

Legal & General Mixed Investment 20-60% Fund

**Interim Manager's Report  
for the period ended  
31 January 2021  
(Unaudited)**





# Contents

	<b>Page Number</b>
Manager's Investment Report	2
Authorised Status	5
Directors' Statement	5
Portfolio Statement	6
Statement of Total Return	9
Statement of Change in Net Assets attributable to Unitholders	9
Balance Sheet	10
Notes to the Financial Statements	11
Fund Information	12
Risk and Reward Profile	14
General Information	15

# Manager's Investment Report

## Investment Objective and Policy

The objective of the Fund is to provide a combination of growth and income.

The Fund is actively managed and will have exposure to shares in companies, bonds (both corporate and government), money market instruments (such as treasury bills), cash, deposits and indirectly to property and alternative asset classes (such as commodities). The shares in companies and bonds may represent all economic sectors and geographical areas.

The Fund will have exposure of between 20% and 60% to shares in companies and at least 30% of the value of the Fund to bonds and money market instruments.

To obtain the exposure to shares in companies, bonds, money market instruments and cash, the Manager may invest directly and/or in collective investment schemes (both active and Index tracker) including those which are operated by the Manager or an associate of the Manager. At times the Fund may be fully invested in collective investments schemes only or direct investments only.

The Fund may only use derivatives for Efficient Portfolio Management purposes.

## Manager's Investment Report

During the period under review, the mid price of the Fund's I-Class accumulation units rose by 7.39%. The Fund over-performed its benchmark, as funds within the Investment Association Mixed Investment 20-60% Sector delivered a return of 7.22% (Source: Lipper Hindsight).

**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

Global equity indices rebounded strongly over the review period. Confidence amongst investors was restored after central banks and governments worldwide had announced a range of monetary and fiscal stimulus packages to counter the impact of the COVID-19 pandemic on the global economy. Subsequently, global economic activity picked up, led by a strong rebound in China, with the development of COVID-19 vaccines heralding a surge in global equity indices during the fourth quarter as investors anticipated an end to the pandemic in 2021.

US equities recorded a new all-time high as 2020 ended after President Trump signed a bill to release a further \$900 billion in government spending, which prompted economists to upgrade forecasts for US economic (GDP) growth in 2021. Despite the disruption at the Capitol in early January, Biden was sworn in successfully as US President. UK equities rebounded strongly in the final quarter of 2020 following successful trials for COVID-19 vaccines, which subsequently received approval from the UK healthcare regulator. The market received a further boost from the UK and EU trade agreement, secured on Christmas Eve. Emerging market equities outperformed their global peers over the six months.

Although low interest rates and an extension of quantitative easing measures from the major central banks provided some support for government bond markets, returns were disappointing over the period, particularly in comparison with equities as investors became markedly more optimistic on the global economic outlook for 2021. The impending rollout of COVID-19 vaccines triggered renewed enthusiasm for riskier

## Manager's Investment Report continued

asset classes and rotation away from core government bond markets.

### Fund Review

The Fund's I-Class accumulation units rose by 7.39% over the review period.

While US equities, global high yield bonds and emerging market equities led performance initially, the final months of 2020 were positive for almost all asset classes, boosting UK equities, UK small-cap equities and European equities in particular.

We increased our exposure to Sterling while reducing exposure to the Euro ahead of the Brexit trade agreement, which was signed on Christmas Eve; we believed the difference in economic impact of the possible outcomes of Brexit negotiations to be narrow, and that investor sentiment was excessively negative.

With a very low rates environment becoming fully-priced into Eurozone bonds, we believe we do not need to maintain as much exposure to this market. We therefore reduced our holdings in French bonds and German bonds, and instead prefer to own bonds in regions that we believe offer better potential for return. One of those regions is Australia, where we reduced our exposure in October (after relative outperformance) but have recently increased our exposure as yields rose amid a brighter global economic outlook. At the beginning of October, we reduced our exposure to US government bonds following the news of then President Trump's illness which caused a fall in yields after a flight to safety. In the build-up to the election and following the positive news on COVID-19 vaccines, developed market bond yields rose and we increased exposure moderately both to US and UK government bonds. We increased our exposure to emerging market debt in hard currency. We have seen credit spreads across the fixed income universe narrow markedly in 2020, but this is one area where spread levels are still attractive. We also increased our exposure to infrastructure stocks. We have a positive view on US utilities as, we believe, they benefit from several longer term structural tailwinds such as grid modernisation. This has led to outperformance against the S&P 500 Index over the past few years. Since March 2020, however, they have underperformed sharply which has led to our medium-term view that these stocks appear undervalued. We increased our exposure to European equities to reflect our belief that news on the development of a COVID-19 vaccine will strengthen investor confidence in a potential return to economic normality in 2021; we added to our position in European telecoms stocks in particular. We have seen conditions become more favourable for Merger & Acquisition (M&A) activity in the industry, as well as signs of improving pricing power.

## Manager's Investment Report continued

### Outlook

As a result of the Democratic victory in the Senate run-off elections in Georgia, we see an increased likelihood of a large additional fiscal stimulus in the US which will be supportive for the continuation of the bull market (where share prices tend to rise) in equities. We are beginning to see the effects of the longer than expected lockdowns across the UK and Europe and are revising down our expectations for growth in the first half of the year as a result. However, we continue to expect a strong recovery in the second half of the year and into 2022, and we expect central banks to maintain an accommodative stance until we see signs of sustained increases in inflation. We therefore expect that investors will be able to continue to look through the current economic fog, and so we maintain our positive standpoint on risk. As the market has a greater awareness of the effectiveness and potential length of lockdowns, we are positive on risk assets from a medium-term perspective, but we stay tactically neutral and will look to buy the dips going forward.

Legal & General Investment Management Limited  
(Investment Adviser)  
19 March 2021

### Important Note from the Manager

Since January 2020, global financial markets have been affected by the COVID-19 coronavirus. The impact on the Company will take longer to assess; however, the Company has enacted its business continuity plans, with a large number of staff working remotely. Our technology and IT infrastructure supports large scale remote working, with our Investment Management Teams able to work in a 'business as usual' manner. We remain in regular contact with all key suppliers and we continue to monitor this situation closely.

The virus has caused major uncertainty and disruption to businesses and everyday life. Financial markets have reacted sharply to this news, with concerns regarding the economic impact this may have on a global scale. The long-term impact on the global economy and markets will depend upon the overall scale and the duration of the outbreak, as well as on the actions taken by governments and central banks.

Legal & General (Unit Trust Managers) Limited  
19 March 2021

## Authorised Status

### Authorised Status

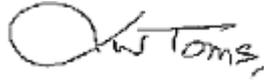
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

### 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  
31 March 2021

# Portfolio Statement

## Portfolio Statement as at 31 January 2021

All investments are in investment grade securities or collective investment schemes unless otherwise stated. The percentages in brackets show the equivalent holdings at 31 July 2020.

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
	<b>CORPORATE BONDS</b> <b>— 0.01% (0.00%)</b>		
USD223,000	Hong Kong Sukuk 2017 3.132% 28/02/2027	177,932	0.01
	<b>GOVERNMENT BONDS</b> <b>— 0.32% (1.55%)</b>		
EUR3,969,000	Croatia Government International Bond 1.5% 17/06/2031	3,798,710	0.32
	<b>FUNDS INVESTED IN SHARES</b> <b>— 47.52% (44.10%)</b>		
64,491,238	Legal & General (N) Tracker Trust 'I' Inc <sup>1</sup>	108,538,753	9.00
31,277,611	Legal & General European Index Trust 'I' Inc <sup>1</sup>	96,804,205	8.03
59,937,219	Legal & General Global Emerging Markets Index Fund 'L' Inc <sup>1</sup>	40,415,667	3.35
88,705,621	Legal & General Global Infrastructure Index Fund 'L' Inc <sup>1</sup>	53,817,701	4.46
58,704,632	Legal & General Global Real Estate Dividend Index Fund 'L' Inc <sup>1</sup>	33,984,111	2.82
75,821,772	Legal & General Japan Index Trust 'I' Inc <sup>1</sup>	44,825,832	3.72
32,326,554	Legal & General Pacific Index Trust 'I' Inc <sup>1</sup>	41,571,948	3.45
8,798,902	Legal & General UK Index Trust 'L' Inc <sup>1</sup>	12,881,593	1.07
95,800,287	Legal & General UK Mid Cap Index Fund 'L' Inc <sup>1</sup>	50,649,612	4.20
15,892,366	Legal & General US Index Trust 'I' Inc <sup>1</sup>	89,458,127	7.42
		<b>572,947,549</b>	<b>47.52</b>
	<b>FUNDS INVESTED IN INTEREST BEARING SECURITIES</b> <b>— 37.96% (40.76%)</b>		
84,868,578	Legal & General Emerging Markets Government Bond (Local Currency) Index Fund 'L' Inc <sup>1</sup>	45,116,136	3.74
102,636,926	Legal & General Emerging Markets Government Bond (US\$) Index Fund 'L' Inc <sup>1</sup>	54,407,835	4.51
62,096,256	Legal & General Global Inflation Linked Bond Index Fund 'L' Inc <sup>1</sup>	35,922,684	2.98
159,788,426	Legal & General High Income Trust 'I' Inc <sup>1</sup>	75,643,841	6.27
12,446,422	Legal & General Short Dated Sterling Corporate Bond Index Fund 'L' Inc <sup>1</sup>	6,570,466	0.55
161,814,843	Legal & General Sterling Corporate Bond Index Fund 'L' Inc <sup>1</sup>	98,545,239	8.17

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>FUNDS INVESTED IN INTEREST BEARING SECURITIES — (cont.)</b>			
97,276,769	LGIM Global Corporate Bond Fund 'B' Acc <sup>1</sup>	141,557,153	11.74
		<hr/>	<hr/>
		457,763,354	37.96
<b>FORWARD CURRENCY CONTRACTS — 0.00% (0.00%)</b>			
USD(7,400,000)	Sold US Dollars		
GBP5,405,594	for Sterling (Expires 14/04/2021) <sup>1</sup>	16,550	—
SEK(65,100,000)	Sold Swedish Krona		
GBP5,746,319	for Sterling (Expires 14/04/2021) <sup>1</sup>	48,621	—
		<hr/>	<hr/>
		65,171	—
<b>FUTURES CONTRACTS — 0.49% (0.28%)</b>			
221	Australia 10 Year Bond Future Expiry March 2021	(115,117)	(0.01)
(191)	Euro Bobl Future Expiry March 2021	(34,655)	—
201	Korea 10 Year Bond Future Expiry March 2021	(129,602)	(0.01)
132	Long Gilt Future Expiry March 2021	(6,616)	—
122	US Ultra Bond CBT Future Expiry March 2021	(400,218)	(0.03)
94	DJ Real Estate Future Expiry March 2021	48,966	—
84	E-Mini Russell 2000 Index Future Expiry March 2021	453,691	0.04
1	E-Mini S&P 500 Future Expiry March 2021	(3,289)	—
188	E-Mini Utilities Future Expiry March 2021	(18,049)	—
458	Euro STOXX 200 Index Future Expiry March 2021	282,559	0.02
(901)	Euro STOXX 50 Index Future Expiry March 2021	785,894	0.07
1,279	Euro STOXX 600 Index Future Expiry March 2021	109,318	0.01
161	FTSE 100 Index Future Expiry March 2021	(237,475)	(0.02)
87	FTSE 250 Index Future Expiry March 2021	82,737	0.01
92	MSCI Emerging Markets Index Future Expiry March 2021	251,683	0.02
32	NASDAQ 100 E-Mini Future Expiry March 2021	251,015	0.02
4	SPI 200 Index Future Expiry March 2021	(2,689)	—
18	TOPIX Future Expiry March 2021	57,549	—
(100)	AUD/USD Currency Future Expiry March 2021	(112,706)	(0.01)
(96)	CHF/USD Currency Future Expiry March 2021	32,347	—
(365)	EUR/GBP Currency Future Expiry March 2021	1,092,139	0.09
(153)	EUR/USD Currency Future Expiry March 2021	(9,614)	—

## Portfolio Statement continued

Holding/ Nominal Value	Investment	Market Value £	% of Net Assets
<b>FUTURES CONTRACTS — (cont.)</b>			
2,103	GBP/USD Currency Future Expiry March 2021	3,555,770	0.29
283	INR/USD Currency Future Expiry February 2021	9,134	—
68	JPY/USD Currency Future Expiry March 2021	(19,011)	—
270	RUB/USD Currency Future Expiry March 2021	(154,676)	(0.01)
799	USD/KRW Currency Future Expiry February 2021	102,517	0.01
		5,871,602	0.49
<b>Portfolio of investments<sup>2</sup></b>		1,040,624,318	86.30
<b>Net other assets<sup>3</sup></b>		165,206,845	13.70
<b>Total net assets</b>		£1,205,831,163	100.00%

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

<sup>2</sup> Including investment liabilities.

<sup>3</sup> Includes shares in the LGIM Sterling Liquidity Plus Fund Class 1 to the value of £107,033,275 which is shown as cash equivalents in the balance sheet of the Fund.

Total purchases for the period: £15,516,118.

Total sales for the period: £26,084,636.

## Financial Statements

### Statement of Total Return for the period ended 31 January 2021

	31/01/21		31/01/20	
	£	£	£	£
<b>Income</b>				
Net capital gains		74,031,161		4,879,902
Revenue	15,833,443		21,054,455	
Expenses	(1,638,021)		(1,715,291)	
Interest payable and similar charges	(22,940)		(5,471)	
<b>Net revenue before taxation</b>	<u>14,172,482</u>		<u>19,333,693</u>	
Taxation	(1,530,867)		(1,969,421)	
<b>Net revenue after taxation for the period</b>		<u>12,641,615</u>		<u>17,364,272</u>
Total return before distributions		86,672,776		22,244,174
Distributions		(12,641,615)		(17,364,272)
<b>Change in net assets attributable to Unitholders from investment activities</b>		<u><b>£74,031,161</b></u>		<u><b>£4,879,902</b></u>

### Statement of Change in Net Assets attributable to Unitholders for the period ended 31 January 2021

	31/01/21		31/01/20	
	£	£	£	£
Opening net assets attributable to Unitholders		1,137,438,471		1,217,969,589
Amounts received on issue of units	5,631,327		159,718,260	
Amounts paid on cancellation of units	(23,785,956)		(187,686,367)	
		(18,154,629)		(27,968,107)
<b>Change in net assets attributable to Unitholders from investment activities</b>		74,031,161		4,879,902
Retained distributions on accumulation units		<u>12,516,160</u>		<u>17,149,500</u>
<b>Closing net assets attributable to Unitholders</b>		<u><b>£1,205,831,163</b></u>		<u><b>£1,212,030,884</b></u>

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 31 January 2021

	31/01/21 £	31/07/20 £
<b>ASSETS</b>		
<b>Fixed assets:</b>		
Investments	1,041,868,035	989,964,456
<b>Current assets:</b>		
Debtors	2,410,904	5,921,104
Cash and bank balances	57,911,308	29,464,070
Cash equivalents	107,033,275	127,391,572
<b>Total assets</b>	<b><u>1,209,223,522</u></b>	<b><u>1,152,741,202</u></b>
<b>LIABILITIES</b>		
Investment liabilities	(1,243,717)	(3,974,315)
<b>Creditors:</b>		
Bank overdrafts	(182,831)	(20,253)
Distributions payable	(20,866)	(16,708)
Other creditors	(1,944,945)	(11,291,455)
<b>Total liabilities</b>	<b><u>(3,392,359)</u></b>	<b><u>(15,302,731)</u></b>
<b>Net assets attributable to Unitholders</b>	<b><u>£1,205,831,163</u></b>	<b><u>£1,137,438,471</u></b>

# 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 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. In making this assessment, and in response to COVID-19, the Manager has considered, amongst other things, factors such as Fund size, cash flows through the Fund and Fund liquidity.

## Fund Information

### Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
F-Class			
Accumulation Units	131,872	201,613	65.41
I-Class			
Distribution Units	1,590,575	2,613,805	60.85
Accumulation Units	23,173,049	33,463,808	69.25
C-Class			
Accumulation Units	1,013,094,233	1,449,810,295	69.88
D-Class			
Distribution Units	667,800	1,097,069	60.87
Accumulation Units	11,098,439	16,519,684	67.18
L-Class			
Accumulation Units	156,075,195	285,940,051	54.58

**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

	31 Jan 21	31 Jul 20
F-Class	0.55%	0.55%
I-Class	0.46%	0.46%
C-Class	0.31%	0.31%
D-Class	0.95%	0.95%
L-Class	0.06%	0.06%

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) and all costs suffered through holdings in underlying Collective Investment Schemes, 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 31 March 2021 is 0.6131p per unit for accumulation units.

#### I-Class

The distribution payable on 31 March 2021 is 0.5970p per unit for distribution units and 0.6734p per unit for accumulation units.

#### C-Class

The distribution payable on 31 March 2021 is 0.7202p per unit for accumulation units.

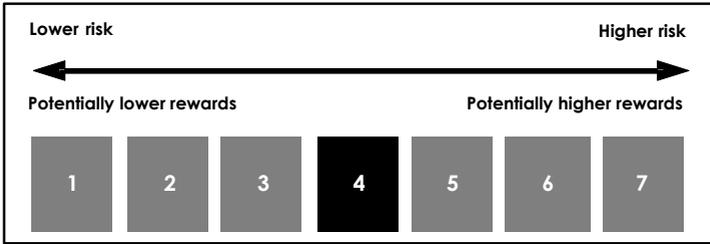
#### D-Class

The distribution payable on 31 March 2021 is 0.4794p per unit for distribution units and 0.5251p per unit for accumulation units.

#### L-Class

The distribution payable on 31 March 2021 is 0.6155p 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 four because the mix of different asset types in which the Fund invests has a balancing effect on the rate at which the Fund share price moves up and down. This type of fund is generally considered to be higher risk than one investing only in bonds and lower risk than one investing only in company shares.
- Even a fund in the lowest category is not a risk free investment.

## General Information

### Constitution

Launch date:	30 June 2014
Period end dates for distributions:	31 January, 31 July
Distribution dates:	31 March, 30 September
Minimum initial lump sum investment:	I-Class £1,000,000 C-Class* £100,000,000 D-Class £100 L-Class** £100,000
Valuation point:	3pm
Fund management fees:	F-Class*** Annual 0.54% I-Class Annual 0.45% C-Class* Annual 0.30% D-Class Annual 0.94% L-Class** Annual 0.05%
Initial charges:	Nil for all existing unit classes

\* 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.

\*\*\* Class F units are closed to new subscriptions.

### Pricing and Dealing

The prices are published on the internet at [www.legalandgeneral.com/investments/funds/prices-and-reports/daily-fund-prices](http://www.legalandgeneral.com/investments/funds/prices-and-reports/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](http://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.

### 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.

## General Information continued

### 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.

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

### Significant Change

#### Changes to Pricing methodology

We have recently reviewed the way we calculate prices for your funds. Following the review, we have decided to adopt a standardised way of pricing funds across most of our Unit Trust fund range.

Previously we used four different methods for calculating fund prices. With effect from 1 December 2020, we have adopted a 'single swing pricing' method.

The move to a standardised pricing method will:

1. Make our pricing simpler;
2. Make it easier for you to compare prices across our funds; and
3. Make it easier for you to compare our funds to funds offered by our competitors.

This new pricing method means that on each day all our customers receive the same price regardless of whether they are buying or selling their investments.

If you'd like to know more about this change and what it means for you, then you can visit our website at [legalandgeneral.com/swing-pricing](https://legalandgeneral.com/swing-pricing). If you have any questions about the change or require further information, please contact us Monday to Friday between 9.00am and 5:00pm on 0370 050 0955 or email us at [investments@landg.com](mailto:investments@landg.com).

## 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

A. Clare\*  
E. Cowhey\*  
A. J. C. Craven  
S. Hynes  
H. Solomon  
L. W. Toms  
A. R. Toutouchi\*

\*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 Auditor

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  
Registered office:  
One Coleman Street,  
London EC2R 5AA  
[www.legalandgeneral.com](http://www.legalandgeneral.com)

