

# Legal & General Asian Income Trust



Unit Trust (UCITS compliant) I-Class GBP

Base currency: **GBP**

Domicile: **UK**

## FUND AIM

The objective of the Fund is to provide income and growth above those of the FTSE Asia Pacific ex-Japan TR Net Index (the "Benchmark Index"). The Fund aims to outperform the Benchmark Index by 2% 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 combination of Income and 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>£335.8m</b>	Launch date <b>10 Nov 2008</b>
Historical yield <b>5.2%</b>	

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.83%</b>
Price basis <b>Dual</b>	Bid / Offer spread <b>0.50%</b>

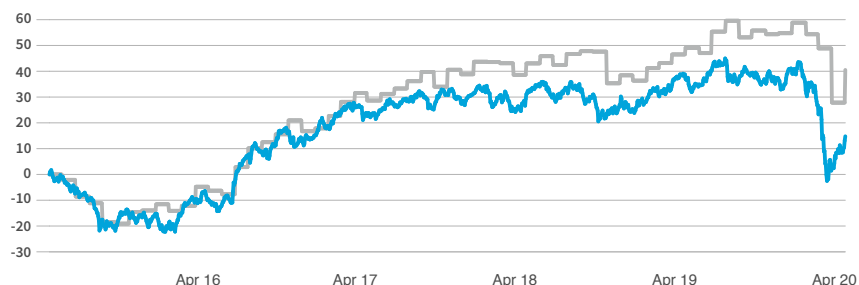
## BENCHMARKS

Target benchmark  
**FTSE Asia Pacific ex-Japan TR Net Index +2%**

Comparator benchmark  
**IA sector: Asia Pacific excluding Japan**

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	10.77	-12.60	-16.23	-6.35	14.87
■ Benchmark	9.91	-8.96	-5.76	9.22	40.51
Relative to Benchmark	0.86	-3.64	-10.47	-15.57	-25.64
Comparator	9.55	-5.44	-4.95	9.78	33.54

## FUND SNAPSHOT

- **What does it invest in?** Invests at least 80% in shares in companies throughout Asia, including Australasia, but excluding Japan.
- **How does it invest?** Actively managed, with holdings in between 40 and 80 companies on average over a typical market cycle of 3-5 years.



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

12 months to 31 March	2020	2019	2018	2017	2016
Fund	-23.14	7.71	-1.04	39.88	-8.39
Benchmark	-12.74	5.70	5.34	38.16	-3.68
Relative to Benchmark	-10.40	2.01	-6.38	1.72	-4.71
Comparator	-11.08	3.95	6.52	35.41	-7.50

Performance for the I Inc unit class in GBP, launched on 17 August 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.

**Past performance is not a guide to the future.**

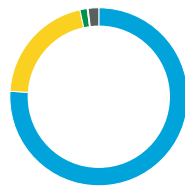


## PORTFOLIO BREAKDOWN

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

### COUNTRY (%)

 Australia	25.9
 China	25.0
 Taiwan	13.3
 Hong Kong	11.2
 Korea	5.9
 Singapore	5.8
 India	5.2
 New Zealand	2.9
 United Kingdom	2.0
 Other	2.9



### MARKET CAPITALISATION (%)

Large	76.0
Mid	20.6
Small	1.3
Micro	0.2
Cash and Equivalents	1.9













■ Top 10 holdings 37.4%  
■ Rest of portfolio 62.6%  
No. of holdings 54











### TOP 10 HOLDINGS (%)

Taiwan Semiconductor Manufacturing	6.6
Transurban Group	4.9
China Mobile	4.6
China Construction Bank	3.9
Telstra Corp	3.4
Qantas Airways	3.2
Ancor CDI	2.9
Bank of China	2.7
DBS Group Holdings	2.6
Petrochina	2.6

### SECTOR (%)

Financials	28.7	
Industrials	18.1	
Telecommunications	12.9	
Consumer Services	10.0	
Technology	9.4	
Basic Materials	8.0	
Oil & Gas	5.9	
Utilities	3.0	
Consumer Goods	2.6	
Unclassified	1.5	

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

	Fund	Relative	
Transurban Group	4.9	4.5	
China Mobile	4.6	3.9	
Telstra Corp	3.4	3.2	
Qantas Airways	3.2	3.1	
Ancor CDI	2.9	2.6	
CSL	0.0	-1.6	
AIA Group Ltd	0.0	-2.0	
Samsung Electronics	0.0	-3.4	
Tencent Holdings	0.0	-5.4	
Alibaba Group Holding	0.0	-6.3	

## FUND MANAGER COMMENTARY

Asia Pacific ex Japan equities rebounded in April, up +8.1% in GBP terms. Risk appetite improved as the spread of COVID-19 slowed, Asian companies ramped up production, and rhetoric switched towards how current lockdowns will be lifted. The divergence in country returns noted in March reversed in April: China and Hong Kong were laggards over the month whilst Australia and India were up strongly. Macau posted the highest monthly performance (+16%).

The L&G Asian Income fund returned +10.8%, outperforming the benchmark. Given Australia's rebound, we benefited from our overweight position to the region and our stock selection within it. Our sizeable exposure to Macau versus benchmark also helped relative performance. On the negative side, stock selection within China hurt. After a strong March, China Shenhua Energy led the negative contribution to return this month. Likewise, our biggest detractors to relative performance in March were our most positive contributors to relative return in April: Australian equities Transurban, Scentre Group, and Qantas. Myer was the top absolute performer (+50%), followed by Melco Resorts and KT Corp. This was encouraging given we had added to our positions in these two stocks over the last two months.

Turning to trading activity, we participated in National Australia Bank's discounted equity raise. The bank is well-capitalised and we have confidence it can weather the uncertainty ahead. Continuing with the theme from last month of topping up telecommunications, we capitalised on the valuation opportunity presented by the share price fall in Indonesian telco, PT Telkom.



### 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 Camilla Ayling 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 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 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.

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	11 Dec 19	10 Feb 20	3.04p
Final	11 Sep 19	10 Nov 19	10.70p
Interim	11 Jun 19	10 Aug 19	5.94p
Interim	11 Mar 19	10 May 19	4.00p



## 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	GB00B409KQ03
	I Inc	GB00B7XH5V20
<b>SEDOL</b>	I Acc	B409KQ0
	I Inc	B7XH5V2
<b>Bloomberg</b>	I Acc	LEGFARI LN
	I Inc	LGASIII LN

## 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

Copyright © 2020 Legal & General. This document is subject to copyright. Any unauthorised use is strictly prohibited. All rights are reserved. Issued by Legal & General (Unit Trust Managers) Limited as management company for this fund. Registered in England and Wales No. 01009418. Registered Office: One Coleman Street, London, EC2R 5AA. Authorised and Regulated by the Financial Conduct Authority No. 119273. We are members of the Investment Association. All features described in this fact sheet are those current at the time of publication and may be changed in the future. Nothing in this fact sheet should be construed as advice and it is therefore not a recommendation to buy or sell investments. If in doubt about the suitability of this product, you should seek professional advice. No investment decisions should be made without first reviewing the key investor information document of the Fund ("KIID") which can be obtained from [www.legalandgeneral.com](http://www.legalandgeneral.com). This fact sheet is only directed at investors resident in jurisdictions where this fund is registered for sale. It is not an offer or invitation to persons outside of those jurisdictions. We reserve the right to reject any applications from outside of such jurisdictions.

Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2020. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®" is a trade mark of the relevant LSE Group companies and is used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.