

Legal & General
Global Inflation Linked Bond Index Fund

**Interim Manager's Report
for the period ended
5 December 2019
(Unaudited)**



Contents

	Page Number
Manager's Investment Report	2
Authorised Status	5
Directors' Statement	5
Portfolio Statement	6
Statement of Total Return	13
Statement of Change in Net Assets attributable to Unitholders	13
Balance Sheet	14
Notes to the Financial Statements	15
Fund Information	16
Risk and Reward Profile	18
General Information	19

Manager's Investment Report

Investment Objective and Policy

In line with the updated rules and guidance for the asset management industry published by the Financial Conduct Authority (FCA) in February 2019, we have clarified the Investment Objectives and Policies for our UK regulated funds.

The revised Investment Objective and Policy came into effect on 7 August 2019. The previous and revised Investment Objective and Policy are set out below.

Prior to 7 August 2019

The objective of the Fund is to achieve income and capital growth in line with the performance of the Barclays World Government Ex UK Inflation Linked Bonds TR Hedged GBP Index (after adjustment for management charges and taxation).

The Fund will invest predominantly in securities that are included in the Index.

The Fund will be passively managed and employs a sampling strategy whereby such securities will be held with weightings generally proportionate to the weightings in the Index. The bonds the Fund invests in will be composed primarily of securities issued by sovereign entities, excluding the UK, which are denominated in the currency of the issuer and which are inflation linked. Sub-investment grade bonds may be held.

The Fund may also invest in other transferable securities, fixed interest securities, permitted deposits, money market instruments, cash, near cash and units in collective investment schemes.

The Fund will use forward foreign exchange or currency future derivatives in order to manage the currency exposure in line with the Index. This may mean that, at times, the Fund may use derivatives for investment purposes*. The Fund may also hold other types of derivatives for Efficient Portfolio Management purposes only.

* The Fund does not currently use derivatives for investment purposes.

From 7 August 2019

The objective of the Fund is to provide a combination of growth and income by tracking the Barclays World Government Ex UK Inflation Linked Bonds Hedged GBP Index, the "Benchmark Index". This objective is after the deduction of charges and taxation.

The Benchmark Index is comprised of bonds issued by governments across all geographical areas excluding the UK which are denominated in the local currency of the country and linked to the rate of inflation of the country. The Fund may invest in sub-investment grade bonds.

The Fund is a Replicating Fund as it seeks to replicate as closely as possible the constituents of the Benchmark Index by holding all, or substantially all, of the assets comprising the Benchmark Index in similar proportions to their weightings in the Benchmark Index. The Fund will have at least 90% exposure to assets that are included in the Benchmark Index.

The Fund may also invest in bonds which are reasonably expected to become part of the Benchmark Index in the near future or are an alternative to a constituent of the Benchmark Index and collective investment schemes, including those managed or operated by the Manager or an associate of the Manager as well as money market instruments (such as treasury bills), cash and permitted deposits.

The Fund will use forward foreign exchange or currency future derivatives in order to manage the currency exposure in line with the Benchmark Index. The Fund may also hold other types of derivatives for Efficient Portfolio Management purposes only.

Manager's Investment Report continued

Manager's Investment Report

During the period under review, the bid price of the Fund's F-Class accumulation units rose by 2.10%. Barclays, the Index compiler, calculates the Benchmark Index at the end of the business day using closing prices, whereas the Fund is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Fund has been revalued using closing prices. On this basis over the review period, the Fund performance was 2.48%, compared with the Index performance of 2.55% (Source: Bloomberg), producing a tracking difference of -0.07%.

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Market/Economic Review

Bond markets underperformed global equity indices over the review period, despite a spike in equity market volatility during August. The shift to a more accommodative monetary policy from the major central banks was more beneficial for riskier asset classes such as equities. Slowing global growth, the on-going US-China trade dispute and tighter financial conditions were cited as reasons for the Federal Open Market Committee (FOMC) to reverse most of the rate rises it sanctioned in 2018. The key Federal Reserve (Fed) interest rate was reduced as expected in July, September and October of 2019 by 25bps on each occasion, taking the target back to the 1.5% - 1.75% level previously seen in March 2018. The closely watched Purchasing Managers' Index for the Eurozone fell to a six-year low in September, while manufacturing activity in Germany declined to its lowest level since mid-2009, as the country's export-led economy has continued to suffer from global trade tensions and weakening growth. In response, the European Central Bank (ECB) announced it would recommence quantitative easing, with effect from November, at €20 billion a month and maintain this policy until inflation returns to its 2% target. The Bank of Japan maintained its negative interest rate policy, reaffirming it will intervene if necessary to keep the yield on benchmark 10-year bonds at around 0%. The oil price (Brent crude) declined to just over \$55 per barrel in August, before rallying to its 12 month average price of around \$65 per barrel in December. In the US yields fell across the curve over the review period in response to the Fed's policy change with the two year yield falling by 26bps to 1.59% and the 10 year by 32bps to 1.81%. It was a similar story but to a lesser extent for US Tips (Treasury inflation-protected securities) with the 10 year real yield falling by 24bps to 0.13%. In Europe bond yields in the core market of Germany barely changed over the period whilst in the peripheral market of Italy yields tumbled from the high levels reached during the Italian political uncertainty. For Italian inflation linked bonds the two year real yield fell by 91bps to -0.53% and the 10 year by 111bps to 0.67%.

Fund Review

The US had six monthly auctions over the review period, totalling \$81 billion of new issuance. A new 10-year bond was launched in July and was subsequently re-opened another two times, raising \$40 billion. The five-year benchmark was only reopened once and a new five-year benchmark was launched in October taken the five-year issuance to \$34 billion. The 30-year benchmark bond was only reopened once for a total of \$7 billion, increasing its size to \$15.4 billion. One bond, the 1.25% July 2020, left the

Index at the end of July when its remaining life to maturity fell below one year. For the

Manager's Investment Report continued

remaining countries within the Index three bonds left, one each from France, Sweden and Australia, whilst one bond from Italy entered the Index.

The Fund experienced strong positive cash flow during the review period, which was invested in such a way so as to ensure the Fund maintained an Index distribution at all times.

Outlook

Global central banks appear to have eased in time and there is increasing evidence that consumer confidence has stabilized. We expect modest close to potential growth, low and steady unemployment and some improvement in manufacturing output. The continued subdued levels of inflation are serving to support real incomes and maintain central bank flexibility to respond to shocks, whilst allowing any recovery to run. We see US growth settling around trend, largely driven by the consumer and expect the Fed to be on an extended pause. In the Eurozone growth is sluggish, but stable and policy appears on hold outside of a lurch towards recession. In the UK the Conservative majority implies a limited fiscal stimulus and a significant risk if they fail to achieve the goal of a Canada-style trade deal by end 2020. China and India likely to weaken further.

Legal & General Investment Management Limited
(Investment Adviser)
8 January 2020

Authorised Status

Authorised Status

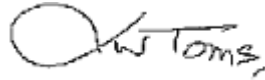
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



L. W. Toms
(Director)

Legal & General (Unit Trust Managers) Limited
27 January 2020

Portfolio Statement

Portfolio Statement as at 5 December 2019

All investments are in investment grade securities unless otherwise stated. The percentages in brackets show the equivalent holdings at 5 June 2019.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	NORTH AMERICA — 65.08% (64.82%)		
	United States — 62.40% (62.06%)		
USD25,096,900	US Treasury Index Linked Bond 1.125% 15/01/2021	22,572,030	1.71
USD32,590,000	US Treasury Index Linked Bond 0.125% 15/04/2021	26,707,675	2.03
USD29,090,000	US Treasury Index Linked Bond 0.625% 15/07/2021	25,409,523	1.93
USD29,030,000	US Treasury Index Linked Bond 0.125% 15/01/2022	24,933,508	1.89
USD35,900,000	US Treasury Index Linked Bond 0.125% 15/04/2022	28,660,263	2.17
USD28,750,000	US Treasury Index Linked Bond 0.125% 15/07/2022	24,408,228	1.85
USD29,620,000	US Treasury Index Linked Bond 0.125% 15/01/2023	24,949,639	1.89
USD32,250,000	US Treasury Index Linked Bond 0.625% 15/04/2023	25,649,598	1.95
USD28,330,700	US Treasury Index Linked Bond 0.375% 15/07/2023	24,012,747	1.82
USD32,915,000	US Treasury Index Linked Bond 0.625% 15/01/2024	28,031,661	2.13
USD24,500,000	US Treasury Index Linked Bond 0.5% 15/04/2024	19,220,479	1.46
USD33,529,900	US Treasury Index Linked Bond 0.125% 15/07/2024	27,618,972	2.09
USD16,000,000	US Treasury Index Linked Bond 0.125% 15/10/2024	12,207,620	0.93
USD31,453,000	US Treasury Index Linked Bond 0.25% 15/01/2025	26,053,916	1.98
USD23,890,000	US Treasury Index Linked Bond 2.375% 15/01/2025	27,509,221	2.09
USD30,350,000	US Treasury Index Linked Bond 0.375% 15/07/2025	25,378,888	1.92
USD32,660,000	US Treasury Index Linked Bond 0.625% 15/01/2026	27,596,559	2.09
USD14,950,000	US Treasury Index Linked Bond 2% 15/01/2026	16,326,224	1.24
USD29,005,000	US Treasury Index Linked Bond 0.125% 15/07/2026	23,666,919	1.79
USD31,950,000	US Treasury Index Linked Bond 0.375% 15/01/2027	26,214,538	1.99
USD11,425,000	US Treasury Index Linked Bond 2.375% 15/01/2027	12,774,003	0.97
USD27,260,000	US Treasury Index Linked Bond 0.375% 15/07/2027	22,190,415	1.68
USD27,920,000	US Treasury Index Linked Bond 0.5% 15/01/2028	22,701,266	1.72
USD11,730,000	US Treasury Index Linked Bond 1.75% 15/01/2028	12,304,313	0.93

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
United States — (cont.)			
USD12,160,000	US Treasury Index Linked Bond 3.625% 15/04/2028	18,839,977	1.43
USD26,100,000	US Treasury Index Linked Bond 0.75% 15/07/2028	21,394,573	1.62
USD26,300,000	US Treasury Index Linked Bond 0.875% 15/01/2029	21,650,990	1.64
USD9,608,500	US Treasury Index Linked Bond 2.5% 15/01/2029	10,568,059	0.80
USD14,054,800	US Treasury Index Linked Bond 3.875% 15/04/2029	22,369,808	1.70
USD22,400,000	US Treasury Index Linked Bond 0.25% 15/07/2029	17,302,556	1.31
USD4,026,700	US Treasury Index Linked Bond 3.375% 15/04/2032	6,114,659	0.46
USD10,845,000	US Treasury Index Linked Bond 2.125% 15/02/2040	13,000,747	0.99
USD17,987,500	US Treasury Index Linked Bond 2.125% 15/02/2041	21,501,628	1.63
USD16,330,000	US Treasury Index Linked Bond 0.75% 15/02/2042	14,967,378	1.14
USD18,009,200	US Treasury Index Linked Bond 0.625% 15/02/2043	15,806,954	1.20
USD17,120,000	US Treasury Index Linked Bond 1.375% 15/02/2044	17,280,290	1.31
USD17,860,700	US Treasury Index Linked Bond 0.75% 15/02/2045	15,722,351	1.19
USD14,320,000	US Treasury Index Linked Bond 1% 15/02/2046	13,279,177	1.01
USD14,000,000	US Treasury Index Linked Bond 0.875% 15/02/2047	12,418,518	0.94
USD13,200,000	US Treasury Index Linked Bond 1% 15/02/2048	11,841,507	0.90
USD13,100,000	US Treasury Index Linked Bond 1% 15/02/2049	11,578,513	0.88
		822,735,890	62.40
Canada — 2.68% (2.76%)			
CAD3,508,000	Canadian Government Index Linked Bond 4.25% 01/12/2021	3,577,433	0.27
CAD3,606,000	Canadian Government Index Linked Bond 4.25% 01/12/2026	4,119,384	0.31
CAD4,154,000	Canadian Government Index Linked Bond 4% 01/12/2031	5,111,016	0.39
CAD5,815,000	Canadian Government Index Linked Bond 3% 01/12/2036	6,365,303	0.48
CAD4,451,000	Canadian Government Index Linked Bond 2% 01/12/2041	4,203,624	0.32
CAD6,022,000	Canadian Government Index Linked Bond 1.5% 01/12/2044	5,179,013	0.39
CAD5,692,000	Canadian Government Index Linked Bond 1.25% 01/12/2047	4,491,927	0.34
CAD3,610,000	Canadian Government Index Linked Bond 0.5% 01/12/2050	2,295,921	0.18
		35,343,621	2.68

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	CONTINENTAL EUROPE		
	— 26.71% (27.86%)		
	Denmark — 0.32% (0.34%)		
DKK20,785,000	Denmark Government Index Linked Bond 0.1% 15/11/2023	2,683,842	0.20
DKK11,300,000	Denmark Government Index Linked Bond 0.1% 15/11/2030	1,517,568	0.12
		4,201,410	0.32
	France — 11.43% (12.88%)		
EUR4,815,000	France Government Index Linked Bond 0.1% 01/03/2021	4,331,668	0.33
EUR4,755,000	France Government Index Linked Bond 0.1% 25/07/2021	4,310,981	0.33
EUR13,745,000	France Government Index Linked Bond 1.1% 25/07/2022	14,103,627	1.07
EUR13,948,000	France Government Index Linked Bond 2.1% 25/07/2023	15,160,844	1.15
EUR13,355,000	France Government Index Linked Bond 0.25% 25/07/2024	12,925,093	0.98
EUR7,700,000	France Government Index Linked Bond 0.1% 01/03/2025	7,220,681	0.55
EUR17,292,000	France Government Index Linked Bond 1.85% 25/07/2027	20,279,496	1.54
EUR6,995,000	France Government Index Linked Bond 0.1% 01/03/2028	6,719,181	0.51
EUR4,430,000	France Government Index Linked Bond 0.1% 01/03/2029	4,176,190	0.32
EUR7,345,000	France Government Index Linked Bond 3.4% 25/07/2029	11,732,458	0.89
EUR10,580,000	France Government Index Linked Bond 0.7% 25/07/2030	11,153,450	0.85
EUR7,865,000	France Government Index Linked Bond 3.15% 25/07/2032	13,327,574	1.01
EUR4,530,000	France Government Index Linked Bond 0.1% 25/07/2036	4,540,821	0.34
EUR8,795,000	France Government Index Linked Bond 1.8% 25/07/2040	13,892,204	1.05
EUR6,330,000	France Government Index Linked Bond 0.1% 25/07/2047	6,734,543	0.51
		150,608,811	11.43
	Germany — 3.30% (3.30%)		
EUR11,833,939	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2023	11,321,049	0.86
EUR12,705,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2026	12,369,937	0.94
EUR11,456,855	Germany (Federal Republic) Index Linked Bond 0.5% 15/04/2030	12,182,583	0.92
EUR6,270,000	Germany (Federal Republic) Index Linked Bond 0.1% 15/04/2046	7,631,907	0.58
		43,505,476	3.30
	Italy — 8.01% (7.42%)		
EUR12,960,000	Italy Government Index Linked Bond 2.1% 15/09/2021	13,026,899	0.99

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	Italy — (cont.)		
EUR7,630,000	Italy Government Index Linked Bond 0.1% 15/05/2022	6,864,472	0.52
EUR4,790,000	Italy Government Index Linked Bond 0.1% 15/05/2023	4,201,231	0.32
EUR12,745,000	Italy Government Index Linked Bond 2.6% 15/09/2023	14,250,275	1.08
EUR10,005,000	Italy Government Index Linked Bond 2.35% 15/09/2024	9,902,340	0.75
EUR9,955,000	Italy Government Index Linked Bond 3.1% 15/09/2026	11,124,311	0.84
EUR13,350,000	Italy Government Index Linked Bond 1.3% 15/05/2028	12,520,069	0.95
EUR4,000,000	Italy Government Index Linked Bond 0.4% 15/05/2030	3,308,589	0.25
EUR9,670,000	Italy Government Index Linked Bond 1.25% 15/09/2032	8,981,153	0.68
EUR9,370,000	Italy Government Index Linked Bond 2.35% 15/09/2035	12,150,398	0.92
EUR7,730,000	Italy Government Index Linked Bond 2.55% 15/09/2041	9,319,893	0.71
		105,649,630	8.01
	Spain — 2.78% (2.76%)		
EUR3,800,000	Spain Government Index Linked Bond 0.3% 30/11/2021	3,467,076	0.26
EUR2,700,000	Spain Government Index Linked Bond 0.15% 30/11/2023	2,451,418	0.19
EUR10,915,000	Spain Government Index Linked Bond 1.8% 30/11/2024	11,022,929	0.84
EUR7,476,000	Spain Government Index Linked Bond 0.65% 30/11/2027	7,297,058	0.55
EUR8,695,000	Spain Government Index Linked Bond 1% 30/11/2030	8,986,525	0.68
EUR3,450,000	Spain Government Index Linked Bond 0.7% 30/11/2033	3,450,237	0.26
		36,675,243	2.78
	Sweden — 0.87% (1.16%)		
SEK2,740,000	Swedish Government Index Linked Bond 4% 01/12/2020	317,113	0.02
SEK20,060,000	Swedish Government Index Linked Bond 0.25% 01/06/2022	1,829,219	0.14
SEK19,175,000	Swedish Government Index Linked Bond 1% 01/06/2025	1,915,847	0.14
SEK25,100,000	Swedish Government Index Linked Bond 0.125% 01/06/2026	2,444,942	0.19
SEK8,000,000	Swedish Government Index Linked Bond 0.125% 01/12/2027	788,560	0.06
SEK18,810,000	Swedish Government Index Linked Bond 3.5% 01/12/2028	2,998,275	0.23
SEK10,900,000	Swedish Government Index Linked Bond 0.125% 01/06/2032	1,162,304	0.09
		11,456,260	0.87

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	ASIA — 4.30% (4.36%)		
	Japan — 4.30% (4.36%)		
JPY290,000,000	Japanese Government Index Linked Bond 0.1% 10/09/2023	2,152,758	0.16
JPY416,500,000	Japanese Government Index Linked Bond 0.1% 10/03/2024	3,076,965	0.23
JPY619,500,000	Japanese Government Index Linked Bond 0.1% 10/09/2024	4,458,772	0.34
JPY1,532,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2025	11,078,352	0.84
JPY1,213,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2026	8,812,223	0.67
JPY1,149,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2027	8,401,116	0.64
JPY1,365,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2028	9,888,337	0.75
JPY1,235,000,000	Japanese Government Index Linked Bond 0.1% 10/03/2029	8,884,536	0.67
		56,753,059	4.30
	PACIFIC BASIN — 2.08% (2.22%)		
	Australia — 1.41% (1.53%)		
AUD4,475,000	Australia Government Index Linked Bond 1.25% 21/02/2022	2,790,151	0.21
AUD5,025,000	Australia Government Index Linked Bond 3% 20/09/2025	3,888,313	0.29
AUD5,300,000	Australia Government Index Linked Bond 0.75% 21/11/2027	3,108,062	0.24
AUD4,170,000	Australia Government Index Linked Bond 2.5% 20/09/2030	3,398,578	0.26
AUD2,540,000	Australia Government Index Linked Bond 2% 21/08/2035	1,960,729	0.15
AUD2,710,000	Australia Government Index Linked Bond 1.25% 21/08/2040	1,883,144	0.14
AUD2,400,000	Australia Government Index Linked Bond 1% 21/02/2050	1,587,730	0.12
		18,616,707	1.41
	New Zealand — 0.67% (0.69%)		
NZD3,335,000	New Zealand Government Index Linked Bond 2% 20/09/2025	1,995,796	0.15
NZD4,405,000	New Zealand Government Index Linked Bond 3% 20/09/2030	3,016,783	0.23
NZD2,890,000	New Zealand Government Index Linked Bond 2.5% 20/09/2035	1,964,928	0.15
NZD2,550,000	New Zealand Government Index Linked Bond 2.5% 20/09/2040	1,785,881	0.14
		8,763,388	0.67
	FORWARD CURRENCY CONTRACTS — 1.77% (0.64%)		
GBP(38,420) AUD73,000	Sold Sterling for Australian Dollar (Expires 06/01/2020) ¹	(542)	—
GBP(12,063) AUD23,000	Sold Sterling for Australian Dollar (Expires 06/01/2020) ¹	(129)	—

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	FORWARD CURRENCY CONTRACTS		
	— (cont.)		
GBP(72,774)	Sold Sterling		
CAD126,000	for Canadian Dollar (Expires 06/01/2020) ¹	(135)	—
GBP(100,581)	Sold Sterling		
CAD173,000	for Canadian Dollar (Expires 06/01/2020) ¹	(846)	—
GBP(44,790)	Sold Sterling		
DKK392,000	for Danish Krone (Expires 06/01/2020) ¹	(449)	—
GBP(8,456)	Sold Sterling		
DKK74,000	for Danish Krone (Expires 06/01/2020) ¹	(85)	—
GBP(3,108,272)	Sold Sterling		
EUR3,642,000	for Euro (Expires 06/01/2020) ¹	(30,842)	—
GBP(694,839)	Sold Sterling		
EUR814,000	for Euro (Expires 06/01/2020) ¹	(7,022)	—
EUR(205,573,000)	Sold Euro		
GBP175,855,696	for Sterling (Expires 06/01/2020) ¹	2,149,882	0.16
CAD(62,510,000)	Sold Canadian Dollar		
GBP36,534,917	for Sterling (Expires 06/01/2020) ¹	497,564	0.04
USD(6,370,000)	Sold US Dollars		
GBP4,917,015	for Sterling (Expires 06/01/2020) ¹	79,241	0.01
AUD(35,644,000)	Sold Australian Dollar		
GBP18,761,353	for Sterling (Expires 06/01/2020) ¹	266,748	0.02
USD(100,000,000)	Sold US Dollars		
GBP77,512,512	for Sterling (Expires 06/01/2020) ¹	1,566,297	0.12
EUR(200,000,000)	Sold Euro		
GBP171,088,240	for Sterling (Expires 06/01/2020) ¹	2,091,519	0.16
USD(100,000,000)	Sold US Dollars		
GBP77,536,149	for Sterling (Expires 06/01/2020) ¹	1,589,935	0.12
USD(100,000,000)	Sold US Dollars		
GBP77,488,685	for Sterling (Expires 06/01/2020) ¹	1,542,470	0.12
CAD(10,000)	Sold Canadian Dollar		
GBP5,809	for Sterling (Expires 06/01/2020) ¹	44	—
USD(300,000,000)	Sold US Dollars		
GBP232,483,889	for Sterling (Expires 06/01/2020) ¹	4,645,245	0.35
USD(100,000,000)	Sold US Dollars		
GBP77,543,184	for Sterling (Expires 06/01/2020) ¹	1,596,969	0.12
USD(100,000,000)	Sold US Dollars		
GBP77,525,510	for Sterling (Expires 06/01/2020) ¹	1,579,295	0.12
AUD(555,000)	Sold Australian Dollar		
GBP290,047	for Sterling (Expires 06/01/2020) ¹	2,074	—
USD(100,000,000)	Sold US Dollars		
GBP77,553,768	for Sterling (Expires 06/01/2020) ¹	1,607,553	0.12
EUR(780,000)	Sold Euro		
GBP665,647	for Sterling (Expires 06/01/2020) ¹	6,560	—
USD(100,000,000)	Sold US Dollars		
GBP77,572,959	for Sterling (Expires 06/01/2020) ¹	1,626,745	0.12
USD(80,000,000)	Sold US Dollars		
GBP62,005,674	for Sterling (Expires 06/01/2020) ¹	1,248,703	0.10
DKK(37,165,000)	Sold Danish Krone		
GBP4,257,206	for Sterling (Expires 06/01/2020) ¹	53,249	—
DKK(24,000)	Sold Danish Krone		
GBP2,742	for Sterling (Expires 06/01/2020) ¹	27	—

Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
FORWARD CURRENCY CONTRACTS			
— (cont.)			
JPY(8,099,056,000)	Sold Japanese Yen		
GBP57,671,289	for Sterling (Expires 08/01/2020) ¹	1,022,685	0.08
NZD(34,000)	Sold New Zealand Dollar		
GBP16,855	for Sterling (Expires 08/01/2020) ¹	(9)	—
SEK(176,308,000)	Sold Swedish Krona		
GBP14,279,622	for Sterling (Expires 08/01/2020) ¹	148,809	0.01
JPY(246,200,000)	Sold Japanese Yen		
GBP1,740,366	for Sterling (Expires 08/01/2020) ¹	18,327	—
NZD(18,438,000)	Sold New Zealand Dollar		
GBP9,193,520	for Sterling (Expires 08/01/2020) ¹	48,240	—
GBP(75,625)	Sold Sterling		
JPY10,700,000	for Japanese Yen (Expires 08/01/2020) ¹	(785)	—
GBP(119,117)	Sold Sterling		
JPY16,800,000	for Japanese Yen (Expires 08/01/2020) ¹	(1,610)	—
GBP(18,539)	Sold Sterling		
NZD37,000	for New Zealand Dollar (Expires 08/01/2020) ¹	(187)	—
GBP(5,002)	Sold Sterling		
NZD10,000	for New Zealand Dollar (Expires 08/01/2020) ¹	(42)	—
GBP(23,977)	Sold Sterling		
SEK297,000	for Swedish Krona (Expires 08/01/2020) ¹	(172)	—
GBP(16,591)	Sold Sterling		
SEK205,000	for Swedish Krona (Expires 08/01/2020) ¹	(161)	—
GBP(2,357,136)	Sold Sterling		
SEK29,158,000	for Swedish Krona (Expires 08/01/2020) ¹	(20,168)	—
GBP(1,681,480)	Sold Sterling		
USD2,189,000	for US Dollars (Expires 06/01/2020) ¹	(19,017)	—
GBP(2,287,362)	Sold Sterling		
USD2,963,000	for US Dollars (Expires 06/01/2020) ¹	(37,076)	—
		23,268,904	1.77
Portfolio of investments²		1,317,578,399	99.94
Net other assets		793,427	0.06
Total net assets		£1,318,371,826	100.00%

¹ Unlisted securities are valued at the Manager's best assessment of their fair and reasonable value.

² Including investment liabilities.

Total purchases for the period: £263,842,997.

Total sales for the period: £81,095,013.

Financial Statements

Statement of Total Return for the period ended 5 December 2019

	05/12/19		05/12/18	
	£	£	£	£
Income				
Net capital gains/ (losses)		17,589,379		(25,455,360)
Revenue	9,533,047		12,050,933	
Expenses	(1,124,358)		(1,136,638)	
Interest payable and similar charges	(3,570)		(5,944)	
Net revenue before taxation	8,405,119		10,908,351	
Taxation	—		—	
Net revenue after taxation for the period		8,405,119		10,908,351
Total return before distributions		25,994,498		(14,547,009)
Distributions		(8,407,179)		(10,905,115)
Change in net assets attributable to Unitholders from investment activities		£17,587,319		£(25,452,124)

Statement of Change in Net Assets attributable to Unitholders for the period ended 5 December 2019

	05/12/19		05/12/18	
	£	£	£	£
Opening net assets attributable to Unitholders		1,141,237,716		1,267,508,709
Amounts received on issue of units	219,974,872		117,412,148	
Amounts paid on cancellation of units	(64,811,729)		(254,423,179)	
		155,163,143		(137,011,031)
Change in net assets attributable to Unitholders from investment activities		17,587,319		(25,452,124)
Retained distributions on accumulation units		4,383,648		5,250,252
Closing net assets attributable to Unitholders		£1,318,371,826		£1,110,295,806

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

Financial Statements continued

Balance Sheet as at 5 December 2019

	05/12/19 £	05/06/19 £
ASSETS		
Fixed assets:		
Investments	1,317,697,676	1,140,392,493
Current assets:		
Debtors	7,547,664	5,075,592
Cash and bank balances	2,060,855	9,727,757
Total assets	<u>1,327,306,195</u>	<u>1,155,195,842</u>
LIABILITIES		
Investment liabilities		
	(119,277)	(246,637)
Creditors:		
Bank overdrafts	(79,856)	(10,610,188)
Distributions payable	(4,396,556)	(2,376,391)
Other creditors	(4,338,680)	(724,910)
Total liabilities	<u>(8,934,369)</u>	<u>(13,958,126)</u>
Net assets attributable to Unitholders	<u>£1,318,371,826</u>	<u>£1,141,237,716</u>

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014 (2014 SORP).

2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

Fund Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Distribution Units	154,292	288,247	53.53
Accumulation Units	172,940	306,979	56.34
I-Class			
Distribution Units	114,900,165	214,201,997	53.64
Accumulation Units	579,848,839	1,015,267,028	57.11
C-Class			
Distribution Units	106,731,785	198,791,445	53.69
Accumulation Units	112,591,745	196,069,316	57.42
L-Class			
Distribution Units	403,971,018	752,034,386	53.72
Accumulation Units	1,042	2,000	52.10

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Ongoing Charges Figures

	5 Dec 19	5 Jun 19
F-Class	0.51%	0.51%
I-Class	0.27%	0.27%
C-Class	0.17%	0.17%
L-Class	0.07%	0.07%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a fund and is calculated based on the last period's figures.

Fund Information continued

Distribution Information

F-Class

The distribution payable on 5 February 2020 is 0.2715p per unit for distribution units and 0.2839p per unit for accumulation units.

I-Class

The distribution payable on 5 February 2020 is 0.3372p per unit for distribution units and 0.3568p per unit for accumulation units.

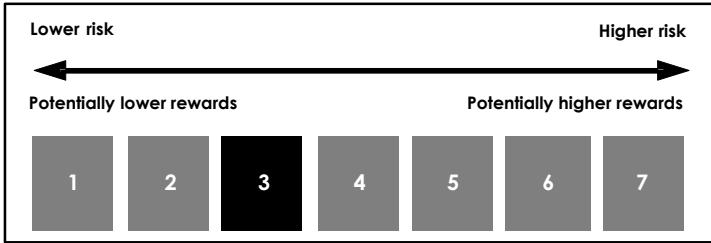
C-Class

The distribution payable on 5 February 2020 is 0.3646p per unit for distribution units and 0.3874p per unit for accumulation units.

L-Class

The distribution payable on 5 February 2020 is 0.3920p per unit for distribution units and 0.3785p per unit for accumulation units.

Risk and Reward Profile



- The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is not guaranteed to remain the same and may change over time. It is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table above shows the Fund's ranking on the Risk and Reward Indicator.
- The Fund is in category three 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 go up and down. Bonds that are closer to their maturity date tend to be more stable in value. Bonds are generally considered to be higher risk investments than cash, but lower risk than company shares.
- Even a fund in the lowest category is not a risk free investment.

General Information

Constitution

Launch date:	28 August 2013
Period end dates for distributions:	5 June, 5 December
Distribution dates:	5 August, 5 February
Minimum initial lump sum investment:	F-Class* £500 I-Class £1,000,000 C-Class** £100,000,000 L-Class*** £100,000
Minimum monthly contributions:	F-Class* £50 I-Class N/A C-Class** N/A L-Class*** N/A
Valuation point:	3pm
Fund management fees:	F-Class* Annual 0.51% I-Class Annual 0.27% C-Class** Annual 0.17% L-Class*** Annual 0.07%
Initial charge:	Nil for all existing unit classes

* Class F units are available to:

- (i) investors who have received advice from authorised intermediaries, platforms or other distributors in relation to their investment in units in the Fund; and
- (ii) distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

** Class C units are available to certain eligible investors who meet the criteria for investment in such units as outlined in the share class policy of the Manager, which is available to investors in the C Class upon request. Where investors in the C Class no longer continue to meet the criteria for investment in such units, further investment in such units may not be permitted.

*** Class L units are only available to other Legal & General funds and/or companies which have entered into an agreement with the Manager or an affiliate of the Manager.

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/fund-information/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 8:30am to 6:00pm, Monday to Friday.

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

General Information continued

ISA Status

This Fund may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

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

Prospectus and Manager's Reports

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

Information on Tracking Error

The 'Tracking Error' of a Fund is the measure of the volatility of the differences between the return of the Fund and the return of the benchmark Index. It provides an indication of how closely the Fund is tracking the performance of the benchmark Index after considering things such as Fund charges and taxation.

Using monthly returns, over the review period, the annualised Tracking Error of the Fund is 0.09%, whilst over the last three years to the end of December 2019, the annualised Tracking Error of the Fund is 0.09%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Fund's Prospectus of +/-0.50% per annum.

EU Savings Directive

The Fund has been reviewed against the requirements of the Directive 2003/48/EC on Taxation of savings in the form of interest payments (ESD), following the HM Revenue & Customs debt investment reporting guidance notes.

Under the Directive, information is collected about the payment of distributions to residents in certain other countries and is reported to HM Revenue & Customs to be exchanged with Tax authorities in those countries.

The Fund falls within the 25% debt investment reporting threshold. This means that details of all distributions and redemption proceeds paid to non UK investors will be reported by Legal & General (Unit Trust Managers) Limited to HM Revenue & Customs to be exchanged with the relevant Tax authorities.

Dual Pricing Arrangement

The Manager's fixed dual pricing arrangement has a set spread to account for the costs of transacting in a particular Fund. Where the Manager operates a box through which unit subscriptions and unit redemptions are netted into a single trade instruction to the Trustee, the netting reduces the actual transaction costs and this generates a revenue to the Manager. The revenue generated from this activity is calculated on a monthly basis and returned to the Fund in the form of a payment from the Manager. This provides an enhanced return to the Fund, though the size of any return will be dependent on the size of subscriptions and redemptions.

Assessment of Value

We will be publishing Assessment of Value reports for our funds on legalandgeneral.com and lgim.com on 30 April 2020. Please look out for further information nearer the time.

General Information continued

Significant Changes

Change in Investment Objective and Policy

In line with the updated rules and guidance for the asset management industry published by the Financial Conduct Authority (FCA) in February 2019, we have clarified the Investment Objectives and Policies for our UK regulated funds.

The revised Investment Objective and Policy came into effect on 7 August 2019. The previous and revised Investment Objective and Policy are set out on page 2.

Publication of Short Report Discontinued

With effect from 20 September 2019, the Short Report for this Fund will no longer be issued.

General Information continued

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
Telephone: 0370 050 3350
Authorised and regulated by the Financial Conduct Authority

Directors of the Manager

E. Cowhey* (appointed 9 October 2019)
A. J. C. Craven
S. Hynes
H. Morrissey
H. Solomon
L. W. Toms
A. R. Toutouchi*
M. J. Zinkula (resigned 15 July 2019)

*Non-executive Director

Secretary

J. McCarthy

Registrar

Legal & General (Unit Trust Managers) Limited
P.O. Box 6080,
Wolverhampton WV1 9RB
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956
Enquiries: 0370 050 0955
Registration: 0370 050 0955

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

Trustee

Northern Trust Global Services SE UK Branch
Trustee and Depositary Services
50 Bank Street,
Canary Wharf,
London E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Independent Auditors

KPMG LLP
15 Canada Square,
London E14 5GL

Investment Adviser

Legal & General Investment Management Limited
One Coleman Street,
London EC2R 5AA
Authorised and regulated by the Financial Conduct Authority

**Authorised and regulated by the
Financial Conduct Authority**

Legal & General
(Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
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