

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



Unit Trust (UCITS compliant) I-Class GBP

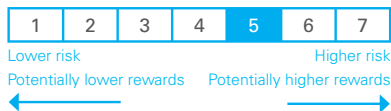
Base currency: **GBP**

Domicile: **UK**

FUND AIM

The objective of this Fund is to provide income by tracking the performance of the JPMorgan Emerging Markets Bond Index Plus, (the "Index"). This objective is after the deduction of charges and taxation.

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 5 because it invests in company or government bonds which are sensitive to changes in interest rates, inflation and credit. This can be driven by political and economic changes and other significant events and may cause the value to fluctuate.

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

WHO IS THIS FUND FOR?

- This fund may be suitable for investors looking for income from an investment in US dollar denominated emerging markets government bonds as represented by the index.
- 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 £1,066.2m | Launch date 11 Dec 2012 |
| Distribution yield 4.7% | Modified duration 8.72 years |

COSTS

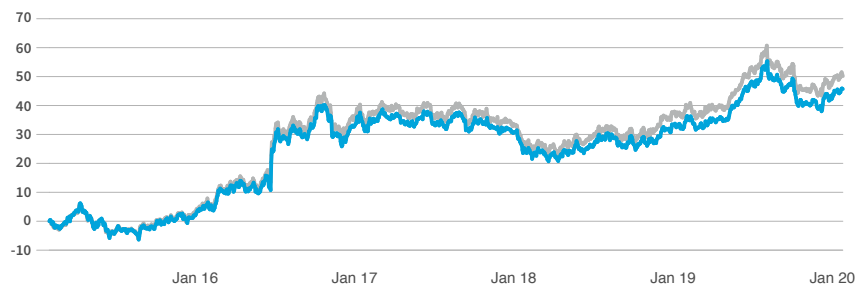
| | |
|--------------------------------|------------------------------------|
| Initial charge 0.00% | Ongoing charge 0.29% |
| Price basis Dual | Bid / Offer spread 0.46% |

BENCHMARKS

Target benchmark
JPMorgan Emerging Markets Bond Index Plus

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 | 2.78 | 4.10 | 9.89 | 9.35 | 45.27 |
| Index | 2.75 | 3.33 | 9.33 | 11.03 | 49.25 |
| Relative to Index | 0.03 | 0.77 | 0.56 | -1.68 | -3.98 |

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

| 12 months to 31 December | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------------|------|-------|-------|-------|-------|
| Fund | 8.33 | -0.13 | -1.52 | 30.10 | 5.89 |
| Index | 8.25 | 0.55 | -1.08 | 30.76 | 7.72 |
| Relative to Index | 0.08 | -0.68 | -0.44 | -0.66 | -1.83 |

Performance for the I Inc unit class in GBP, launched on 11 December 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.

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 the future.

FUND SNAPSHOT

- **What does it invest in?** Invests in US dollar-denominated bonds issued by governments of a broad range of developing countries.
- **How does it invest?** Passively managed, aiming to replicate the performance of the Index.



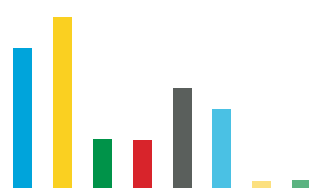
PORTFOLIO BREAKDOWN

All data sources are a combination of LGIM and the Fund Accountant unless otherwise stated. Totals may not sum due to rounding.



CURRENCY (%)

| | |
|-------|-------|
| ■ USD | 100.0 |
|-------|-------|



YEARS TO MATURITY (%)

| | |
|------------|------|
| ■ 0 to 5 | 23.2 |
| ■ 5 to 10 | 28.4 |
| ■ 10 to 15 | 8.1 |
| ■ 15 to 20 | 8.0 |
| ■ 20 to 25 | 16.7 |
| ■ 25 to 30 | 13.2 |
| ■ 30 to 40 | 1.1 |
| ■ Over 40 | 1.3 |



■ Top 10 holdings 13.6%
 ■ Rest of portfolio 86.4%
 No. of issuers in fund 16
 No. of issuers in index 16

TOP 10 HOLDINGS (%)

| | |
|-------------------------|-----|
| Russia 5.25% 2047 | 2.6 |
| Colombia 5% 2045 | 1.6 |
| Mexico 4.75% 2044 | 1.4 |
| Brazil 4.25% 2025 | 1.2 |
| Russia 5.1% 2035 | 1.2 |
| Mexico 6.05% 2040 | 1.2 |
| Russia 7.5% 2030 | 1.2 |
| Russia 4.75% 2026 | 1.1 |
| Peru 5.625% 18 Nov 2050 | 1.1 |
| Russia 5.625% 2042 | 1.1 |

COUNTRY (%)

| | |
|----------------|------|
| 🇹🇷 Turkey | 13.5 |
| 🇲🇷 Mexico | 13.1 |
| 🇮🇩 Indonesia | 11.3 |
| 🇷🇺 Russia | 10.8 |
| 🇨🇴 Colombia | 8.6 |
| 🇧🇷 Brazil | 8.2 |
| 🇵🇭 Philippines | 7.1 |
| 🇦🇷 Argentina | 6.0 |
| 🇺🇦 Ukraine | 4.4 |
| 🌐 Other | 17.0 |

SECTOR (%)

| | |
|-----------------|-------|
| Government Bond | 100.0 |
|-----------------|-------|

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.

TRACKING ERROR (%)

| 3 years | 4 years | 5 years | 7 years | 10 years | Launch |
|---------|---------|---------|---------|----------|--------|
| 0.24 | 0.24 | 0.26 | 0.33 | 0.00 | 0.42 |

The tracking error figures shown are annualised and are calculated using gross of fee returns based on LGIM's internally calculated valuations. The gross of fee performance figures are calculated on a total return basis and have been adjusted to exclude the impact of uninvested cash balances within the income and revenue account. The gross performance numbers are an indication of fund manager skill and are not reflective of true fund performance. True fund performance priced at official valuation points are calculated by Lipper and available above. Please note that on occasion, difference in the treatment of withholding tax between fund and benchmark can be significant and lead to the appearance of heightened relative returns on overseas equity funds. The fund launched on 11 December 2012.

Celebrating
25+
 Years

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

- 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.
- This fund holds bonds that are traded through agents, brokers or investment banks matching buyers and sellers. This makes the bonds less easy to buy and sell than investments traded on an exchange. In exceptional circumstances the fund may not be able to sell bonds and may defer withdrawals, or suspend dealing. The Directors can only delay paying out if it is in the interests of all investors and with the permission of the fund depository.
- The fund invests directly or indirectly in bonds which are issued by companies or governments. If these companies or 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 the fund may fall.
- This fund invests in countries where investment markets are considered to be less developed. This means that investments are generally riskier than those in developed markets because they: may not be as well regulated; may be more difficult to buy and sell; may have less reliable arrangements for the safekeeping of investments; or may be more exposed to political and taxation uncertainties. The value of the fund can go up or down more often and by larger amounts than funds that invest in developed countries, especially in the short term.
- 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.
- Investment returns on bonds are sensitive to trends in interest rate movements. Such changes will affect the value of your investment.

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 | 11 Nov 19 | 10 Jan 20 | 1.37p |
| Interim | 13 May 19 | 10 Jul 19 | 1.27p |
| Final | 12 Nov 18 | 10 Jan 19 | 1.26p |
| Interim | 11 May 18 | 10 Jul 18 | 0.94p |

Important: Due to exceptional market conditions, spreads are currently volatile and may be higher than indicated. To see the latest spread visit www.legalandgeneral.com/chargesandfees

Important information

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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 | GB00B7MJV331 |
| | I Inc | GB00B7GWW161 |
| SEDOL | I Acc | B7MJV33 |
| | I Inc | B7GWW16 |
| Bloomberg | I Acc | LGEGUIA LN |
| | I Inc | LGEGUII LN |

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Visit www.legalandgeneral.com



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Lines are open Monday to Friday 8.30am to 6.00pm. We may record and monitor calls. Call charges will vary.