

# Legal & General Global Inflation Linked Bond Index Fund

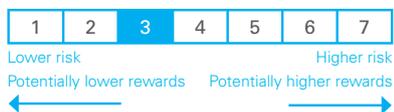
Unit Trust (UCITS compliant) I-Class GBP



## FUND AIM

The objective of this fund is to provide a mixture of income and growth (if the income is reinvested) by tracking the performance of the Bloomberg Barclays World Government Ex UK Inflation Linked Bonds TR Hedged GBP Index.

## 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.

This fund is in category 3 because it invests in bonds issued by governments. These generally provide higher rewards and higher risks than investments in cash and lower rewards and lower risks than investments in company shares.

For more information, please refer to the Key Risks section on page 3.

## WHO IS THIS FUND FOR?

- This fund is designed for investors seeking income from an investment which can form part of their existing savings portfolio
- 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
- 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>£1,166.4m</b>	Base currency <b>GBP</b>	Benchmark (Hedged GBP) <b>Bloomberg Barclays World Gov ex UK IL Bonds</b>	
Launch date <b>28 Aug 2013</b>	Domicile <b>UK</b>	Distribution yield <b>1.30%</b>	Modified duration <b>8.38</b>

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.27%</b>
Price basis <b>Dual</b>	Bid / Offer spread <b>0.08%</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	Launch
■ Fund	0.46	0.90	2.17	4.08	9.06
■ Benchmark	0.43	0.92	2.10	4.74	10.59

## ANNUAL PERFORMANCE (%)

12 months to 30 September	2017	2016	2015	2014	2013
Fund	-1.84	6.47	-0.64	3.29	-
Benchmark	-1.52	6.64	-0.22	3.50	-

Performance for the I Inc unit class in GBP, launched on 28 August 2013. 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.

Please note, the benchmark is priced at the close whereas the fund is priced earlier. This can lead to artificially high tracking difference stated on the factsheet. Please see overleaf for gross tracking difference with both fund and index on a closed-price basis.

**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.**

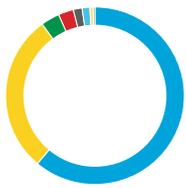
## FUND SNAPSHOT

- Aims to track the Bloomberg Barclays World Government Ex UK Inflation Linked Bonds TR Hedged GBP Index
- Invests in a broad range of inflation-linked bonds from around the globe
- Employs a straightforward, low-cost and pragmatic index replication approach, with currency exposure hedged back to sterling



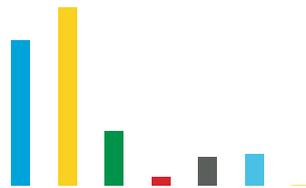
## PORTFOLIO BREAKDOWN

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



### CURRENCY (%)

USD	61.1
EUR	28.8
JPY	3.4
CAD	2.8
AUD	1.6
SEK	1.4
NZD	0.6
DKK	0.3



### YEARS TO MATURITY (%)

0 to 5	32.5
5 to 10	39.9
10 to 15	12.2
15 to 20	1.9
20 to 25	6.4
25 to 30	7.1
30 to 40	0.0



■ Top 10 Holdings 22.17%  
 ■ Rest of Portfolio 77.83%  
 No. of issuers in fund 18  
 No. of issuers in index 15

### TOP 10 HOLDINGS (%)

US Treasury 0.125% 2019	2.6
US Treasury 0.125% 2020	2.5
US Treasury 0.125% 2021	2.2
US Treasury 0.125% 2023	2.2
US Treasury 0.375% 2023	2.2
US Treasury Inflation Pro	2.2
US Treasury 0.375% 2025	2.1
US Treasury 0.625% 2026	2.1
US Treasury 0.625% 2024	2.1
US Treasury 0.125% 2022	2.1

### CREDIT RATING (%)

AAA	71.2	<div style="width: 71.2%;"></div>
AA	13.9	<div style="width: 13.9%;"></div>
A	3.4	<div style="width: 3.4%;"></div>
BBB	11.5	<div style="width: 11.5%;"></div>

### COUNTRY (%)

United States	61.1
France	13.3
Italy	8.9
Germany	4.1
Japan	3.4
Canada	2.8
Spain	2.6
Australia	1.6
Sweden	1.4
Other	0.9

### SECTOR (%)

Government Bond	100.0
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## INDEX TRACKING

The team believes that successful index tracking strikes a balance between close matching of the index and the management of trading costs. Using pragmatic replication, all the bonds in the portfolio are held broadly in line with their index weights, ensuring close tracking of the index.

### GROSS TRACKING DEVIATION (%)

YTD	2016	2015	2014	2013
-0.04	-0.04	-0.04	-0.20	-

1 year	3 years	5 years	Launch
-0.03	-0.04	-	-0.07

Comparisons based on capital movements and before management fees at close of business local time. The fund launched on 28 August 2013.



### INDEX FUND MANAGEMENT TEAM

The Index Fund Management team comprises 25 fund managers, supported by two analysts. Management oversight is provided by the Global Head of Index Funds. The team has average industry experience of 15 years, of which seven years has been at LGIM, and is focused on achieving the equally important objectives of close tracking and maximising returns.

**KEY RISKS**

- 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.
- There may be differences in performance between the fund’s assets and the derivatives used to manage the fluctuation of exchange rates with Sterling. This could result at times in the fund being over protected or under protected against these fluctuations.
- The impact to the fund can be greater where derivatives are used in an extensive or complex way.
- 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 have been applied to reduce the impact of exchange rate fluctuations but may not entirely eliminate it.
- Investment returns on bonds are particularly sensitive to trends in interest rate movements. Their values are likely to fall when interest rates rise. Such falls may be more pronounced in a low interest rate environment. Bonds with a longer time to go before their maturity date will fall by more than bonds with a short time to their maturity date.
- Credit ratings assigned to the individual assets in the fund can weaken and cause the value of those assets to fall.
- The fund invests in bonds which are issued by governments. If these governments experience financial difficulty, they may be unable to pay back some or all of the interest, original investment or other payments that they owe. If this happens, the value of your fund may fall.
- This fund invests in inflation-linked bonds, which are particularly sensitive to changes in inflation rates. Their values are likely to fall when inflation rates fall.
- The fund could lose money if any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.

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 Jun 17	04 Aug 17	0.54p
Interim	05 Dec 16	05 Feb 17	0.20p
Final	05 Jun 16	05 Aug 16	0.03p
Interim	30 Nov 15	30 Jan 16	0.12p



**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, 3pm (UK time)
Dealing frequency	Daily
Settlement period	T+4

**CODES**

<b>ISIN</b>	I Acc	GB00BBHXNN27
	I Inc	GB00BBHXNM10
<b>SEDOL</b>	I Acc	BBHXNN2
	I Inc	BBHXNM1
<b>Bloomberg</b>	I Acc	LGGILIA LN
	I Inc	LGGILII 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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