

Legal & General Asian Income Trust

Unit Trust (UCITS compliant) I-Class GBP

Base currency: **GBP**

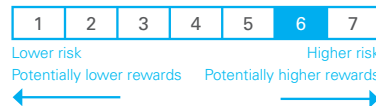
Domicile: **UK**



FUND AIM

The objective of the Fund is to provide income and growth above those of the FTSE Asia Pacific ex-Japan TR Net Index (the "Benchmark Index"). The Fund aims to outperform the Benchmark Index by 2% 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 a combination of Income and growth from an investment in company shares from the Asian Pacific and Australasian regions.
- 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 £310.1m | Fund launch date 10 Nov 2008 |
| Historical yield 4.8% | |

COSTS

| | |
|--------------------------------|------------------------------------|
| Initial charge 0.00% | Ongoing charge 0.83% |
| Price basis Dual | Bid / Offer spread 0.46% |

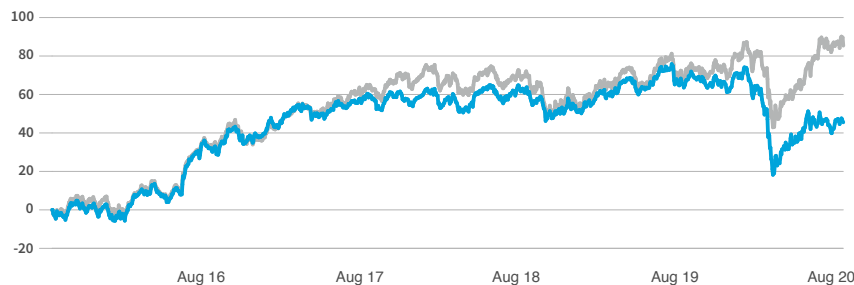
BENCHMARKS

Benchmark
FTSE Asia Pacific ex-Japan TR Net Index

Performance objective
FTSE Asia Pacific ex-Japan TR Net Index +2%

Comparator benchmark
IA sector: Asia Pacific excluding Japan

PERFORMANCE (%)



| | 1 month | 3 months | 1 year | 3 years | 5 years |
|-----------------------|---------|----------|--------|---------|---------|
| ■ Fund | 3.84 | 3.48 | -12.67 | -8.78 | 45.60 |
| ■ Benchmark | 1.86 | 11.99 | 7.88 | 12.31 | 86.67 |
| Performance objective | - | - | - | 12.96 | 93.77 |
| Comparator | 3.74 | 13.29 | 7.91 | 13.88 | 85.67 |

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

| 12 months to 30 June | 2020 | 2019 | 2018 | 2017 | 2016 |
|----------------------|--------|------|------|-------|------|
| Fund | -14.81 | 7.01 | 3.82 | 28.72 | 5.35 |
| Benchmark | 2.84 | 5.09 | 6.99 | 27.70 | 6.78 |
| Comparator | 2.35 | 4.99 | 7.38 | 28.63 | 6.41 |

For annual performance against the performance objective please see the Key Investor Information Document (KIID). 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.

Due to UK bank holiday on 31 August 2020, fund returns shown are based on prices at 28 August 2020 (last fund trading day for August 2020). This may impact relative performance to any benchmarks which priced on 31 August 2020.

FUND SNAPSHOT


- **What does it invest in?** Invests at least 80% in shares in companies throughout Asia, including Australasia, but excluding Japan.
- **How does it invest?** Actively managed, with holdings in between 40 and 80 companies on average over a typical market cycle of 3-5 years.

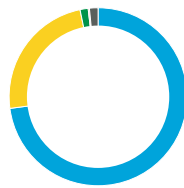


PORTFOLIO BREAKDOWN

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

COUNTRY (%)

| | |
|---|------|
|  Australia | 27.5 |
|  China | 20.9 |
|  Taiwan | 13.5 |
|  Hong Kong | 13.1 |
|  Korea | 6.7 |
|  Singapore | 5.2 |
|  India | 5.0 |
|  New Zealand | 2.8 |
|  United Kingdom | 2.4 |
|  Other | 2.8 |



MARKET CAPITALISATION (%)

| | |
|----------------------|------|
| Large | 72.9 |
| Mid | 23.8 |
| Small | 1.5 |
| Micro | 0.2 |
| Cash and Equivalents | 1.6 |













■ Top 10 holdings 38.5%
■ Rest of portfolio 61.5%
No. of holdings 53











TOP 10 HOLDINGS (%)

| | |
|------------------------------------|-----|
| Taiwan Semiconductor Manufacturing | 8.6 |
| Transurban Group | 4.8 |
| Qantas Airways | 4.2 |
| China Mobile | 3.7 |
| Telstra Corp | 3.3 |
| China Construction Bank | 3.2 |
| Ancor CDI | 3.1 |
| DBS Group Holdings | 2.6 |
| Westpac Banking Corp | 2.5 |
| Orica | 2.5 |

SECTOR (%)

| | | |
|--------------------|------|---|
| Financials | 26.4 |  |
| Industrials | 17.5 |  |
| Technology | 11.9 |  |
| Telecommunications | 11.8 |  |
| Consumer Services | 11.7 |  |
| Basic Materials | 7.9 |  |
| Oil & Gas | 4.9 |  |
| Consumer Goods | 3.5 |  |
| Utilities | 3.0 |  |
| Unclassified | 1.4 |  |

TOP 5 STOCK OVER/UNDERWEIGHTS (%)

| | Fund | Relative | |
|---------------------------|------|----------|---|
| Transurban Group | 4.8 | 4.4 |  |
| Qantas Airways | 4.2 | 4.2 |  |
| Taiwan Semiconductor Manu | 8.6 | 3.6 |  |
| China Mobile | 3.7 | 3.2 |  |
| Telstra Corp | 3.3 | 3.1 |  |
| Meituan Dianping (P Chip) | 0.0 | -1.7 |  |
| AIA Group Ltd | 0.0 | -1.8 |  |
| Samsung Electronics | 0.0 | -3.1 |  |
| Tencent Holdings | 0.0 | -5.6 |  |
| Alibaba Group Holding | 0.0 | -7.1 |  |

FUND MANAGER COMMENTARY

Asia Pacific ex Japan equities returned +1.9% in GBP terms in August. Sino-US tensions remained elevated throughout the month, epitomised by President Trump’s proposed TikTok ban. Regionally, Macau, Hong Kong, Australia and China led the index’s performance, whilst Malaysia, Thailand and Taiwan underperformed. Macau gaming rebounded strongly as the Chinese government announced a full resumption of the Individual Visa Scheme (IVS) and group tour visas starting late September which is a catalyst for the sector. Sector wise, Consumer stocks led the region’s performance, along with Basic Materials, whereas Technology, Utilities and Telecoms dragged market performance down.

The fund returned +3.8% in GBP terms for August. From an allocation perspective, our underweight to Consumer hurt as did our c10% overweight to Telecoms. These were offset partially by the positive allocation effect from our underweight to Technology. Yet it was stock selection which was the reason behind our slight outperformance this month. We saw a strong recovery in some of our consumer cyclical names which have previously suffered: Hyundai Motor +25%, Qantas Airways +23%, and our Macau casino operators all +15-20%. Once again, not owning Alibaba detracted given the stock was +12% over the month.

August was not an active month in terms of portfolio trading.



PAUL HILLSLEY

Paul joined LGIM in 2006 and is the lead fund manager for the Asian income portfolios. He has managed the Asian Income Trust since its inception. He began his investment career in 1991 at Phillips and Drew Fund Management, now called UBS Global Asset Management, and developed broad experience across UK, Europe, Japan and, predominantly, Asia ex Japan, over subsequent years. At LGIM Paul launched the Asian Income Trust in November 2008 and in 2013 formed the Global Income Team which, together with Andrew Koch, Stephen Message and Camilla Ayling forms the core of the firm’s equity income expertise. He read engineering, economics and management at Lincoln College, Oxford University, and is an associate of the Society of Investment Professionals.

ENVIRONMENTAL PERFORMANCE

Carbon dioxide (CO₂) is the most significant contributor to greenhouse gas emissions which are driving climate change.



10,345
Tonnes

CO₂eⁱ per \$1 million of market capitalisation

CARBON RESERVES

Carbon reserves are fossil fuels (coal, oil and gas) which, if burnt, will become the carbon emissions of the future. To meet global climate change targets, the unabated use of fossil fuels is expected to decline over time.

The figure is a measure of the size of carbon reserves held by the fund's underlying companies.



726
Tonnes

CO₂e per \$1 million of sales

CARBON EMISSIONS

Following the global Paris Agreement on climate change, companies in all sectors are expected to reduce their emissions to prepare and adapt for a low-carbon economy.

Carbon emissions intensity describes the relationship between the carbon emissions of a company and its salesⁱⁱ.

NOTES

ⁱ Carbon dioxide equivalent (CO₂e) is a standard unit to compare the emissions of different greenhouse gases.

ⁱⁱ The choice of this metric follows best practice recommendations from the **Task Force on Climate-related Financial Disclosures**.

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The calculations above rely on third party data provided at a point in time that may not cover the entirety of the fund's investments or the fund's benchmark (against which the fund's performance is measured). As a result, what we may report may change as third party data changes and may also differ from other third party calculations.

Refinitiv: Source: Refinitiv ESG



For further information please go to www.lgim.com/esginfo

KEY RISKS

- The value of an investment and any income taken from it is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- 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.
- We may take some or all of the ongoing charges from the fund’s capital rather than the fund’s income. This increases the amount of income, but it reduces the growth potential and may lead to a fall in the value of 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 |
|---------|-------------|-----------|----------------|
| Interim | 11 Jun 20 | 10 Aug 20 | 4.97p |
| Interim | 11 Mar 20 | 10 May 20 | 3.61p |
| Interim | 11 Dec 19 | 10 Feb 20 | 3.04p |
| Final | 11 Sep 19 | 10 Nov 19 | 10.70p |



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 £1,240.6 billion (as at 30 June 2020). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Source: LGIM internal data as at 30 June 2020. 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 | GB00B409KQ03 |
| | I Inc | GB00B7XH5V20 |
| SEDOL | I Acc | B409KQ0 |
| | I Inc | B7XH5V2 |
| Bloomberg | I Acc | LEGFARI LN |
| | I Inc | LGASIII 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.

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