516,088	98.01
	Net other assets	12,465,698	1.99
	Total net assets	<hr/> £624,981,786	<hr/> 100.00%

^ These are sub-investment grade securities and represent 40.04% of the net assets of the Fund.

Total purchases for the period: £218,803,152.

Total sales for the period: £98,695,176.

Financial Statements

Statement of Total Return for the period ended 10 May 2017

	11/11/16 to 10/05/17		14/11/15 to 10/05/16†	
	£	£	£	£
Income				
Net capital (losses)/gains		(24,407,413)		23,253,395
Revenue	14,109,915		7,921,820	
Expenses	(357,418)		(193,276)	
Interest payable and similar charges		(11,741)		(45)
Net revenue before taxation	13,740,756		7,728,499	
Taxation	—		—	
Net revenue after taxation for the period		13,740,756		7,728,499
Total return before distributions		(10,666,657)		30,981,894
Distributions		(14,098,167)		(7,921,760)
Change in net assets attributable to Unitholders from investment activities		£(24,764,824)		£23,060,134

Statement of Change in Net Assets attributable to Unitholders for the period ended 10 May 2017

	11/11/16 to 10/05/17		14/11/15 to 10/05/16†	
	£	£	£	£
Opening net assets attributable to Unitholders		527,052,987		250,484,570
Amounts received on issue of units	153,040,495		56,612,971	
Amounts paid on cancellation of units	(35,959,640)		(6,598,579)	
		117,080,855		50,014,392
Change in net assets attributable to Unitholders from investment activities		(24,764,824)		23,060,134
Retained distributions on accumulation units		5,612,768		2,655,473
Closing net assets attributable to Unitholders		£624,981,786		£326,214,569

† To accommodate the transition of Trustee, the Fund's period end date, normally 10 November, was moved to 13 November 2015.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

Financial Statements continued

Balance Sheet as at 10 May 2017

	10/05/17	10/11/16
	£	£
ASSETS		
Fixed assets:		
Investments	612,516,088	516,592,227
Current assets:		
Debtors	11,639,277	8,820,090
Cash and bank balances	17,333,942	12,370,169
Total assets	641,489,307	537,782,486
LIABILITIES		
Creditors:		
Bank overdrafts	(7,987)	—
Distributions payable	(10,925,540)	(9,236,948)
Other creditors	(5,573,994)	(1,492,551)
Total liabilities	(16,507,521)	(10,729,499)
Net assets attributable to Unitholders	£624,981,786	£527,052,987

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(a) Basis of preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain assets and liabilities measured at fair value through profit or loss.

Fund Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
I-Class			
Distribution Units	10,722,137	18,943,370	56.60
Accumulation Units	214,903,412	317,783,021	67.63
L-Class			
Distribution Units	392,424,510	685,320,885	57.26
F-Class			
Distribution Units	42,890	75,728	56.64
Accumulation Units	128,199	189,463	67.66
C-Class			
Distribution Units	6,063,384	10,671,727	56.82
Accumulation Units	697,254	1,027,491	67.86

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.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Ongoing Charges Figures

	10 May 17	10 Nov 16
I-Class	0.29%	0.29%
L-Class	0.04%	0.04%
F-Class	0.48%	0.48%
C-Class	0.19%	0.19%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total discloseable costs (excluding overdraft interest) to the average net assets of the Fund.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a fund and is calculated based on the last period's figures.

Fund Information continued

Distribution Information

I-Class

The distribution payable on 10 July 2017 is 1.5117p per unit for distribution units and 1.7594p per unit for accumulation units.

L-Class

The distribution payable on 10 July 2017 is 1.5286p per unit for distribution units.

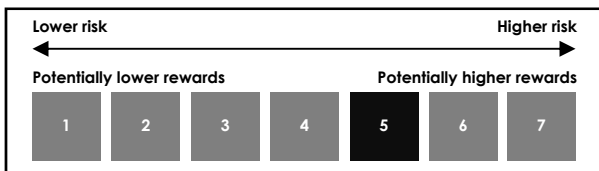
F-Class

The distribution payable on 10 July 2017 is 1.5152p per unit for distribution units and 1.7631p per unit for accumulation units.

C-Class

The distribution payable on 10 July 2017 is 1.5152p per unit for distribution units and 1.7657p per unit for accumulation units.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Fund's risk and reward category in the future.
- The category is based on the rate at which the value of the Fund and a representative benchmark have moved up and down in the past.
- This Fund is in category five because it invests in bonds issued by the governments of developing countries. These generally provide higher rewards and higher risks than investments in cash and lower rewards and lower risks than investments in company shares.
- The Fund's category is not guaranteed to remain the same and may change over time.
- Even a fund in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	11 December 2012
Period end dates for distributions:	10 May, 10 November
Distribution dates:	10 January, 10 July
Minimum initial lump sum investment:	I-Class £1,000,000 L-Class* £500,000 F-Class** £500 C-Class† £100,000,000
Valuation point:	12 noon
Fund Management Fees:	I-Class Annual 0.29% L-Class* Annual 0.04% F-Class** Annual 0.48% C-Class† Annual 0.19%
Initial charges:	I-Class Nil L-Class* Nil F-Class** Nil C-Class† Nil

* L-Class is not available to retail customers and is intended only for investment by Legal & General group companies.

** F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Fund and
- ii) authorised intermediaries or 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 distributors who actively market and distribute such units (or whom the manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet the criteria for investment in such units.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/fund-information/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 8:30am to 6:00pm, Monday to Friday.

General Information continued

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

ISA Status

This Fund may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

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

Prospectus and Manager's Reports

The Manager will send to all persons on the Unitholder Register annual and interim short form reports.

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

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

Information on Tracking Error

The 'Tracking Error' of a Fund is the measure of the volatility of the differences between the return of the Fund and the return of the benchmark Index. It provides an indication of how closely the Fund is tracking the performance of the benchmark Index after considering things such as Fund charges and taxation.

Using monthly returns, over the review period, the annualised Tracking Error of the Fund is 0.05%, whilst the annualised Tracking Error of the Fund over the last three years to the end of May 2017, is 0.07%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.50% per annum.

General Information continued

EU Savings Directive

The Fund 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 Fund 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.

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Fund. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Fund in the form of a payment from the manager. This provides an enhanced return to the Fund, through the size of any return will be dependent on the size of subscriptions and redemptions.

General Information continued

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

Directors of the Manager

R. M. Bartley

A. J. C. Craven

S. Hynes (appointed 29 June 2016)

H. Solomon

S. D. Thomas

L. W. Toms

A. R. Toutouchi*

M. J. Zinkula

* Non-executive Director

Secretary

J. McCarthy

Registrar

Legal & General (Unit Trust Managers) Limited

P.O. Box 6080,

Wolverhampton WV1 9RB

Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956

Enquiries: 0370 050 0955

Registration: 0370 050 0955

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

Trustee

Northern Trust Global Services Limited

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

General Information continued

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
Authorised and regulated by the Financial Conduct Authority

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Financial Conduct Authority**

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www.legalandgeneral.com

