

# Sterling Liquidity Fund (charges included)



Unit-Linked Life Insurance Reported in GBP

## FUND AIM

The fund aims to offer access to liquidity whilst providing capital stability. The investment objective of the fund is to provide diversified exposure and a competitive return in relation to 7 Day LIBID. Performance may be shown relative to this rate, but the fund does not specifically target this performance objective.

## RISK AND REWARD PROFILE



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as class 1 out of 7, which is the lowest class. This summary risk indicator is based on historical data which may not be a reliable indication of the fund's risk category in the future.

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

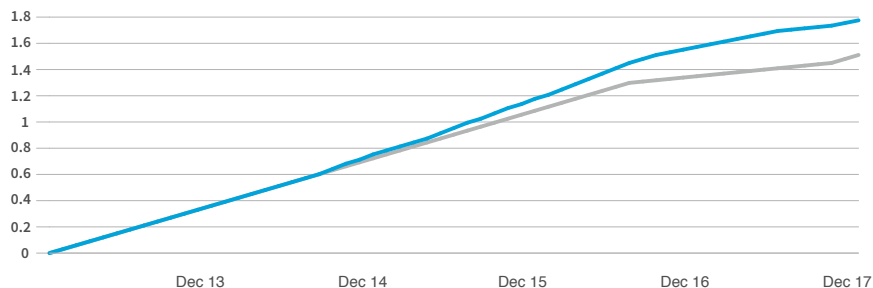
## WHO IS THIS FUND FOR?

- The trustees of UK registered and certain non-UK registered defined benefit or defined contribution occupational pension schemes, which may be classified as either retail clients or professional clients.
- There is no recommended minimum holding period.
- Please refer to your professional advisor who should be able to advise you on the suitability of this fund for your scheme.

## FUND FACTS

Fund size <b>£90.6m</b>	Base currency <b>GBP</b>	Weighted average maturity <b>47.0 days</b>	Benchmark <b>7 Day LIBID</b>
Launch date <b>Feb 2010</b>	Domicile <b>United</b>	Weighted average final maturity <b>56.0 days</b>	

## PERFORMANCE (%)



Fund	YTD	3m	6m	1y	3y	5y
■ Fund	0.22	0.06	0.10	0.22	0.35	0.36
■ Benchmark	0.16	0.07	0.10	0.16	0.26	0.30
Relative	+0.06	-0.01	0.00	+0.06	+0.09	+0.06

## ANNUAL PERFORMANCE (%)

12 months to 31 December	2017	2016	2015	2014	2013
Fund	0.22	0.40	0.43	0.39	0.37
Benchmark	0.16	0.26	0.36	0.35	0.36
Relative	+0.06	+0.14	+0.07	+0.04	+0.01

All performance periods over a year will be annualised. Performance based on daily close mid-market prices after the deduction of our standard investment management fees, which may or may not be the same for your scheme. Please refer to your scheme literature, or to your scheme administrator, for the fee rate that applies to your scheme. **Past performance is not a guide to future performance and the value of investments can go down as well as up.**

## FUND CHARACTERISTICS

The fund is invested predominantly in shares of the LGIM Sterling Liquidity Fund ("SLF"), a sub fund of LGIM Liquidity Funds Plc.; an umbrella open-ended investment company incorporated in Ireland and authorised as an undertaking for collective investment in transferable securities (UCITS) by the Central Bank of Ireland. The Prospectus and Key Investor Information Document ("KIID") for the SLF are available on request. The SLF will invest in Sterling-denominated transferable money market instruments which include short term debt securities and notes (including for example, certificates of deposit, commercial paper, government bonds, supranational bonds, floating and variable rate notes). All investments in the SLF have a short term rating of at least A-1 by S&P and F1 by Fitch at the time of purchase. The SLF seeks to limit its weighted average maturity to 60 days and weighted average final maturity to 90 days, providing strict controls on interest rate and market risk. Diversification of both country and counterparty is achieved by strict exposure limits within the investment guidelines. The SLF attempts to maintain a stable net asset value of £1.00 per share, although there is no assurance that it will be successful in doing so. In addition, the SLF will seek to obtain and maintain a triple-A rating from at least one internationally recognised rating agency (for example, AAAm by Standard & Poor's).

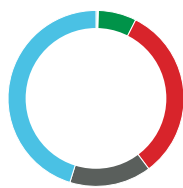
## PORTFOLIO BREAKDOWN

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



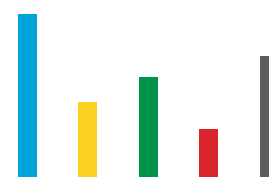
### ASSET (%)

■ Certificate of Deposit	51.4
■ Deposit (Overnight)	14.1
■ Commercial Paper	13.1
■ Repurchase Agreement	10.1
■ Floating Rate Notes	7.0
■ Government UK	4.2



### CREDIT RATING (%)

■ AAA	0.3
■ AA+	0.2
■ AA	7.0
■ AA-	32.3
■ A+	15.0
■ A	45.2



### YEARS TO MATURITY (%)

■ 0 to 7 days	32.1
■ 7 days to 1 month	14.8
■ 1 to 2 months	19.8
■ 2 to 3 months	9.5
■ 3 to 12 months	23.8

### COUNTRY (%)

🇬🇧 United Kingdom	21.1
🇫🇷 France	17.0
🇯🇵 Japan	16.0
🇳🇱 Netherlands	7.3
🇩🇪 Germany	5.4
🇦🇪 United Arab Emirates	4.9
🇦🇺 Australia	4.7
🇨🇦 Canada	4.6
🇸🇪 Sweden	4.6
🌐 Other	14.6

### TOP 10 ISSUERS (%)

United Kingdom	14.8
Bank of Tokyo Mitsubishi UFJ	4.9
First Abu Dhabi Bank	4.9
Sumitomo Mitsui Banking Corp	4.8
BRED Banque Populaire	4.2
ING Bank	3.9
Sumitomo Mitsui Trust Bank	3.9
Bank of China	3.5
BFCM	3.5
Overseas-Chinese Banking Cor	3.2

### LGIM LIQUIDITY TEAM MANAGEMENT

LGIM has a team-based approach to liquidity management which forms a strategic part of our asset management capability drawing on the expertise of over 70 investment professionals from our liquidity and fixed income teams globally.

## 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 get back less than the amount you originally invested.
- The return from your investment is not guaranteed and therefore you may receive a lower or higher return than you anticipated. There will be a variation in performance between funds with similar objectives due to the different assets selected.
- PMC's charges and associated transaction costs are subject to change, with notice for the former and without notice for the latter. Charges and transactions costs deducted from the policy reduce your potential for capital growth in the future.
- Tax rules and the treatment of income and capital gains could change in the future and may be applied retrospectively.
- Inflation reduces the purchasing power of money over time as the cost of purchasing goods and services increases, if the rate of inflation exceeds the rate of return on your portfolio, it will erode the value of your portfolio and its investments in real terms.
- In extreme market conditions it may be difficult to realise assets held for a fund and it may not be possible to redeem units at short notice. We may have to delay acting on your instructions to sell or the price at which you cancel the units may be lower than you anticipated.
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made.
- PMC seeks to mitigate counterparty risk wherever possible on behalf of its policyholders through a variety of measures which include; each fund's non-cash assets being held with independent custodians, sweeping cash (where appropriate) overnight into the LGIM's range of Liquidity funds (above a de minimus level), using the delivery versus payment system when settling transactions and the use of central clearing for exchange traded derivatives and forward foreign exchange transactions. However, in the event of the failure of a counterparty, custodian or issuer there is a residual risk that a fund may suffer asset losses which are unrecoverable.

For more information, please refer to the Description of Funds [↗](#)



### 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 £983.3 billion (as at 31 December 2017). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management includes derivative positions and assets managed by LGIMA, an SEC Registered Investment Advisor.

## DEALING INFORMATION

Units can be purchased, sold or switched on a designated dealing day. Funds are offered on a daily basis at close of business and/or midday as below:

Daily close	Yes
Daily midday	Yes

For further information, please refer to your scheme literature or contact your scheme administrator.

## TO FIND OUT MORE

 Visit [www.lgim.com](http://www.lgim.com)

 Call **+44 (0) 20 3124 3277**

We may record and monitor calls. Call charges will vary.

## Important information

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**Internal Fund Code: VL**