

# L&G Global High Yield Bond Fund

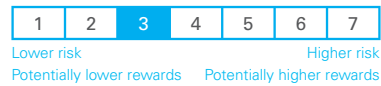
SICAV (UCITS compliant) I-Class USD Dist



## 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

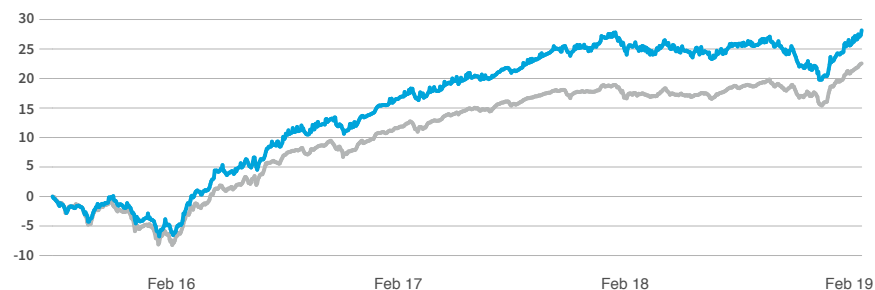
## FUND FACTS

Fund size <b>€863.5m</b>	Base currency <b>USD</b>	Share class benchmark <b>ICE BofAML BB-B Glb HY exFN Constr TR USDH</b>	
Launch date <b>11 May 2015</b>	Domicile <b>Luxembourg</b>	Modified duration <b>4.17 years</b>	Gross redemption yield <b>6.37% (unhedged)</b>

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.56%</b>
Price basis <b>Single- full swing</b>	Dilution adjustment <b>1.16%- round trip</b>

## PERFORMANCE (%)



	1m	3m	1y	3y	Launch
■ Fund	1.90	4.70	1.62	10.14	7.19
■ Benchmark	1.68	4.49	4.27	8.92	5.85
Relative	+0.22	+0.21	-2.65	+1.22	+1.34

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

12 months to 31 December	2018	2017	2016	2015	2014
Fund	-4.27	10.33	18.41	-	-
Benchmark	-1.74	7.55	15.23	-	-
Relative	-2.53	+2.78	+3.18	-	-

All performance periods over a year will be annualised. Performance for the I USD Dist share class in USD, launched on 03 August 2015. 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 future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down.**

## FUND SNAPSHOT

- Aims to produce high income and capital growth over the long term
- Searches the globe for leading credit opportunities
- Has a novel, macro-thematic approach, supported by focused credit research and a keen awareness of behavioural finance

## PORTFOLIO BREAKDOWN

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



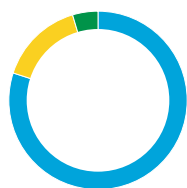
■ Top 10 issuers 15.1%  
■ Rest of portfolio 84.9%  
No. of issuers 304

### TOP 10 ISSUERS (%)

Petroleo Brasileiro SA	3.2
Teva Pharm Finance Llc	2.3
General Electric Co	1.4
Scientific Games Corp	1.4
Netflix Inc	1.2
Corral Finans AB	1.2
Softbank Corporation	1.2
First Quantum Minerals	1.1
Sprint Communications Inc	1.1
Uber Technologies Inc	1.1

### TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Benchmark	Relative	
Retailers	7.5	3.9	3.7	■
Gaming	5.8	2.5	3.3	■
Manufacturing	4.0	1.5	2.5	■
Metals / Mining	5.8	4.1	1.7	■
Food / Drink	4.1	2.6	1.5	■
Technology	4.9	3.7	1.2	■
Other	43.0	42.2	0.8	■
Leisure / Lodging	1.8	2.6	-0.9	■
Paper / Forest / Pack	1.9	3.3	-1.4	■
Homebuilders / materi	6.8	8.4	-1.6	■
Cable / Satellite TV	2.6	5.9	-3.3	■
Services	1.4	4.9	-3.5	■
Telecommunications	6.3	9.8	-3.6	■
Cash	4.2	-	-	



### CURRENCY (%)

■ USD	80.0
■ EUR	15.4
■ GBP	4.6

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	
BBB	3.6	-	3.6	■
BB	37.2	58.5	-21.3	■
B	48.9	41.5	7.4	■
CCC	0.1	-	0.1	
NR	2.3	-	2.3	■
Cash	4.2	-	4.2	■
Split rated	3.8	-	3.8	■

## FUND MANAGER COMMENTARY

The high yield market continued to move higher in February and the fund outperformed the benchmark. During the month our outlook began to change as global macro conditions improved. Having had the Federal Reserve already signal more dovishness, we began to see signs of bottoming economic activity in China and Europe.

Consequently we altered our stance mid-month and started to reduce our overweight position in US high yield, while purchasing single B risk in Europe. We continue to hold a small overweight position in emerging market high yield, where yields are attractive in our view as the growth outlook improves and rate rises remain on hold. Overall the fund remains positioned with a higher yield than the benchmark.



### MARTIN REEVES

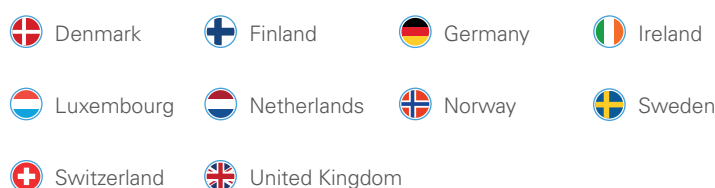
Martin Reeves is Head of Global High Yield. Prior to joining LGIM in 2011, Martin ran Credit Research at AllianceBernstein where he had worked since 1998. Prior to Alliance Bernstein Martin was Head of US High Yield Research at UBK Asset Management and a Chartered Accountant with Ernst & Young. Martin holds an MA in Economics from Cambridge University, St Catharine's College.

## KEY RISKS

- 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 depositary.
- 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.
- 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 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 [↗](#)

## COUNTRY REGISTRATION



## Important information

Issued by LGIM Managers (Europe) Limited as management company for this fund. Registered in Ireland No. 609677. Registered Office: 33/34 Sir John Rogerson's Quay, Dublin, 2, Ireland. Authorised and Regulated by the Central Bank of Ireland No. C173733. Legal & General Investment Management Limited has been appointed as the discretionary investment manager for this fund, it is authorised and regulated by the Financial Conduct Authority No. 119272. All features described in this factsheet are those current at the time of publication and may be changed in the future. Nothing in this factsheet should be construed as advice and it is therefore not a recommendation to buy or sell securities. 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.lgim.com](http://www.lgim.com). This factsheet 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.

The state of the origin of the fund is Luxembourg. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. The prospectus, the Key Investor Information Documents, the articles of incorporation as well as the annual and semi-annual reports may be obtained free of charge from the representative. In respect of the shares distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares.

Source ICE BofAML, used with permission. ICE BofAML is licensing the ICE BofAML indices "as is," makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the ICE BofAML indices or any data included in, related to, or derived therefrom, assumes no liability in connection with their use, and does not sponsor, endorse, or recommend Legal & General Investment Management or its affiliates, or any of its products or services.

**Internal Fund Code: 5422**



## 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 €1,113.61 billion (as at 30 June 2018). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

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

## DEALING INFORMATION

Valuation frequency	Daily, 16:00 CET
Dealing frequency	Each Business Day
Settlement period	T+3
Administrator/Custodian	Northern Trust

## CODES

<b>ISIN</b>	I USD Acc	LU1003759070
	I USD Dist	LU1003759153
<b>Bloomberg</b>	I USD Acc	LGGHYIA LX
	I USD Dist	LGGHYIU LX

## TO FIND OUT MORE

Legal & General SICAV C/O Northern Trust  
Luxembourg Management Company S.A.  
6 rue Lou Hemmer L1748  
Senningerberg Grand-Duché de Luxembourg

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

 Call **+352 276 222 514**

 Email [LGIM-TALUX@ntrs.com](mailto:LGIM-TALUX@ntrs.com)

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