

# Legal & General Asian Income Trust

Unit Trust (UCITS compliant) R-Class GBP



## FUND AIM

The objective of this fund is to provide income, with some potential for growth. The fund will invest in a broad spread of company shares from all economic sectors. The company shares the fund invests in will be from Asia (excluding Japan), the rest of the Pacific region and Australasia.

## 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 Income with some potential for 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 <b>£376.0m</b>	Base currency <b>GBP</b>	IA Sector <b>IA Asia Pacific ex Japan</b>
Launch date <b>10 Nov 2008</b>	Domicile <b>UK</b>	Historical yield <b>4.4%</b>

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>1.58%</b>
Price basis <b>Dual</b>	Bid / Offer spread <b>0.55%</b>

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	-1.59	-4.84	-5.61	43.87	38.88
■ IA Sector	-2.41	-6.52	-9.00	43.58	52.44
Quartile ranking	1	1	1	2	4

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

12 months to 31 December	2018	2017	2016	2015	2014
Fund	-5.61	13.15	34.70	-9.65	6.85
IA Sector	-8.95	24.64	26.59	-2.99	9.45
Quartile ranking	1	4	1	4	3

Performance for the R Inc unit class in GBP, launched on 24 December 2004. 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

- Invests in companies listed throughout Asia- including Australia, but excluding Japan. The goal is to provide an attractive income along with long-term capital growth
- Asian economies continue to offer some of the highest growth rates in the world
- With some companies the world's leaders in their industries, exposure to them can provide access to exciting growth sectors

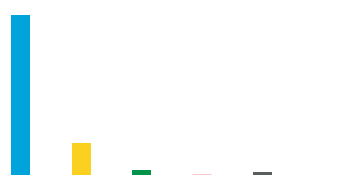


## PORTFOLIO BREAKDOWN

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

### COUNTRY (%)

 Australia	28.2
 China	20.7
 Singapore	10.7
 Hong Kong	10.0
 Taiwan	9.7
 India	5.8
 New Zealand	5.0
 Korea	4.9
 Thailand	3.1
 Other	2.0



### MARKET CAPITALISATION (%)

Large	80.6
Mid	16.0
Small	2.0
Micro	0.0
Cash and Equivalents	1.4













■ Top 10 holdings 30.7%  
■ Rest of portfolio 69.3%  
No. of holdings 63











### TOP 10 HOLDINGS (%)

Transurban Group	4.2
China Mobile	4.1
Taiwan Semiconductor Manufacturing	3.7
China Construction Bank	3.3
Qantas Airways	3.3
DBS Group Holdings	2.7
Amcor	2.4
United Overseas Bank	2.4
MGM China Holdings	2.3
Rio Tinto	2.3

### TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Telecommunications	11.9	8.4	
Industrials	18.3	8.4	
Consumer Services	11.3	1.9	
Basic Materials	8.2	1.5	
Utilities	4.5	1.3	
Oil & Gas	4.9	0.0	
Financials	31.2	-1.5	
Health Care	0.0	-4.0	
Consumer Goods	2.7	-5.3	
Technology	7.0	-10.8	

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

	Fund	Relative	
Transurban Group	4.2	3.8	
Qantas Airways	3.3	3.2	
China Mobile	4.1	3.1	
MGM China Holdings	2.3	2.3	
Amcor	2.4	2.2	
Commonwealth Bank of Aust	0.0	-1.7	
AIA Group Ltd	0.0	-1.9	
Samsung Electronics	0.0	-3.2	
Alibaba Group Holding	0.0	-3.2	
Tencent Holdings	0.0	-4.4	

## FUND MANAGER COMMENTARY

Global equity markets remained volatile during December, amid numerous failed attempts at a Santa rally and increasing global growth concerns. However, Asia Pacific ex Japan equities fared better than other developed markets, falling a modest-2.6% in December. Most Asian currencies strengthened relative to the dollar, while China was the worst performing market and ASEAN countries closed the month with leading performance.

China significantly underperformed, down 6%, as the arrest of Huawei's CFO at the behest of the US authorities led to greater concern about the US-China trade war.

Australia also performed poorly, declining 3.3%, as the banks came under pressure from weakening house prices leading to concerns over their mortgage books. South Korea also underperformed, falling 3%, as index heavyweight Samsung Electronics was sold off on a slowdown in memory demand.

Turning to fund performance, we are pleased to report the L&G Asian Income Trust outperformed in the period, delivering a net return of -1.5%. December's outperformance was driven by a combination of factors at the country and sector level. Much of the positive relative return was due to our underweight positioning in China and Korea, alongside stock selection in both regions, alongside Hong Kong. In terms of sectors, our holdings in technology and industrials made positive contributions. Whilst not owning the benchmark e-commerce and electronics giants added value. Selection in resources was the only notable detractor.



### 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 Veeral Gandhi 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.

**KEY RISKS**

- 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.
- 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
Final	17 Sep 18	09 Nov 18	10.06p
Interim	11 Jun 18	10 Aug 18	5.45p
Interim	12 Mar 18	10 May 18	3.45p
Interim	11 Dec 17	10 Feb 18	2.66p



**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**

<b>ISIN</b>	R Acc	GB00B032BL04
	R Inc	GB00B032BK96
<b>SEDOL</b>	R Acc	B032BL0
	R Inc	B032BK9
<b>Bloomberg</b>	R Acc	LEGFERA
	R Inc	LEGFERI

**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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