



L&G Emerging Markets Bond Fund

SICAV (UCITS compliant) Z-Class USD Acc

FUND AIM

The Fund aims to provide investors with a combination of growth and income.

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 3 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 fluctuate.

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 or growth from an investment in fixed income securities
- 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 \$99.3m | Base currency USD | Share class benchmark Composite* | |
| Launch date 24 Oct 2016 | Domicile Luxembourg | Modified duration 6.47 years | Gross redemption yield 4.48% (unhedged) |

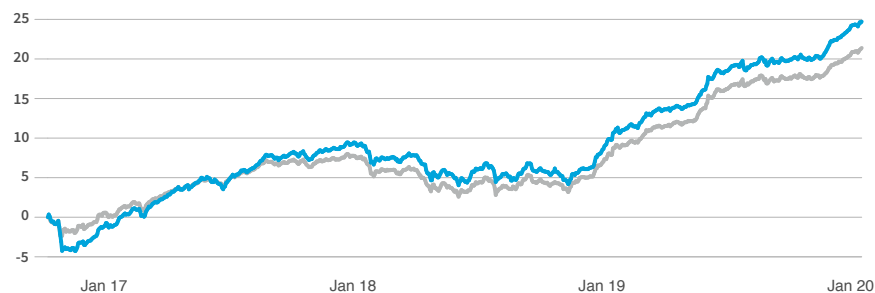
*JPMorgan 50% EMBIG Div Index/JPMorgan 50% CEMBI Div Index- USD TR

COSTS

| | |
|------------------------------------|--|
| Initial charge 0.00% | Ongoing charge 0.06% |
| Price basis Single swing | Dilution adjustment 0.594%- round trip |

The eligibility for the Z share class is restricted and may require a separate fee agreement with LGIM. Please contact us to discuss share class eligibility.

PERFORMANCE (%)



| | 1m | 3m | 1y | 3y | Launch |
|-----------|-------|-------|-------|-------|--------|
| Fund | 1.62 | 3.70 | 12.74 | 7.87 | 6.88 |
| Benchmark | 1.49 | 2.90 | 11.95 | 6.59 | 5.57 |
| Relative | +0.13 | +0.80 | +0.79 | +1.28 | +1.31 |

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

| 12 months to 31 December | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------------|-------|-------|-------|------|------|
| Fund | 15.46 | -2.67 | 11.64 | - | - |
| Benchmark | 14.30 | -2.99 | 9.07 | - | - |
| Relative | +1.16 | +0.32 | +2.57 | - | - |

All performance periods over a year will be annualised. Performance for the Z USD Acc share class in USD, launched on 24 October 2016. 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. This fund has adopted a single swinging price, this means that on any given day the single dealing price will be set at either bid, offer or somewhere in between, based on whether there was a net inflow or outflow into or out of the Fund. The past performance depicted in this factsheet is based on that dealing price and therefore may appear more volatile than it would otherwise be if we were to show the notional bid or offer performance, this is as a result of the daily swing. **Past performance is not a guide to the future.**

FUND SNAPSHOT

- Aims to generate capital growth and income by investing in emerging market government and corporate bonds
- Actively managed, widely-diversified exposure to short duration emerging market fixed income
- Aims to capture attractive themes and opportunities as they emerge in a rapidly evolving asset class

PORTFOLIO BREAKDOWN

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



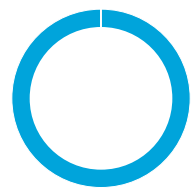
■ Top 10 issuers 17.9%
■ Rest of portfolio 82.2%
No. of issuers 169

TOP 10 ISSUERS (%)

| | |
|--|-----|
| Government of Mexico | 2.4 |
| Republic of Colombia | 2.0 |
| Emirate of Abu Dhabi | 2.0 |
| Republic of Panama | 2.0 |
| Arab Republic of Egypt | 1.8 |
| Ukraine | 1.8 |
| Grupo Aval Acc Y Valores | 1.6 |
| Sultanate of Oman | 1.5 |
| Finance Department Government of Sharj | 1.5 |
| Republic of Sri Lanka | 1.5 |

TOP SECTOR OVER/UNDERWEIGHTS (%)

| | Fund | Benchmark | Relative |
|----------------------|------|-----------|----------|
| Real Estate | 6.1 | 3.1 | 3.0 |
| Sovereign | 48.0 | 45.3 | 2.7 |
| Cash and Equivalents | 2.5 | - | 2.5 |
| Utilities | 5.7 | 5.2 | 0.6 |
| Health Care | 1.4 | 1.0 | 0.4 |
| Oil & Gas | 8.2 | 7.9 | 0.3 |
| Other | 0.3 | - | 0.3 |
| Consumer Services | 2.8 | 3.4 | -0.6 |
| Insurance | 0.0 | 0.6 | -0.6 |
| Basic Materials | 6.2 | 7.0 | -0.8 |
| Industrials | 2.6 | 3.5 | -0.9 |
| Consumer Goods | 1.0 | 2.3 | -1.3 |
| Banks | 10.9 | 13.3 | -2.4 |
| Telecommunications | 1.9 | 4.7 | -2.8 |



CURRENCY (%)

| | |
|---------|-------|
| ■ USD | 100.0 |
| ■ Other | 0.0 |

This is the currency breakdown before allowing for any hedging the fund may use. We aim to hedge the portfolio 100% back to the base currency.

CREDIT RATING (%)

| | Fund | Benchmark | Relative |
|-----------------------|------|-----------|----------|
| AAA | 0.0 | - | - |
| AA | 3.3 | 4.0 | -0.7 |
| A | 6.1 | 15.2 | -9.1 |
| BBB | 35.6 | 37.4 | -1.8 |
| BB | 21.0 | 17.2 | 3.8 |
| B | 26.9 | 20.7 | 6.2 |
| Split Rated (B & CCC) | 0.5 | 0.6 | -0.1 |
| CCC and below | 3.3 | 2.5 | 0.8 |
| NR | 0.7 | 2.3 | -1.6 |
| Cash | 2.5 | - | 2.5 |

LGIM GLOBAL FIXED INCOME

Legal and General investment Management (LGIM) is one of Europe’s largest asset managers and a major global investor, with assets under management of £1.1tn*.

Scale and experience- Our Global Fixed Income team is responsible for over £172 billion* of actively managed assets with over 80 professionals with an average of 15 years’ industry experience bringing together a blend of expertise to the management of regional and global fixed income portfolios. As part of the wider Legal & General Group, and as one of the leading global bond investors in the industry, we believe that we have a unique insight into providing suitable investment solutions that meet our clients’ wider needs.

Macro-thematic approach- Our investment process combines top-down fundamental macro analysis with bottom-up stock selection, focusing on identifying turning points and new themes that drive long-term performance. Our integrated approach has helped LGIM to successfully manage portfolios and deliver risk-adjusted performance across our range of active funds.

*Source: LGIM internal data as at 30 June 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.



UDAY PATNAIK

Uday is responsible for developing LGIM’s emerging market capabilities within the Global Fixed Income team. Uday joined LGIM in April 2014 from Gulf International Bank (UK) Ltd where he held the title of Chief Investment Officer with primary responsibility for managing the flagship EMD hedge fund and other fixed income portfolios. Uday has an MBA in finance from the University of Chicago and a BSc degree in industrial management from Carnegie Mellon University.

KEY RISKS

- The value of an investment is not guaranteed and can go down as well as up; you may not get back the amount you originally invested.
- This fund holds bonds that are traded through agents, brokers or investment banks matching buyers and sellers. This makes the bonds less easy to buy and sell than investments traded on an exchange. In exceptional circumstances the fund may not be able to sell bonds and may defer withdrawals, or suspend dealing. The Directors can only delay paying out if it is in the interests of all investors and with the permission of the fund depository.
- The fund invests directly or indirectly in bonds which are issued by companies or governments. If these companies or governments experience financial difficulty, they may be unable to pay back some or all of the interest, original investment or other payments that they owe. If this happens, the value of the fund may fall.
- This fund invests in countries where investment markets are considered to be less developed. This means that investments are generally riskier than those in developed markets because they: may not be as well regulated; may be more difficult to buy and sell; may have less reliable arrangements for the safekeeping of investments; or may be more exposed to political and taxation uncertainties. The value of the fund can go up or down more often and by larger amounts than funds that invest in developed countries, especially in the short term.
- 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 impact to the fund can be greater where derivatives are used in an extensive or complex way.
- The fund may have underlying investments that are valued in currencies that are different from the currency of this share class. 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.
- Investment returns on bonds are sensitive to trends in interest rate movements. Such changes will affect the value of your investment.

For more information, please refer to the key investor information document on our website [↗](#)

TO FIND OUT MORE

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 Call **+352 276 222 514** We may record and monitor calls. Call charges will vary.

 Email LGIM-TALUX@ntrs.com

Important: Due to exceptional market conditions, spreads are currently volatile and may be higher than indicated. To see the latest spread visit our fund centre at www.lgim.com [↗](#)

Important information

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Internal Fund Code: 5427



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 \$1,443.9 billion (as at 30 June 2019). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

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, 23:00 CET |
| Dealing frequency | Each Business Day |
| Settlement period | T+3 |
| Administrator/Custodian | Northern Trust |

CODES

| | | |
|------------------|------------|--------------|
| ISIN | Z USD Acc | LU1504033249 |
| | Z USD Dist | LU1504034999 |
| Bloomberg | Z USD Acc | LGEMBZA LX |
| | Z USD Dist | |

COUNTRY REGISTRATION

| | |
|---|---|
|  Germany |  Italy |
|  Luxembourg |  Switzerland |
|  United Kingdom | |