



Legal & General European Trust

Unit Trust (UCITS compliant) I-Class GBP

FUND AIM

The objective of this fund is to provide growth. The fund will typically invest between 90% and 100% in company shares. The fund will invest in a broad range of company shares from all economic sectors. The company shares that the fund invests in will be exclusively from Europe (excluding the UK). These shares will be issued by leading industrial and commercial companies as well as newly emerging companies.

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.

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 growth from an investment in European company shares (excluding UK companies).
- 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

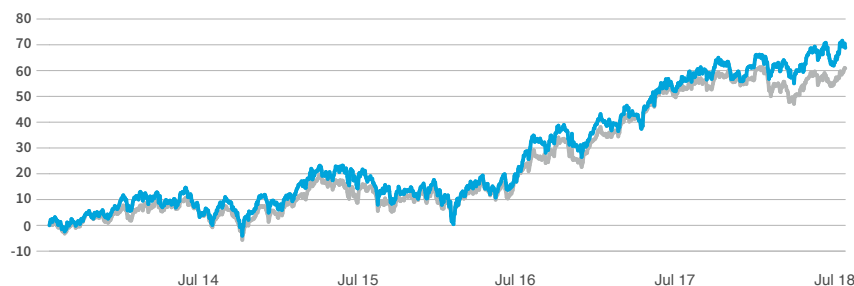
Fund size £164.7m	Base currency GBP	IA Sector IA Europe ex UK
Launch date 9 Sep 1985	Domicile UK	Historical yield 0.90%

COSTS

Initial charge 0.00%	Ongoing charge 0.81%
Price basis Dual	Bid / Offer spread 0.27%

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	3.32	3.66	8.15	43.41	68.67
■ IA Sector	3.67	3.45	5.15	41.04	60.82
Quartile ranking	3	3	1	2	2

12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 30 June	2018	2017	2016	2015	2014
Fund	7.18	29.93	-0.13	9.42	17.19
IA Sector	3.14	29.27	4.68	4.14	13.98
Quartile ranking	1	2	4	1	2

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 future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down.

FUND SNAPSHOT











- Focuses on investing in shares listed throughout Europe, excluding the UK, with the aim of providing long-term capital growth
- Europe is a diverse range of countries, economies and currencies with a wealth of investment opportunities
- We aim to focus on identifying companies where returns are sustainably high or where improvements are anticipated

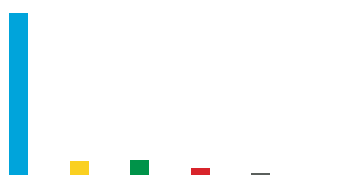


PORTFOLIO BREAKDOWN

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

COUNTRY (%)

 Germany	33.6
 Italy	11.6
 France	10.9
 Netherlands	9.4
 Switzerland	9.1
 Denmark	7.2
 Sweden	4.8
 Spain	4.8
 Belgium	3.6
 Other	5.1



MARKET CAPITALISATION (%)

Large	81.5
Mid	6.9
Small	7.2
Micro	3.4
Cash and Equivalents	1.0













■ Top 10 holdings 35.5%
■ Rest of portfolio 64.5%
No. of holdings 38











TOP 10 HOLDINGS (%)

ASML HOLDING	4.2
SAP	4.2
INFINEON TECHNOLOGIES AG	3.7
DAIMLER AG	3.7
UMICORE	3.6
FERRARI NV	3.5
UBS GROUP AG	3.5
AMADEUS IT GROUP SA	3.1
AMS AG	3.1
UBISOFT ENTERTAINMENT	3.0

TOP SECTOR OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Technology	23.0	17.0	
Unclassified	9.3	9.3	
Consumer Goods	21.5	2.5	
Basic Materials	8.9	0.8	
Oil & Gas	5.5	0.5	
Telecommunications	2.5	-0.7	
Industrials	13.4	-3.4	
Utilities	0.0	-4.1	
Health Care	2.7	-9.1	
Financials	8.6	-12.7	

TOP 5 STOCK OVER/UNDERWEIGHTS (%)

	Fund	Relative	
Umicore	3.6	3.4	
Infineon Technologies	3.7	3.3	
Ferrari	3.5	3.2	
AMS AG	3.1	3.0	
KTM Industries AG	3.0	3.0	
Siemens AG	0.0	-1.6	
Total	0.0	-2.4	
Roche Hldgs (Genus)	0.0	-2.5	
Novartis	0.0	-2.7	
Nestle	0.0	-3.7	

FUND MANAGER COMMENTARY

European equity markets performed well in July, despite the overhang of protectionism that still lingers over the global economy and its threat to global exporting sectors. Broadly, the current corporate earnings season has been strong, which has managed to offset some of the weaker recent activity readings across the Eurozone. Purchasing Managers' Index data was mixed, with the manufacturing sector appearing more resilient than services. On policy, there was no change to European Central Bank policy or forward guidance.

Cutting through the noise, it's worth remembering that policies are still very accommodative by historical standards. We have a global economy that remains in expansion mode and are seeing an improvement in business surveys and healthy earnings growth projections.

In respect of market movers, we saw a degree of sector rotation in the period. Healthcare and financials led the way, while oil and gas stocks also performed well. Technology and consumer services were laggards, although all sectors saw positive returns. At the size level, mid-caps struggled to keep up with large and mega caps.

For the fund, our absolute return of 3.4% underperformed the index by 170bps. This was driven by sector positioning, where our underweight in healthcare and overweight in technology detracted value. At the country level, our exposure to Germany and Italy underperformed the wider market. Stock selection in autos exposure continues to disappoint.



GAVIN LAUNDER

Gavin joined LGIM in 2007 and is a Fund Manager within the High Alpha team for Europe ex-UK portfolios. He joined LGIM from BlueBay Asset Management where he was a Global Equities Analyst. Gavin spent the majority of his buy-side career as a Portfolio Manager with UBS O'Connor. Prior to this, he was a top-rated, sell-side analyst covering the Autos, Capital Goods and Conglomerates sectors at investment banks including SG Warburg (now part of UBS) and Goldman Sachs. Gavin holds a degree in Philosophy and Economics from University College, London.



KEY RISKS

- The return from this fund is dependent on relatively few individual investments. This means that a fall in the value of an individual investment can have a major impact on the overall performance of the fund.
- 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). Any such investments will be impacted by exchange rate fluctuations and this may affect the value of your investment and any income from it. Currency hedging techniques may be applied to reduce the impact of exchange rate fluctuations but may not entirely eliminate it.

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
Final	31 Jul 17	28 Sep 17	4.54p
Final	28 Jul 16	28 Sep 16	1.47p
Final	28 Jul 15	28 Sep 15	1.56p
Final	28 Jul 14	28 Sep 14	4.89p



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 £983.3 billion (as at 31 December 2017). 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, 12pm (UK time)
Dealing frequency	Daily
Settlement period	T+4

CODES

ISIN	I Acc	GB00B7J5FY33
	I Inc	GB00B78RV756
SEDOL	I Acc	B7J5FY3
	I Inc	B78RV75
Bloomberg	I Acc	LGEUTIA LN
	I Inc	LGEUTII LN

TO FIND OUT MORE

 Visit www.legalandgeneral.com

 Call **0370 050 0955**

 Email 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

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