

Legal & General European Trust

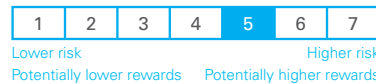
Unit Trust (UCITS compliant) I-Class GBP



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.

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 £158.3m	Base currency GBP	IA Sector IA Europe ex UK
Launch date 9 Sep 1985	Domicile UK	Historical yield 0.40%

COSTS

Initial charge 0.00%	Ongoing charge 0.81%
Price basis Dual	Bid / Offer spread 0.27%

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	-4.69	-0.55	2.00	48.29	62.63
■ IA Sector	-1.48	1.59	1.81	47.40	59.20
Quartile ranking	4	4	2	3	2

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 September	2018	2017	2016	2015	2014
Fund	2.00	20.81	20.34	3.60	5.86
IA Sector	1.81	22.09	18.58	3.61	4.25
Quartile ranking	2	3	2	3	2

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

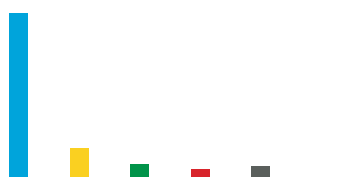


PORTFOLIO BREAKDOWN

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

COUNTRY (%)

 Germany	29.6
 France	12.2
 Italy	11.8
 Netherlands	11.3
 Switzerland	10.7
 Denmark	8.0
 Spain	4.7
 Belgium	4.2
 Austria	3.2
 Other	4.4



MARKET CAPITALISATION (%)

Large	73.5
Mid	12.7
Small	5.8
Micro	3.4
Cash and Equivalents	4.6













■ Top 10 holdings 39.0%
■ Rest of portfolio 61.0%
No. of holdings 35











TOP 10 HOLDINGS (%)

Daimler AG	4.2
Umicore	4.2
ASML Holding	4.1
UBS Group	4.0
SAP	4.0
Adyen NA	4.0
AMS AG	3.8
Ferrari	3.8
Varta AG NPV (Germany)	3.5
Ubisoft Entertainment	3.4

TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Technology	23.2	17.2	
Unclassified	10.8	10.8	
Consumer Goods	22.5	3.3	
Oil & Gas	6.5	1.6	
Basic Materials	9.5	1.6	
Consumer Services	1.4	-3.0	
Utilities	0.0	-4.1	
Industrials	11.2	-5.8	
Health Care	3.2	-8.6	
Financials	9.4	-12.1	

TOP 5 STOCK OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Umicore	4.2	4.0	
Adyen NA	4.0	4.0	
AMS AG	3.8	3.7	
Varta AG NPV (Germany)	3.5	3.5	
Ferrari	3.8	3.5	
Siemens AG	0.0	-1.5	
Total	0.0	-2.4	
Roche Hldgs (Genus)	0.0	-2.5	
Novartis	0.0	-2.7	
Nestle	0.0	-3.8	

FUND MANAGER COMMENTARY

European markets were broadly flat in September. The overhang of key uncertainties hanging over global equity markets proved challenging, with it being notably difficult for 'growth' focused investors. In particular, the deteriorating relationship between China and the US appeared the most important narrative for risk assets. Markets have begun to treat this as much more than just a short-term nuisance, as positions appear to harden on both sides. Elsewhere, there were more headlines over Italy's fiscal intentions, which is a clear headache for its European partners. Meanwhile, the ECB's conviction that a "vigorous" pickup in inflation is imminent has yet to be supported by the data. Finally, Oil extended its gains, having seen the largest quarterly rally in a decade. Much of this is driven by concerns over supply risk following the looming sanctions on Iran and continued decline from Venezuela.

The European Trust endured a difficult month, delivering a negative return of -4.7%. Much of this was weakness (absolute and relative) was stock specific, with notable underperformance in consumer services and software industries. At the stock level, Vapiano fell heavily on the back of a profit warning over weak interim results. AMS was the other significant casualty, fuelled by concerns of trade-war impact and fears of slowing growth in the semiconductor supply chain industry. Internet stocks Delivery Hero and Home24 also sold off. In terms of positive contributors, payments business Adyen was the stand-out name, following a well-received capital markets day that highlighted the long-term growth opportunities.



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 August 2013. 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 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	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 £984.8 billion (as at 30 June 2018). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management include 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

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

TO FIND OUT MORE

 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.

Important information

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