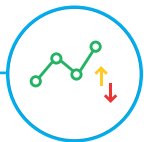


# Legal & General UK Special Situations Trust



Unit Trust (UCITS compliant) I-Class GBP

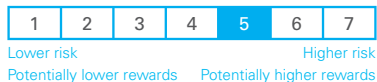
Base currency: **GBP**

Domicile: **UK**

## FUND AIM

The objective of the Fund is to provide growth above that of the FTSE All Share TR Net Index, the "Benchmark Index". The Fund aims to outperform the Benchmark Index by 5% 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 5 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 more specialist investment providing growth from an investment in shares of UK companies which are considered undervalued due to their special situation.
- 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 <b>£171.5m</b>	Fund launch date <b>10 Nov 2008</b>
Historical yield <b>3.4%</b>	

## COSTS

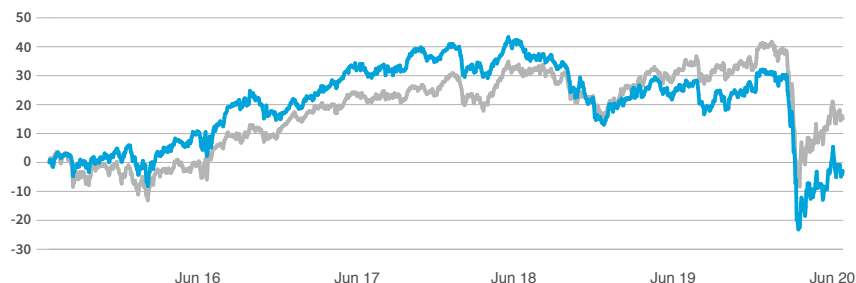
Initial charge <b>0.00%</b>	Ongoing charge <b>0.79%</b>
Price basis <b>Dual</b>	Bid / Offer spread <b>0.86%</b>

## BENCHMARKS

- Benchmark  
**FTSE All Share TR Net Index**
- Performance objective  
**FTSE All Share TR Net Index +5%**
- Comparator benchmark  
**IA Sector: UK All Companies**

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	1.03	12.44	-22.41	-25.80	-3.19
Benchmark	1.54	10.17	-12.99	-4.60	15.17
Performance objective	-	-	-	10.11	45.33
Comparator	0.70	14.29	-11.20	-5.16	11.74

## 12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 June	2020	2019	2018	2017	2016
Fund	-22.41	-10.18	6.47	22.53	6.49
Benchmark	-12.99	0.57	9.02	18.12	2.21
Comparator	-11.20	-2.12	9.11	22.72	-3.98

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 10 November 2008. 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.**

## FUND SNAPSHOT

- **What does it invest in?** Invests at least 80% in shares of UK companies which are considered to be undervalued by the market, where the Manager believes there to be a catalyst (a feature or market event) which should increase the value of the company.
- **How does it invest?** Actively managed, with holdings in between 30 and 60 companies on average over a typical market cycle of 3-5 years, which means the fund may be concentrated at times.

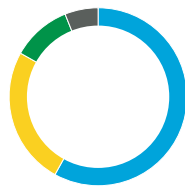


## PORTFOLIO BREAKDOWN

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

### COUNTRY (%)

	United Kingdom	100.0
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### MARKET CAPITALISATION (%)

Large	58.1
Mid	25.1
Small	10.8
Micro	0.0
Cash and Equivalents	6.0



■ Top 10 holdings 41.6%  
■ Rest of portfolio 58.4%  
No. of holdings 42

### TOP 10 HOLDINGS (%)

St. James's Place	5.3
Tesco	5.2
BP	4.9
Smith (DS)	4.7
Prudential	4.5
Taylor Wimpey	4.4
Energiean	3.5
Ashtead Group	3.5
Standard Chartered	2.9
VIVO Energy	2.8

### TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Industrials	19.4	7.2	
Consumer Services	18.3	6.8	
Financials	29.2	3.9	
Technology	3.4	2.3	
Unclassified	2.2	2.2	
Consumer Goods	13.4	-2.3	
Telecommunications	0.0	-2.4	
Utilities	0.0	-3.6	
Basic Materials	3.4	-5.0	
Health Care	0.0	-11.3	
Other	10.7	-	

### TOP 5 STOCK OVER/UNDERWEIGHTS (%)

	Fund	Relative	
St. James's Place	5.3	5.1	
Smith (DS)	4.7	4.4	
Tesco	5.2	4.1	
Taylor Wimpey	4.4	4.1	
Energiean	3.5	3.5	
Diageo	0.0	-3.2	
British American Tobacco	0.0	-3.7	
GlaxoSmithKline	0.0	-4.2	
Royal Dutch Shell	0.0	-5.1	
AstraZeneca	0.0	-5.7	

## FUND MANAGER COMMENTARY

It was another positive month for equity markets, which continue to imply an optimistic stance from investors on the recovery trajectory for economic data. While we are seeing economies starting to recover as more industries re-open, this has also created a flare-up in new COVID-19 cases which threatens a return to lockdown conditions. Broadly, we remain cautious, given the magnitude of stock market recovery seen in Q2, taking the view that the unprecedented disruption caused by the global pandemic continues to have deep implications for both the macro and micro level. Immediate government intervention, in the form of fiscal and monetary stimulus, whilst necessary to prevent the indiscriminate destruction of whole sectors is not sustainable into perpetuity.

In the UK, while we saw value outperform in the early part of June the cyclical rally soon run out of steam as market volatility increased. By sector, Utilities, Resources and Financials were the stand-out winners. The biggest laggards were Healthcare and Consumer Services. Large-caps were the size winners, with the pound broadly unchanged against the dollar.

At a Fund level, we delivered a return of 1.0% in June, which reflected 50bps underperformance of the benchmark. Sector allocation was a small negative, with our overweight in Consumer Services and underweight in Resources unhelpful. Stock selection saw more favourable performance, led by gains in Financials and Consumer Goods. At the company level, we saw positive contributions from Energiean Oil & Gas, Grit Real Estate and GoCo Group. Detractors included Biffa and Gym Group.



### ROBERT WHITE

Robert joined LGIM in 2018 as a Fund Manager for the UK Special Situations Trust. Prior to this Robert worked at Mirabaud Asset Management where he was an Assistant Fund Manager (2013 to 2018) on the UK Equities Core product. Before that he worked at PWC in their Transaction Services division. In total he has over 10 years experience working within financial services. He read Philosophy, Politics and Economics at Pembroke College, Oxford and is a member of the Institute of Chartered Accountants in England and Wales.

## 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 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). 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.

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	16 Mar 20	14 May 20	0.72p
Final	16 Sep 19	14 Nov 19	1.84p
Interim	15 Mar 19	14 May 19	0.92p
Final	17 Sep 18	14 Nov 18	1.31p



## 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 £1,196.2 billion (as at 31 December 2019). 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 31 December 2019. 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

<b>ISIN</b>	I Acc	GB00B3DMY345
	I Inc	GB00B3DMY121
<b>SEDOL</b>	I Acc	B3DMY34
	I Inc	B3DMY12
<b>Bloomberg</b>	I Acc	LGUKSIA
	I Inc	LGUKSII

## 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.

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