

Allianz International Investment Funds

Interim Report & Financial Statements (unaudited)

31 October 2018

Allianz Global Investors

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* Collectively, these comprise the ACD's Report.

Company Information

Status of the Allianz International Investment Funds

Allianz International Investment Funds (the “Company”) is an Open-Ended Investment Company with Variable Capital under Regulation 12 of the Open-Ended Investment Companies Regulations 2001. It was incorporated in England and Wales under registered number IC 120 and authorised and regulated by the Financial Conduct Authority on 20 August 2001. The Company has been certified by the Financial Conduct Authority as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on Undertakings for Collective Investment in Transferable Securities. The Company has an unlimited duration.

The Company is an umbrella company comprising various sub-funds, each of which is operated as a distinct fund, with its own portfolio of investments. Each sub-fund is a UCITS scheme which complies with COLL 5 of the Financial Conduct Authority’s Collective Investment Scheme Sourcebook (“COLL”).

On 21 December 2011, the Open Ended Investment Companies Regulations 2011 (as amended) (“the Regulations”) were amended to introduce a Protected Cell Regime for OEICs. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-funds and shall not be available for such purpose.

The sub-funds of the Allianz International Investment Funds are:

Sub-fund	Launch date
Allianz Best Styles Global AC Equity Fund	14 December 2015
Allianz Emerging Markets Equity Fund	25 March 2004
Allianz Fixed Income Macro Fund	18 July 2018
Allianz Global AC Equity Insights Fund	14 August 2017
Allianz RiskMaster Conservative Multi Asset Fund	15 May 2012
Allianz RiskMaster Growth Multi Asset Fund	15 May 2012
Allianz RiskMaster Moderate Multi Asset Fund	15 May 2012
Allianz Total Return Asian Equity Fund	20 June 2002
Allianz US Equity Fund	20 June 2002

Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required in all reports & accounts published after 13 January 2017. The Allianz International Investment Funds were not invested in any securities financing transactions pursuant to Regulation (EU) 2015/2365 during the reporting period, therefore the following report & financial statements contains no information on this type of transaction.

Company Information continued

Authorised Corporate Director ("ACD")
Allianz Global Investors GmbH, UK Branch

199 Bishopsgate
London EC2M 3TY

Authorised by the Bundesanstalt für
Finanzdienstleistungsaufsicht (BaFin) and subject to limited
regulation by the Financial Conduct Authority

A member of The Investment Association

Independent Auditors
PricewaterhouseCoopers LLP

144 Morrison St
Edinburgh EH3 8EB

Registrar of Shareholders
DST Financial Services Europe Limited

DST House
St. Nicholas Lane
Basildon
Essex SS15 5FS

Authorised and regulated by the Financial Conduct Authority

Depository
State Street Trustees Limited

20 Churchill Place
London E14 5HJ

Authorised and regulated by the Financial Conduct Authority.

Investment Advisers

**Allianz RiskMaster Multi Asset Funds &
Allianz Best Styles Global AC Equity Fund
Allianz Global Investors GmbH, UK Branch**

199 Bishopsgate, London EC2M 3TY

Authorised by the BaFin and subject to limited regulation by
the Financial Conduct Authority

A member of The Investment Association

**Allianz US Equity Fund & Allianz Emerging Markets Equity
Fund**

Allianz Global Investors US LLC

1633 Broadway, 43rd Floor, New York, NY 10019, USA

Regulated by the Securities and Exchange Commission in the
USA

Allianz Total Return Asian Equity Fund

Allianz Global Investors Asia Pacific Limited

27th Floor, ICBC Tower, 3 Garden Road, Central,
Hong Kong, Republic of China

Authorised and regulated by the Hong Kong Securities and
Futures Commission

General Information

Investing in Open-Ended Investment Companies ("OEICs")

An OEIC is a collective investment vehicle that allows investors to pool their money to obtain a spread of investments and thus reduce their risk in the financial markets of the world without incurring the costs associated with investing individually. It allows investors access to the expertise of professional investment managers (the ACD, the Investment Advisers and other companies within the Allianz group may from time to time, act as investment managers), who manage the underlying investments of the sub-funds on a day to day basis.

Investors are allocated shares in proportion to the size of their investment. The price of these shares is calculated by reference to the value of the underlying investments held by the sub-fund, and can fluctuate according to the movements within the portfolio of investments.

Sub-funds have one price per share class which applies regardless of whether investors are buying or selling the shares. The charges for investing are shown separately on the contract note, which makes it easier to see the exact cost of your investment.

Shareholders of the company are not liable for the debts of the company.

As at 31 October 2018 none of the sub-funds invested in shares of another sub-fund within the Allianz International Investment Funds range.

Dilution levy

The ACD is allowed (under Financial Conduct Authority regulations) to make a dilution levy provision as part of an entry or exit fee but does not expect to charge this levy frequently.

The policy is to charge a dilution levy on large deals and in accordance with the Prospectus and the Financial Conduct Authority regulations, to pay this levy into the individual sub-funds. The ACD will charge a dilution levy where a sub-fund is experiencing large levels of net purchases relevant to its size, large levels of net redemptions relevant to its size or on any large deals. Historically, the ACD has not charged a dilution levy frequently.

Financial Risk Management

The sub-funds are exposed to financial risk through their financial assets and financial liabilities.

The main risks arising from these are market price risk, liquidity risk, foreign currency risk, credit risk, interest rate risk, derivatives risk and counterparty risk. The risk profile and the policies adopted to manage risk did not change materially during the current and preceding period.

The narrative below explains the different types of risks the sub-funds may face.

This information is given so that investors can decide for themselves whether their investment is high or low risk. It also allows them to assess what kind of impact the use of financial instruments (investments, cash/overdraft and borrowings) will have on the performance of the sub-fund.

The sub-funds financial instruments, excluding short-term debtors and creditors, comprise investments and bank balances. The purpose for holding the financial instruments is to meet the individual investment objective. Short-term debtors and creditors are not considered to be financial instruments.

Market price risk

Market price risk arises mainly from the uncertainty about future prices of financial instruments held. It represents the potential loss the sub-funds might suffer through holding market positions in the face of price movements.

A dedicated fund manager has the responsibility for monitoring the existing portfolio selection in accordance with the sub-fund's investment objective and seeks to ensure that individual stocks meet an acceptable risk reward profile.

Liquidity risk

Liquidity risk relates to the capacity to meet liabilities.

The assets of each sub-fund mainly comprise of realisable securities, which can be sold to meet funding requirements if necessary. Short-term flexibility can be achieved through the use of overdraft facilities where necessary.

Foreign currency risk

Foreign currency risk is the risk of movement in the value of overseas financial instruments as a result of fluctuations in exchange rates.

All or part of a sub-fund's investments may be denominated in currencies other than sterling, therefore both the value of the investments and the revenue from them can be affected by currency movements.

Credit risk

Credit risk is the risk of default by a counterparty in discharging its obligations under transactions that could result in a subfund suffering a loss.

Outstanding settlements are subject to credit risk. Credit risk is mitigated by a sub-fund through its decision to transact with counterparties of high credit quality. The sub-fund only buys and sells investments through brokers which are approved counterparties, thus minimising the risk of default during settlement.

The Allianz RiskMaster Multi Asset Fund range invest significantly, both in fixed interest securities and in funds which hold fixed interest securities. The remaining sub-funds, which predominantly hold equities, have minimal exposure to credit risk.

Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Allianz RiskMaster Multi Asset Fund range invest significantly, both in fixed interest securities and in funds which hold fixed interest securities, the value of which are directly affected by changes in prevailing market interest rates. These sub-funds therefore have significant exposure to interest rate risk.

The remaining sub-funds invest predominantly in equities, the values of which are not directly affected by changes in prevailing market interest rates. Therefore these sub-funds have minimal exposure to interest rate risk.

Financial Risk Management continued

Emerging market risk

Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered. Restrictive dealing, custody and settlement practices may be prevalent. A counterparty may not pay or deliver on time or as expected. As a result, settlement may be delayed and the cash or securities could be disadvantaged. Securities of many companies in emerging markets are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets.

The Allianz Best Styles Global AC Equity Fund, the Allianz Emerging Markets Equity Fund and the Allianz RiskMaster Multi Asset Fund range all have considerable exposure to emerging markets.

Industry risk

If a sub-fund focuses its investments on certain industries, this reduces risk diversification. Consequently, the sub-fund is particularly dependent both on the general development and the development of corporate profits of individual industries, or industries that influence each other.

The Allianz Total Return Asian Equity Fund has a concentrated investment portfolio and therefore has significant exposure to industry risk.

Derivative risk

As part of the investment strategy the Allianz RiskMaster Multi Asset Fund range and the Allianz Best Styles Global AC Equity Fund may utilise investment techniques involving the use of financial instruments known as derivatives which further enhances the diversification of the sub-funds. These allow an investment manager to invest artificially in financial securities, such as shares or bonds, or other investments, without owning the physical assets. The use of derivatives can involve a greater element of risk. A positive or negative movement in the value of the underlying asset can have a larger effect on the value of derivatives as these are more sensitive to changes.

If a sub-fund uses derivatives for investment purposes the level of investment can increase above the level of investment of a sub-fund that is fully invested in securities. As a result a sub-fund's risk profile offers potentially greater market risk than that of a sub-fund with a similar profile that does not invest in derivatives. Although it is intended that the use of derivatives for investment purposes will, over the long term, reduce the risk profile of such a sub-fund, it may introduce counterparty risk that otherwise would not be present. Investment in derivatives may therefore, to some extent, alter the risk profile of such a sub-fund.

The underlying exposure in respect to forward currency contracts is shown in the portfolio statements of the relevant sub-funds.

Exchange traded funds ("ETFs") risk

Constant attention is given to seeking the most competitively priced solutions to gain market exposure. For this reason, the team manages its exposure to the various asset classes for instance through investment in exchange traded funds (ETFs). These are index replicating funds that reflect the performance of an asset class and have a lower fee structure than other mutual funds.

The risk and cost of investing directly in indices can be reduced by gaining indirect exposure through investing in ETFs. A sub-fund may be exposed to market fluctuations in the relevant indices (upward or downward) and counterparty risk where over the counter derivatives are utilised by the ETF.

The Allianz RiskMaster Multi Asset Fund range all have considerable exposure to ETFs.

Counterparty risk

A sub-fund conducts transactions through or with brokers, clearing houses, market counterparties and other agents. A sub-fund will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A sub-fund may invest into instruments such as notes, swaps or warrants the performance of which is linked to a market or investment to which the sub-fund seeks to be exposed. Such

Financial Risk Management continued

instruments are issued by a range of counterparties and through its investment the sub-fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The sub-funds will only enter into OTC derivatives transactions and efficient portfolio management techniques with reputable institutions which are subject to prudential supervision and specialising in these types of transactions. In principle, the counterparty risk for such transactions and techniques should not exceed 10% of the relevant sub-fund's net assets when the counterparty is an approved bank or 5% of its net assets in other cases.

However, if a counterparty defaults, the actual losses may exceed these limits. If a counterparty were to default on its obligations this may have an adverse impact on the performance of the relevant sub-fund causing loss to investors.

For the Allianz RiskMaster Multi Asset Fund range the counterparty for the open forward exchange contracts is JP Morgan and Morgan Stanley for futures contracts.

For the Allianz Best Styles Global AC Equity Fund, the counterparty is Morgan Stanley for future contracts.

Financial Risk Management continued

Risk and Reward Profile

Sub-fund	Typically lower rewards Typically lower risk					Typically higher rewards Typically higher risk	
	1	2	3	4	5	6	7
Allianz Best Styles Global AC Equity Fund					5		
Allianz Emerging Markets Equity Fund						6	
Allianz Fixed Income Macro Fund			3				
Allianz Global AC Equity Insights Fund					5		
Allianz RiskMaster Conservative Multi Asset Fund				4			
Allianz RiskMaster Growth Multi Asset Fund					5		
Allianz RiskMaster Moderate Multi Asset Fund				4			
Allianz Total Return Asian Equity Fund						6	
Allianz US Equity Fund					5		

Please note, the category stated above is the same for each class of share within the relevant sub-fund.

This risk and reward indicator is based on past performance data and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile of the sub-fund. The categorisation of the sub-fund is not guaranteed and may change in the future. Even the lowest category 1 does not mean a risk-free investment.

Why is the sub-fund in this category?

Sub-funds of category 3 have shown in the past a low to medium volatility. The volatility describes how much the value of the sub-fund went up and down in the past. The shares of a sub-fund of category 3 might be subject to low to medium price fluctuations based on historical volatilities observed.

Sub-funds of category 4 have shown medium volatility in the past. The volatility describes how much the value of the subfund went up and down in the past. The shares of a sub-fund of category 4 might be subject to medium price fluctuations based on the historical volatilities observed.

Sub-funds of category 5 have shown medium to high volatility in the past. The volatility describes how much the value of the sub-fund went up and down in the past. The shares of a sub-fund of category 5 might be subject to medium to high price fluctuations based on the historical volatilities observed.

Sub-funds of category 6 have shown high volatility in the past. The volatility describes how much the value of the sub-fund went up and down in the past. The shares of a sub-fund of category 6 might be subject to high price fluctuations based on the historical volatilities observed.

Statement of the Authorised Corporate Director's Responsibilities

The financial statements are prepared in accordance with UK generally accepted accounting principles and applicable accounting standards. The ACD is responsible for keeping such accounting records as are necessary to enable it to ensure that the financial statements comply with the Financial Conduct Authority ("FCA") regulations and The Statement of Recommended Practice 'Financial Statements of UK Authorised Funds 2014' ("IMA SORP").

The requirements of the Collective Investment Schemes sourcebook ("COLL") and the Open-Ended Investment Companies Regulations 2001, require the ACD to prepare an annual report for each annual accounting period and a half-yearly report for each half-yearly accounting period of the Company.

The annual long report for the Company is required to contain:

- (i) For each sub-fund:
 - the full Financial Statements for the annual accounting period which must be prepared in accordance with the requirements of the IMA SORP;
 - the report of the ACD in accordance with the COLL requirements; and
 - the comparative table in accordance with the COLL requirements;
- (ii) the report of the Depositary in accordance with the COLL requirements;
- (iii) the report of the Auditors in accordance with the COLL requirements.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the

company will continue in operation for the foreseeable future.

The ACD is required to ensure that the Financial Statements in the annual long report give a true and fair view of the net revenue (expense) and the net capital gains (losses) on the property of the Company for the annual accounting period in question and the financial position of the Company as at the end of that year.

The half-yearly long report for the Company is required to contain:

- (i) For each sub-fund:
 - the full Financial Statements for the half-yearly accounting period which must be prepared in accordance with the requirements of the IMA SORP; and
 - the report of the ACD in accordance with the COLL requirements.

The Investment Objective and Policy for each sub-fund are set out within the individual Financial Statements for that sub-fund.

Accounting Policies

Basis for preparation

With the exception of the Allianz Brazil Fund, the financial statements of all other sub-funds have been prepared on a going concern basis in accordance with FRS 102 and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by The Investment Association in May 2014 ("IMA SORP").

All accounting and distribution policies are consistent with the most recent annual financial statements, 30 April 2018.

Fund Information

Investment Objective and Policy

The Allianz Best Styles Global AC Equity Fund aims to achieve long-term capital growth through investment in global equity markets.

The ACD will invest at least 70% of Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets, participation certificates and warrants may also be acquired. Their value together with the value of the assets defined in the first sentence must be at least 85 % of Fund assets.

The ACD may also utilise deposits in the management of the portfolio. The Fund may also invest up to a maximum of 10% in collective investment schemes. Money market instruments may be acquired and their value, together with money market funds, may make up to a maximum of 15% of the Fund's assets.

Subject to any constraints imposed by the regulations of the Financial Conduct Authority, exceeding the above limits or failing to reach them is permitted as a short term measure if the overall market risk remains within the limits set out above.

The Fund may also invest in derivative instruments such as futures, options, options on swaps, swap agreements (including equity and/or index based total return swaps and interest rate swaps) and currency forward contracts. The Fund may use options in order to generate synthetic cash positions.

Derivatives may also be used for the purposes of efficient portfolio management.

Fund Details

Fund Manager	Rainer Tafelmayer	
Benchmark	MSCI All Country World Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	Fund	14 December 2015
	C Shares	14 December 2015
	I Shares	14 December 2015
	O Shares	3 May 2018
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares)	
	I (Accumulation Shares)	
	O (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500
		Monthly saving £50
	I Shares	Lump sum £10,000,000
	O Shares	Lump sum £10,000,000
		Available to Approved Investors only.
Initial charge	C Shares	Nil
	I Shares	Nil
	O Shares	Nil
Annual ACD fee	C Shares	0.37%
	I Shares	0.30%
	O Shares	0.20%*

*0.20 % p.a. minus the Additional Expenses payable in respect of the O shares, details of which are set out under "Fees and Expenses"***

***This may decrease at the discretion of the ACD.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
C Shares Accumulation	31 October 2018	7,272	5,129,524	141.76
I Shares Accumulation	31 October 2018	99,843	70,195,383	142.24
O Shares Accumulation ¹	31 October 2018	14	13,961	99.67

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Operating Charges

Share Class	Year Ended	(%)
C Shares Accumulation	30 April 2018	0.52
I Shares Accumulation	30 April 2018	0.41
O Shares Accumulation ¹	30 April 2018	N/A

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
C Shares Accumulation	30 June 2018	2.5477
I Shares Accumulation	30 June 2018	2.7059
O Shares Accumulation ¹	30 June 2018	N/A

Please note: Investors are reminded that the Fund distributes annually.

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Investment Review

Performance Summary

Over the six months under review, 1 May 2018 to 31 October 2018, the Allianz Best Styles Global AC Equity Fund's I share class produced a total return of 0.27% in GBP. The fund's benchmark, the MSCI AC World Total Return (Net) Index in GBP, produced a total return of 2.34% over the period. Thus, the fund underperformed its benchmark by 207bps.*

The key reason for this underperformance was the rather weak backdrop of our investment styles. The investment styles Value, Growth and Momentum detracted from the relative performance and Revisions ended in moderate territory. The only exception, Quality, delivered solid contribution over the period. The strong relative performance contributions of Quality did not compensate for the weakness in other investment styles.

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on midday prices.

Market Background

In general, global equities retreated over the six months period. While global equities advanced over the period especially in the third quarter, a speedy retreat in October wiped out all the gains made since the start of the year. US equities started May on a positive footing, holding up well despite rising Treasury bond yields, and delivered robust gains over the third quarter. In Q3, positive economic data and corporate earnings growth propelled the market to its longest bull run in history. However, US equities retreated sharply over October and closed the period slightly higher, as the robust gains made over the period especially in Q3 2018 overcompensated for the sharp decrease in October. Eurozone equities recorded losses over the period. Despite positive news on corporate earnings, fears of the impact of rising tariffs and higher US interest rates had a negative effect on sentiment, as did heightened political risks. In particular, Italy's coalition government abandoned the nation's commitment to reduce its budget deficit, opting to stick to its pre-election promise by increasing spending and cutting taxes. Equity markets in the Pacific ex Japan retreated over the period, as worries over the impact of higher tariffs added to concerns over the outlook for global growth. Japanese equities ended the quarter with negative returns mainly due to the steep plunge in October. Emerging market equities declined as well because of the increasing fears of higher US

interest rates and heightened political risks weighed on investors' sentiment.

Portfolio Review

The Best Styles strategies implement a well-diversified blend of the five long-term successful investment styles Value, Momentum, Earnings Revisions, Growth and Quality.

Thus, the relative performance of the strategy is primarily driven by the performance of these key investment styles.

The investment style Value, our most prominent style, was lagging, detracting from the relative performance of the fund. The weak performance of value was driven by: (1) weak momentum of global business sentiment indicators signalling a cyclical slowdown and hence hindering the performance of typically more cyclical value stocks; (2) the trade war rhetoric hurting exporters in all regions of the world, and in particular value segments like automobile stocks and semis stocks; (3) the strong performance lead of most expensive (tech) stocks.

The two trend-following investment styles Revisions and Momentum have been contributing positively to the relative performance overall in 2017 and Q1 and Q2 2018, but suffered a setback in Q3 as investors started to question the durability of some long-term performance lead of expensive growth names against a backdrop of weaker results from some tech highflyers. Also, the strategy struggled to fully capture the performance of the trend-following investment styles as the performance was concentrated in the most expensive names the strategy typically avoids due to unattractive valuation.

The weak performance of small caps also detracted as the fund typically overweighs small cap names within the five key investment styles.

Overall for the period from 1 May 2018 to 31 October 2018, the rather weak performance of the investment styles Value and Small Caps was not compensated by the slightly positive performance of the non-value investment styles.

Investment Review continued

Reviewing the portfolio from an investment style perspective

The backdrop for investment styles was broadly neutral to slightly negative in May and June, pre-Brexit, driven by a solid performance of trend-following investment styles momentum, revisions and growth, and handicapped by a weak performance of the investment style value.

In the post-Brexit period, the weak relative performance of the investment style value exacerbated, whereas the investment style momentum ended up strongly in the positive. However, this positive impact was diluted by the relatively smaller gains from revisions and the relative losses from growth. Overall, the heavy losses from the investment style value were not compensated by the relative gains from the trend-following styles. Moreover, the mandate was overweight in stocks with a more domestic profile in the UK, and underweight the more international ones. These stocks strongly underperformed immediately after Brexit.

As markets rallied after the sell-off at the end of June, the investment style pattern reversed with value starting to regain favour. This strength in value continued until the end of October, while more defensive styles like momentum and quality were struggling in the environment of increasing long-term yields.

Overall, the strength in value did not offset the weak relative performance of the trend-following investment styles and quality.

Outlook

Geopolitical risks continue to be a burden on the global equity markets. First and foremost, the trade conflict between the US and China comes to mind; it harbours downside risks for the global economy as a whole. Apart from this major issue, the Brexit negotiations, tensions in the Middle East and the tug-of-war between Rome and Brussels about Italy's fiscal deficit make the financial markets nervous as well. In addition, cyclical developments have diverged in the last few months. While the US economy is still doing very well, signs of weakness are emerging in other regions. Nevertheless, the world economy as a whole does not seem to be at the brink of a recession, particularly since the Federal Reserve and other central banks continue to pursue a very generous monetary policy, which should support the equity markets. The current

reporting season will be particularly important. It will show us whether the deterioration of the global trade outlook has already affected corporate profits. Overall, we believe that volatility will rise and different sectors and countries will move in different directions. From our vantage point, this is a favourable environment for active managers.

Best Styles will continue to be overweight in stocks with attractive valuation and stocks with positive momentum and positive revisions, in line with the longer term strategic investment style mix of Best Styles Global.

The analysis of the performance of such an investment style mix showed a very stable outperformance over the last 25 years.

The outperformance proved to be largely independent from the general economic environment and market conditions. The investment style mix has also historically done well in the macro economic environment expected going forward - recovering of leading indicators.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
EQUITIES - 99.60% (2018 - 99.68%)			
UNITED KINGDOM - 4.24% (2018 - 4.52%)			
United Kingdom Equities - 4.24% (2018 - 4.52%)			
9,005	3i	79	0.07
14,564	Anglo American	243	0.23
29,664	Aviva	126	0.12
81,992	BP	465	0.43
10,239	British American Tobacco	353	0.33
10,807	Diageo	293	0.27
3,846	easyJet	46	0.04
40,466	Enterprise Inns	67	0.06
10,886	Greene King	53	0.05
31,356	HSBC	203	0.19
10,480	Keller	68	0.06
55,310	Legal & General	138	0.13
370,086	Lloyds Banking	212	0.20
57,003	Marston's	57	0.05
2,433	Michael Kors	105	0.10
4,149	Morgan Sindall	49	0.05
36,687	National Express	147	0.14
2,726	Nomad Foods	40	0.04
7,391	Rio Tinto	280	0.26
31,288	Royal Dutch Shell 'A' Shares	780	0.73
24,049	Sainsbury (J)	75	0.07
18,750	Segro REIT	116	0.11
5,054	Softcat	32	0.03
1,264	Steris	107	0.10
33,023	Taylor Wimpey	53	0.05
9,430	Vesuvius	52	0.05
206,409	Vodafone	305	0.28
		4,544	4.24
EUROPE - 15.71% (2018 - 16.16%)			
Austria Equities - 0.62% (2018 - 0.60%)			
1,589	AT&S Austria Technologie & Systemtechnik	29	0.03
6,391	Erste Group Bank	207	0.19
3,225	EVN	45	0.04
2,557	OMV	111	0.10
5,731	Raiffeisen Bank International	124	0.12
2,909	S&T	56	0.05
3,176	voestalpine	90	0.09
		662	0.62
Belgium Equities - 0.02% (2018 - 0.03%)			
3,640	Recticel	22	0.02
Czech Republic Equities - 0.00% (2018 - 0.06%)			
		-	0.00
Denmark Equities - 0.00% (2018 - 0.13%)			
		-	0.00
Finland Equities - 0.27% (2018 - 0.37%)			
1,576	Cramo	23	0.02
3,001	Finnair	18	0.02
8,002	Stora Enso	94	0.09
6,070	UPM-Kymmene	152	0.14
		287	0.27
France Equities - 4.48% (2018 - 4.18%)			
748	Aeroports de Paris	123	0.11
15,094	AXA	297	0.28

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
4,745	BNP Paribas	195	0.18
5,325	Bouygues	153	0.14
2,384	Cie Generale des Etablissements Michelin	193	0.18
7,092	CNP Assurances	122	0.11
3,730	Coface	28	0.03
8,939	Credit Agricole	90	0.08
4,893	Derichebourg	19	0.02
2,243	Eiffage	171	0.16
20,452	Engie	212	0.20
1,931	Faurecia	74	0.07
547	Ipsen	60	0.06
2,358	Jacquet Metal Service	39	0.04
1,514	Kaufman & Broad	48	0.04
656	Kering	228	0.21
4,222	Klepierre REIT	113	0.11
1,116	L'Oréal	197	0.18
1,120	LVMH Moët Hennessy Louis Vuitton	266	0.25
5,751	Metropole Television	87	0.08
2,788	Neopost	70	0.07
19,297	Orange	235	0.22
1,571	Pernod Ricard	187	0.17
9,178	Peugeot	170	0.16
1,559	Renault	92	0.09
5,685	Sanofi	399	0.37
10,954	TOTAL	505	0.47
1,105	Unibail-Rodamco-Westfield REIT	157	0.15
3,839	Vinci	268	0.25
		4,798	4.48
Germany Equities - 2.18% (2018 - 1.96%)			
3,589	Allianz	589	0.55
4,732	Bayer	284	0.27
1,285	Bayerische Motoren Werke	88	0.08
2,092	Covestro	105	0.10
6,093	Deutsche Lufthansa	96	0.09
4,582	Deutsche Pfandbriefbank	48	0.05
3,163	Fresenius	161	0.15
2,263	HeidelbergCement	121	0.11
4,818	HelloFresh	44	0.04
11,088	METRO	132	0.12
4,133	SAP	345	0.32
478	Siltronic	34	0.03
1,668	Sixt preference shares	89	0.08
3,470	Talanx	97	0.09
7,785	TUI	100	0.10
		2,333	2.18
Greece Equities - 0.00% (2018 - 0.29%)			
		-	0.00
Guernsey Equities - 0.03% (2018 - 0.03%)			
30,997	Renewables Infrastructure	35	0.03
Hungary Equities - 0.08% (2018 - 0.22%)			
81,014	Magyar Telekom Telecommunications	86	0.08
Ireland Equities - 0.10% (2018 - 0.00%)			
4,176	Smurfit Kappa	109	0.10
Isle of Man Equities - 0.11% (2018 - 0.00%)			
13,088	GVC	123	0.11
Italy Equities - 1.03% (2018 - 1.21%)			
4,746	Amplifon	65	0.06
1,712	ASTM	27	0.03

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
4,973	Cementir	24	0.02
26,943	DeA Capital	31	0.03
14,984	Enav	53	0.05
83,759	Enel	324	0.30
5,775	Immobiliare Grande Distribuzione SIIQ REIT	32	0.03
71,391	Intesa Sanpaolo	125	0.12
26,526	Iren	46	0.04
2,727	La Doria	23	0.02
7,689	Mediobanca	53	0.05
3,786	Moncler	103	0.10
2,221	Sesa	47	0.04
337,687	Telecom Italia	155	0.14
		1,108	1.03
	Luxembourg Equities - 0.75% (2018 - 0.65%)		
710	Allianz India Equity	499	0.47
6,612	ArcelorMittal	129	0.12
9,025	Aroundtown	58	0.05
5,023	Ternium ADR	116	0.11
		802	0.75
	Netherlands Equities - 1.58% (2018 - 1.71%)		
6,067	ABN AMRO	116	0.11
16,436	Aegon	79	0.07
2,445	AerCap	97	0.09
969	AMG Advanced Metallurgical	36	0.03
2,715	ASML	366	0.34
2,661	ASR Nederland	96	0.09
30,924	CNH Industrial	251	0.23
16,962	Koninklijke Ahold Delhaize	305	0.29
1,363	Koninklijke DSM	92	0.09
1,850	Koninklijke Volkerwessels	26	0.02
5,036	NN	170	0.16
4,926	STMicroelectronics	59	0.06
		1,693	1.58
	Norway Equities - 0.58% (2018 - 0.61%)		
6,417	Austevoll Seafood	80	0.07
16,714	B2	22	0.02
8,843	Equinor	180	0.17
13,094	Komplett Bank	17	0.02
28,002	Norsk Hydro	113	0.10
6,701	Norwegian Finance	47	0.04
1,714	Salmar	71	0.07
15,000	Selvaag Bolig	52	0.05
6,476	SpareBank 1 Nord Norge	41	0.04
		623	0.58
	Poland Equities - 0.00% (2018 - 0.05%)		
		-	0.00
	Portugal Equities - 0.05% (2018 - 0.00%)		
26,175	REN - Redes Energeticas Nacionais	55	0.05
	Romania Equities - 0.08% (2018 - 0.11%)		
29,475	BRD-Groupe Societe Generale	73	0.07
143,739	OMV Petrom	11	0.01
		84	0.08
	Russia Equities - 0.43% (2018 - 0.06%)		
70,050	Gazprom	129	0.12
2,527	LUKOIL	147	0.14
5,560	Magnitogorsk Iron & Steel Works GDR	41	0.04
63,800	Sberbank	141	0.13
		458	0.43

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Spain Equities - 0.97% (2018 - 1.34%)			
3,983	ACS Actividades de Construcción y Servicios	118	0.11
65,250	Banco Santander	246	0.23
66,295	Banco Santander Rights 06/11/2018	2	0.00
30,000	CaixaBank	96	0.09
15,653	International Consolidated Airlines	94	0.09
22,716	Repsol	317	0.30
25,010	Telefonica	161	0.15
		1,034	0.97
Sweden Equities - 0.72% (2018 - 0.87%)			
10,000	Ahlsell	39	0.04
10,940	Dios Fastigheter	52	0.05
5,889	Hemfosa Fastigheter	57	0.05
10,042	Inwido	52	0.05
56,521	Klovern	51	0.05
11,329	Sandvik	141	0.13
8,546	Swedbank	150	0.14
19,772	Volvo	230	0.21
		772	0.72
Switzerland Equities - 1.43% (2018 - 1.09%)			
2,819	Garmin	140	0.13
788	Lonza	193	0.18
9,036	Novartis	613	0.57
150	Straumann	80	0.07
3,438	Swatch	179	0.17
592	Swiss Life	174	0.16
2,585	TE Connectivity	159	0.15
		1,538	1.43
Turkey Equities - 0.20% (2018 - 0.59%)			
60,785	Akbank	58	0.06
26,365	Eregli Demir ve Celik Fabrikalari	34	0.03
12,043	TAV Havalimanlari	42	0.04
24,336	Tekfen	76	0.07
		210	0.20
ASIA PACIFIC (EXCLUDING JAPAN) - 11.82% (2018 - 13.99%)			
Australia Equities - 1.54% (2018 - 0.51%)			
77,222	Alumina	109	0.10
8,436	Aristocrat Leisure	124	0.12
15,417	BHP Billiton	276	0.26
10,351	BlueScope Steel	83	0.08
3,459	Flight Centre Travel	89	0.08
15,562	National Australia Bank	218	0.20
31,825	Qantas Airways	96	0.09
2,542	Rio Tinto	108	0.10
13,140	Treasury Wine Estates	111	0.10
17,034	Westpac Banking	254	0.24
11,418	Woolworths	180	0.17
		1,648	1.54
China Equities - 3.43% (2018 - 4.34%)			
40,000	Agile	36	0.03
223,000	Agricultural Bank of China	76	0.07
4,599	Alibaba ADR	491	0.46
17,000	Anhui Conch Cement	69	0.07
651,000	Bank of China	216	0.20
115,000	Bank of Communications	67	0.06
232,000	China CITIC Bank	112	0.10
457,000	China Construction Bank	283	0.26
77,000	China Shenhua Energy	137	0.13
87,200	China Zhongwang	30	0.03
49,000	Country Garden	41	0.04

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
91,400	Daqin Railway	83	0.08
18,200	Fangda Carbon New Material	40	0.04
95,200	Guangzhou Automobile	75	0.07
54,000	Jiangsu Expressway	56	0.05
1,300	Kweichow Moutai	80	0.07
18,200	Midea	76	0.07
30,000	Ping An Insurance Group Company of China	221	0.21
46,800	Shandong Chenming Paper	30	0.03
107,600	Shanghai International Port	65	0.06
108,000	Shanying International	38	0.04
67,900	Sichuan Languang Development	36	0.03
50,000	Sinotrans	14	0.01
22,100	Tencent	587	0.55
123,000	Uni-President China	93	0.09
108,000	Want Want China	60	0.06
73,000	Weichai Power	56	0.05
12,000	Wuliangye Yibin	65	0.06
16,500	Yangtze Optical Fibre and Cable Joint Stock	31	0.03
108,000	Yuzhou Properties	30	0.03
29,600	Zhejiang Medicine	28	0.03
23,800	Zhejiang NHU	38	0.04
34,000	Zhongsheng	48	0.04
88,900	Zhuzhou Kibing	37	0.02
		3,678	3.43
Hong Kong Equities - 1.40% (2018 - 1.58%)			
52,600	AIA	312	0.29
27,000	Beijing Enterprises	114	0.10
70,000	CITIC	82	0.08
25,000	CK Asset	127	0.12
42,000	CSPC Pharmaceutical	69	0.06
34,500	Fosun International	39	0.04
8,000	Hang Seng Bank	146	0.14
11,000	Health & Happiness H&H International	49	0.05
56,000	Hua Hong Semiconductor	76	0.07
31,000	Hysan Development	114	0.11
76,000	IT	27	0.03
36,000	Johnson Electric	63	0.06
18,000	Kerry Properties	44	0.04
15,000	Kingboard Chemical	31	0.03
46,000	Shanghai Industrial	76	0.07
50,000	Sinotruk Hong Kong	56	0.05
70,000	SSY	46	0.04
52,000	VSTECs	19	0.02
		1,490	1.40
Indonesia Equities - 0.40% (2018 - 0.52%)			
274,000	Bank Negara Indonesia	103	0.10
364,900	Bank Tabungan Negara	40	0.04
15,500	Gudang Garam	58	0.05
161,300	Indika Energy	19	0.02
38,800	Indo Tambangraya Megah	50	0.05
868,100	Medco Energi Internasional	36	0.03
1,245,000	Mitra Adiperkasa	51	0.05
36,300	United Tractors	62	0.06
		419	0.40
Malaysia Equities - 0.49% (2018 - 0.45%)			
72,000	AirAsia	35	0.03
111,800	CIMB	120	0.11
42,000	Genting	58	0.06
31,300	Hong Leong Bank	121	0.11
16,000	Hong Leong Financial	55	0.05
51,200	Tenaga Nasional	141	0.13
		530	0.49

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
New Zealand Equities - 0.12% (2018 - 0.30%)			
66,842	Air New Zealand	96	0.09
10,986	Summerset	37	0.03
		133	0.12
Philippines Equities - 0.16% (2018 - 0.28%)			
2,365	Globe Telecom	70	0.06
448,400	Metro Pacific Investments	31	0.03
11,090	San Miguel	28	0.03
548,500	Vista Land & Lifescapes	42	0.04
		171	0.16
Singapore Equities - 0.43% (2018 - 0.81%)			
25,300	BOC Aviation	141	0.13
3,206	China Yuchai International	37	0.03
13,500	DBS	179	0.17
7,500	United Overseas Bank	103	0.10
		460	0.43
South Korea Equities - 2.00% (2018 - 3.10%)			
507	Dongwon Industries	84	0.08
1,369	GS	45	0.04
2,712	Hana Financial	71	0.07
5,677	Industrial Bank of Korea	58	0.05
4,556	ING Life Insurance Korea	96	0.09
3,069	KB Financial	100	0.09
865	LG	39	0.04
2,426	LG Electronics	105	0.10
6,079	LG Uplus	67	0.06
189	Lotte Chemical	34	0.03
594	OCI	35	0.03
508	POSCO	90	0.08
19,439	Samsung Electronics	566	0.53
7,307	Samsung Electronics preference shares	177	0.17
4,544	Shinhan Financial	133	0.13
446	Shinsegae	79	0.07
3,640	SK Hynix	170	0.16
629	SK Telecom	116	0.11
6,874	Woori Bank	74	0.07
		2,139	2.00
Taiwan Equities - 1.18% (2018 - 1.48%)			
15,300	Chailase	34	0.03
435,000	China Development Financial	109	0.10
29,000	Formosa Chemicals & Fibre	82	0.08
98,000	Grand Pacific Petrochemical	52	0.05
66,340	Great Wall Enterprise	51	0.05
97,600	Hon Hai Precision Industry	194	0.18
62,700	Lien Hwa Industrial	48	0.04
52,000	Nanya Technology	68	0.06
112,000	Pou Chen	88	0.08
14,000	Powertech Technology	24	0.02
8,000	President Chain Store	70	0.07
43,000	Taiwan Semiconductor Manufacturing	253	0.24
23,000	Tripod Technology	43	0.04
50,439	Wistron	24	0.02
328,000	Yuanta Financial	124	0.12
		1,264	1.18
Thailand Equities - 0.67% (2018 - 0.62%)			
169,500	Banpu	70	0.07
70,100	CP ALL	111	0.10
20,100	Electricity Generating	109	0.10
98,000	Indorama Ventures	125	0.12
71,300	Kiatnakin Bank	119	0.11
46,600	PTT Global Chemical	85	0.08

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
36,800	Thanachart Capital	46	0.04
29,100	Tisco Financial	54	0.05
		719	0.67
JAPAN - 6.77% (2018 - 7.61%)			
Japan Equities - 6.77% (2018 - 7.61%)			
3,400	Aisin Seiki	104	0.10
6,700	Asahi	230	0.21
2,500	Asahi Glass	64	0.06
7,900	Canon	176	0.16
12,700	Chubu Electric Power	143	0.13
3,700	Daiwa House Industry	87	0.08
3,300	Don Quijote	154	0.14
1,900	Exedy	37	0.03
400	Fast Retailing	158	0.15
6,800	Hitachi	163	0.15
17,500	Honda Motor	392	0.37
12,500	Iida	177	0.17
16,600	ITOCHU	240	0.22
5,600	JFE	82	0.08
25,400	JVC Kenwood	49	0.05
22,800	JXTG	121	0.11
47	Kamei	-	0.00
12,500	Kansai Electric Power	150	0.14
600	Keyence	229	0.21
900	Kose	105	0.10
15,600	Mazda Motor	132	0.12
17,000	Mitsubishi	374	0.35
15,100	Mitsubishi Chemical	92	0.09
55,700	Mitsubishi UFJ Financial	264	0.25
27,700	Mitsui	361	0.34
3,800	Mitsui Sugar	80	0.07
1,200	Nidec	120	0.11
800	Nippon Road	34	0.03
5,800	Nippon Telegraph & Telephone	191	0.18
39,200	Nissan Motor	279	0.26
4,200	Nomura Real Estate	62	0.06
6,800	Pola Orbis	142	0.13
3,600	Shin-Etsu Chemical	236	0.22
4,700	Shiseido	232	0.22
5,700	SoftBank	357	0.33
20,500	Sojitz	54	0.05
6,900	Sony	293	0.27
19,300	Sumitomo Electric Industries	206	0.19
10,700	Sumitomo Rubber Industries	120	0.11
4,500	Teijin	61	0.06
2,600	Tokyo Century	109	0.10
11,600	Toyota Motor	531	0.50
2,800	Toyota Tsusho	79	0.07
		7,270	6.77
NORTH AMERICA - 58.81% (2018 - 54.64%)			
Bermuda Equities - 0.07% (2018 - 0.03%)			
1,510	Bank of NT Butterfield & Son	46	0.04
1,452	Triton International	34	0.03
		80	0.07
Canada Equities - 3.63% (2018 - 4.25%)			
5,008	Atco	113	0.11
8,706	Bank of Nova Scotia	363	0.34
4,049	BRP (CA voting)	124	0.12
2,791	Canadian Apartment Properties REIT	78	0.07
4,109	Canadian Imperial Bank of Commerce	278	0.26
783	Canadian Tire	69	0.06
6,580	Chorus Aviation	27	0.03

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
2,452	Cogeco Communications	94	0.09
1,128	Colliers International	58	0.05
8,582	Dream Global REIT	69	0.06
6,252	Dream Industrial REIT	36	0.03
2,612	Exchange Income	47	0.04
397	Fairfax Financial	148	0.14
3,814	Fortis	98	0.09
2,931	Genworth MI Canada	70	0.07
3,536	George Weston	195	0.18
6,921	Husky Energy	76	0.07
3,406	Industrial Alliance Insurance & Financial Services	94	0.09
7,110	Killam Apartment REIT	69	0.06
3,053	Laurentian Bank of Canada	75	0.07
2,488	Linamar	79	0.07
5,373	Loblaw	210	0.20
5,992	Magellan Aerospace	67	0.06
2,577	Magna International	99	0.09
13,807	Manulife Financial	173	0.16
6,907	Martinrea International	46	0.04
1,618	Methanex	82	0.08
4,126	National Bank of Canada	147	0.14
3,771	Northview Apartment REIT	57	0.05
4,454	Power Corp of Canada	71	0.07
3,409	Russel Metals	49	0.05
4,746	Teck Resources	71	0.07
7,051	Toronto-Dominion Bank	306	0.29
14,837	Transcontinental	189	0.18
1,334	West Fraser Timber	53	0.05
		3,880	3.63
United States of America Equities - 55.11% (2018 - 50.36%)			
9,981	Abbott Laboratories	534	0.50
8,049	AbbVie	517	0.48
2,649	Abercrombie & Fitch	43	0.04
521	ABIOMED	136	0.13
6,240	ACCO Brands	39	0.04
2,675	Adobe Systems	502	0.47
12,372	AES	144	0.13
7,830	Aflac	266	0.25
3,234	Agilent Technologies	162	0.15
1,854	Air Lease	55	0.05
815	Align Technology	143	0.13
4,165	Allstate	313	0.29
3,496	Ally Financial	69	0.06
709	Alphabet 'A' Shares	586	0.55
758	Alphabet 'C' Shares	618	0.58
1,332	Amazon.com	1,604	1.50
4,564	American Equity Investment Life	112	0.10
3,606	American Express	290	0.27
1,436	Ameriprise Financial	143	0.13
4,661	AMETEK	244	0.23
7,688	Antero Resources	94	0.09
2,007	Anthem	419	0.39
15,219	Apple	2,555	2.38
5,667	Applied Materials	145	0.14
7,898	Archer-Daniels-Midland	298	0.28
1,239	Arrow Electronics	65	0.06
1,998	At Home	42	0.04
38,046	AT&T	913	0.85
6,805	Athene	242	0.23
35,812	Bank of America	755	0.70
5,010	Baxter International	271	0.25
1,781	Becton Dickinson	323	0.30
3,339	Best Buy	185	0.17
11,474	BGC Partners	96	0.09
397	Bio-Techne	52	0.05
3,125	Boeing	861	0.80
2,190	BorgWarner	67	0.06

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
482	Boston Beer	121	0.11
8,440	Boston Scientific	239	0.22
3,102	Broadridge Financial Solutions	279	0.26
4,506	Bunge	241	0.22
2,310	Cactus	61	0.06
2,370	Caterpillar	219	0.20
3,865	CDW	244	0.23
1,135	Celanese	85	0.08
1,248	Centene	126	0.12
12,289	CenterPoint Energy	264	0.25
2,331	Central Garden & Pet	55	0.05
814	Charles River Laboratories International	76	0.07
7,617	Chevron	665	0.62
1,122	Cigna	186	0.17
19,584	Cisco Systems	687	0.64
10,097	Citigroup	513	0.48
5,268	Citizens Financial	151	0.14
3,625	Cognizant Technology Solutions	190	0.18
1,392	Cohu	22	0.02
22,401	Comcast	665	0.62
5,758	ConocoPhillips	315	0.29
1,508	Consol Energy	46	0.04
1,847	Constellation Brands	289	0.27
13,159	CVS Health	750	0.70
4,088	Danaher	314	0.29
1,904	Deere	199	0.19
5,127	Donegal	54	0.05
4,006	Duke Energy	264	0.25
3,494	Eastman Chemical	217	0.20
5,084	Eaton	281	0.26
2,780	Edison International	152	0.14
3,691	Electro Scientific Industries	83	0.08
8,202	Eli Lilly	699	0.65
1,053	Encompass Health	56	0.05
4,362	Entergy	285	0.27
5,702	EOG Resources	474	0.44
1,722	Estee Lauder	178	0.17
9,760	Exelon	341	0.32
12,027	Exxon Mobil	746	0.70
8,021	Facebook	923	0.86
1,657	FedEx	283	0.26
2,568	Fidelity National Information Services	209	0.20
3,090	FLIR Systems	113	0.11
33,387	Ford Motor	249	0.23
2,292	Fortinet	142	0.13
13,121	Freeport-McMoRan	118	0.11
369	Garrett Motion	4	0.00
8,790	Gates Industrial	100	0.09
17,228	General Motors	455	0.42
1,741	Global Brass & Copper	44	0.04
2,793	Globus Medical	115	0.11
1,446	Goldman Sachs	250	0.23
6,964	Goodyear Tire & Rubber	118	0.11
793	Haemonetics	65	0.06
4,076	Hartford Financial Services	145	0.14
3,503	HCA Healthcare	373	0.35
2,379	HEICO	120	0.11
2,644	Herbalife Nutrition	114	0.11
17,543	Hewlett Packard Enterprise	206	0.19
869	Hill-Rom	57	0.05
4,540	HollyFrontier	226	0.21
5,103	Home Depot	708	0.66
3,634	Honeywell International	409	0.38
4,092	Horizon Pharma	59	0.06
26,298	HP	490	0.46
998	Humana	254	0.24
245	ICU Medical	50	0.05
1,009	Illumina	241	0.22

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
22,489	Intel	846	0.79
1,344	Inter Parfums	63	0.06
1,452	Intuit	232	0.22
1,028	Intuitive Surgical	397	0.37
1,445	IQVIA	136	0.13
1,652	Jacobs Engineering	96	0.09
1,446	JB Hunt Transport Services	125	0.12
10,856	Johnson & Johnson	1,203	1.12
999	Jones Lang LaSalle	105	0.10
12,198	JP Morgan Chase	1,025	0.96
1,777	Kohl's	110	0.10
899	Korn-Ferry International	31	0.03
1,458	Laboratory Corporation of America	182	0.17
1,376	Lam Research	151	0.14
2,655	Lamb Weston	160	0.15
3,240	Las Vegas Sands	130	0.12
1,020	Lear	105	0.10
2,216	Lennar	75	0.07
1,376	Lululemon Athletica	154	0.14
6,020	Macy's	169	0.16
1,464	Magellan Health	74	0.07
2,506	ManTech International	110	0.10
4,290	Marathon Petroleum	232	0.22
3,713	MasterCard	549	0.51
2,928	MCBC	70	0.07
3,394	McDonald's	477	0.45
1,137	McGrath RentCorp	43	0.04
2,570	McKesson	251	0.23
2,647	MDC	59	0.06
7,292	Mercer International	85	0.08
12,853	Merck	737	0.69
1,615	Merit Medical Systems	73	0.07
7,070	Micron Technology	200	0.19
25,747	Microsoft	2,102	1.96
767	MKS Instruments	44	0.04
8,332	Mondelez International	276	0.26
7,326	Morgan Stanley	256	0.24
2,588	NetApp	156	0.15
1,868	Netflix	420	0.39
3,972	New Residential REIT	55	0.05
18,671	Nexeo Solutions	151	0.14
1,723	Norfolk Southern	226	0.21
2,038	Northern	148	0.14
1,489	Northrop Grumman	306	0.29
2,289	NVIDIA	366	0.34
5,899	Occidental Petroleum	313	0.29
7,812	ON Semiconductor	104	0.10
12,628	Oracle	483	0.45
697	O'Reilly Automotive	181	0.17
576	Oshkosh	25	0.02
1,755	Owens Corning	66	0.06
3,360	PACCAR	149	0.14
1,439	PBF Energy	46	0.04
900	Penn Virginia	47	0.04
5,815	PepsiCo	521	0.49
599	PerkinElmer	40	0.04
25,876	Pfizer	873	0.81
3,384	PG&E	125	0.12
2,126	Phillips 66	171	0.16
1,349	Polaris Industries	95	0.09
10,344	Procter & Gamble	726	0.68
4,101	Progressive	225	0.21
2,594	Prudential Financial	189	0.18
7,134	PulteGroup	140	0.13
1,298	PVH	121	0.11
1,883	Quest Diagnostics	138	0.13
9,495	RadNet	111	0.10
1,227	Ralph Lauren	127	0.12

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
2,981	Ready Capital REIT	36	0.03
2,177	Reinsurance Group of America	240	0.22
677	Reliance Steel & Aluminum	41	0.04
605	Resideo Technologies	10	0.01
2,286	Robert Half International	107	0.10
4,263	Ross Stores	335	0.31
1,642	Rudolph Technologies	27	0.03
4,297	SCANA	138	0.13
1,754	Schweitzer-Mauduit International	45	0.04
3,431	Seagate Technology	105	0.10
1,211	SMART Global	26	0.02
2,083	SP Plus	52	0.05
5,895	SS&C Technologies	228	0.21
2,566	State Street	137	0.13
4,156	Stoneridge	83	0.08
1,316	Synovus Financial	38	0.04
2,051	T Rowe Price	155	0.14
4,495	Target	303	0.28
624	Teleflex	119	0.11
6,900	Texas Instruments	505	0.47
2,425	Thermo Fisher Scientific	444	0.41
1,497	Tiffany	129	0.12
2,258	Toll Brothers	59	0.06
2,155	Total System Services	151	0.14
1,639	Tower International	40	0.04
2,996	TransUnion	150	0.14
5,406	Tyson Foods	264	0.25
3,430	Union Pacific	395	0.37
4,204	UnitedHealth	855	0.80
4,823	Unum	138	0.13
19,511	Verizon Communications	893	0.83
3,761	Verso	84	0.08
4,504	VF	292	0.27
5,689	Viacom	142	0.13
2,459	Virtu Financial	46	0.04
7,556	Visa	789	0.74
4,670	Vishay Intertechnology	65	0.06
13,233	Vistra Energy	228	0.21
6,629	Walgreens Boots Alliance	411	0.38
6,561	Walmart	529	0.49
285	WellCare Health Plans	63	0.06
8,127	Wells Fargo	337	0.31
1,277	Western Digital	42	0.04
5,905	WillScot	66	0.06
2,242	Xenia Hotels + Resorts REIT	36	0.03
519	Zebra Technologies	67	0.06
3,191	Zoetis	227	0.21
2,767	Zumiez	53	0.05
		59,077	55.11
SOUTH AMERICA - 1.13% (2018 - 1.71%)			
Brazil Equities - 0.98% (2018 - 0.64%)			
14,900	Engie Brasil Energia	125	0.12
7,600	Fibria Celulose	114	0.11
33,200	JBS	72	0.07
24,600	Petroleo Brasileiro	159	0.15
30,600	Petroleo Brasileiro preference shares	182	0.17
32,500	Sao Martinho	133	0.12
22,760	Vale	260	0.24
		1,045	0.98
Chile Equities - 0.02% (2018 - 0.24%)			
2,424	CAP	18	0.02

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
	Colombia Equities - 0.00% (2018 - 0.24%)		
		-	0.00
	Mexico Equities - 0.10% (2018 - 0.49%)		
13,900	Banco del Bajio	22	0.02
20,600	Financiero Banorte	88	0.08
		110	0.10
	Panama Equities - 0.00% (2018 - 0.06%)		
		-	0.00
	Peru Equities - 0.03% (2018 - 0.04%)		
38,390	Ferreycorp	18	0.02
83,670	Volcan Cia Minera	12	0.01
		30	0.03
	AFRICA - 0.53% (2018 - 0.50%)		
	Liberia Equities - 0.07% (2018 - 0.07%)		
928	Royal Caribbean Cruises	74	0.07
	South Africa Equities - 0.46% (2018 - 0.43%)		
3,315	African Rainbow Minerals	22	0.02
6,779	Astral Foods	72	0.07
55,787	Fortress REIT 'A' Shares	50	0.05
1,612	Naspers	220	0.21
8,505	Nedbank	114	0.11
		478	0.46
	MIDDLE EAST - 0.59% (2018 - 0.55%)		
	Israel Equities - 0.27% (2018 - 0.39%)		
17,500	Bank Leumi Le-Israel	86	0.08
3,651	First International Bank of Israel	62	0.06
5,678	Harel Insurance Investments & Financial Services	32	0.03
3,339	Hilan	61	0.06
3,105	Plus500	42	0.04
		283	0.27
	Pakistan Equities - 0.08% (2018 - 0.00%)		
70,000	Engro Fertilizers	32	0.03
56,000	Oil & Gas Development	51	0.05
		83	0.08
	Qatar Equities - 0.05% (2018 - 0.10%)		
5,600	Commercial Bank	50	0.05
	United Arab Emirates Equities - 0.19% (2018 - 0.06%)		
266,732	Aldar Properties	97	0.09
3,879	DP World	54	0.05
25,000	Emirates	49	0.05
		200	0.19
	Derivatives - (0.02)% (2018 - 0.00%)		

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
5	Open Futures Contracts - (0.02)% (2018 - 0.00%)		
	MSCI World Index December 2018	(18)	(0.02)
	Investment assets ¹	106,687	99.59
	Net other assets	442	0.41
	Net assets	107,129	100.00

¹ Includes investment liabilities.

Stock shown as ADRs represent American Depositary Receipts.

Stock shown as GDRs represent Global Depositary Receipts.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(1,788)		7,205
Revenue	1,664		1,530	
Expenses	(150)		(201)	
Interest payable and similar charges	(2)		(4)	
Net revenue before taxation	1,512		1,325	
Taxation	(169)		(179)	
Net revenue after taxation		1,343		1,146
Total return before distributions		(445)		8,351
Distributions		(1)		1
Change in net assets attributable to Shareholders from investment activities		(446)		8,352

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to Shareholders		109,083		101,115
Amounts receivable on issue of shares	64		437	
Amounts payable on cancellation of shares	(1,572)		(344)	
		(1,508)		93
Change in net assets attributable to Shareholders from investment activities (see above)		(446)		8,352
Closing net assets attributable to Shareholders		107,129		109,560

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		106,705		108,731
Current assets:				
Debtors	243		663	
Cash and bank balances	315		455	
Total assets		107,263		109,849
Liabilities:				
Investment liabilities		(18)		-
Creditors:				
Bank overdrafts	-		(11)	
Other creditors	(116)		(755)	
Total liabilities		(134)		(766)
Net assets attributable to Shareholders		107,129		109,083

Fund Information

Investment Objective and Policy

The Fund aims to achieve capital growth in the long term by investing mainly in the equity markets of countries which are represented in the MSCI Emerging Markets Index (each an "Emerging Market Country" and together "Emerging Market Countries").

The ACD will invest at least 80% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts, equity linked notes etc.) in the equity markets of Emerging Market Countries. The following may also be acquired and counted towards the 80% limit; warrants, index certificates, certificates on adequately diversified equity baskets that apply to at least 10 equities and other transferable securities.

Up to 20% of the Fund's assets may be invested outside Emerging Market Countries (as defined above) including developed economies and / or other emerging markets.

The ACD may also utilise deposits in the management of the portfolio. The Fund may also invest in collective investment schemes. Money market instruments may be acquired and their value, together with money market funds, may make up to a maximum of 20% of the Fund's assets.

Fund Details

Fund Manager	Kunal Ghosh	
Benchmark	MSCI Emerging Markets Index	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	A Shares	22 February 2006
	C Shares	22 February 2006
	O Shares	3 May 2018
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares)	
	C (Accumulation Shares)	
	O (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
	O Shares	Lump sum £10,000,000 Available for subscriptions by Approved Investors only.
Initial charge	A Shares	4.00%
	C Shares	Nil
	O Shares	Nil
Annual ACD fee	A Shares	1.75%
	C Shares	0.88%
	O Shares	0.30%*

*0.30 % p.a. minus the Additional Expenses payable in respect of the O shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
A Shares Accumulation	31 October 2018	68,492	35,223,600	194.45
C Shares Accumulation	31 October 2018	98,899	46,165,262	214.23
O Shares Accumulation ¹	31 October 2018	22	24,873	87.23

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Operating Charges

Share Class	Year Ended	(%)
A Shares Accumulation	30 April 2018	1.93
C Shares Accumulation	30 April 2018	1.06
O Shares Accumulation ¹	30 April 2018	N/A

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
A Shares Accumulation	30 June 2018	1.3322
C Shares Accumulation	30 June 2018	3.5349
O Shares Accumulation ¹	30 June 2018	N/A

¹ 'O' Class Accumulation Shares launched on 3rd May 2018.

Please note: Investors are reminded that the Fund distributes annually.

Investment Review

Performance Summary

Over the six months under review, from 1 May 2018 to 31 October 2018, the Allianz Emerging Market Equity Fund's A share class produced a return of -13.90% in GBP, net of fees. The Fund's benchmark, the MSCI Emerging Markets Index in GBP, produced a return of -10.02% over the period.*

The Fund trailed the benchmark due to stock selection and country allocation decisions.

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on midday prices.

Market Background

Emerging market equities were negatively impacted by apprehension over a global trade war, the impact from mounting geopolitical tensions in Russia and concerns of rising inflation expectations which could lead the US Fed to accelerate rate hikes. Emerging market currencies broadly declined as result of a moderation in asset class sentiment and earnings estimates were subsequently lowered. These headwinds were present during the majority of the reporting period, with July being the only positive monthly performance to counteract this trend.

Country results were primarily lower with 20 of 24 benchmark countries posting declines for the period. Performance was led to the upside by Qatar and Russia, which each posted double-digit advances for the period due in part to high demand for oil and gas. Meanwhile, shares in Greece were cut nearly in one-third as investors weighed the risk-reward tradeoff, particularly in banking stocks, following the country's exit from its bailout program. The decline in Turkey was close behind as the lira came under renewed selling pressure after the US imposed sanctions and market participants questioned the country's central bank independence.

Sector results were primarily lower with 10 out of 11 sectors posting declines. Energy was the lone outperformer with a low double-digit gain thanks to robust oil and gas demand globally. Meanwhile, Consumer Discretionary, Communication Services, Real Estate and Health Care sectors led results to the downside as consumer-related segments of the benchmark trailed their pro-cyclical counterparts.

Portfolio Review

The Emerging Markets Equity Fund offers a bottom-up, core-oriented approach, capturing conviction at the stock level while moderating other risks in the portfolio including country, industry and market capitalization exposure relative to the benchmark. In addition, the Fund is constructed with a reduction in forecast volatility relative to the benchmark, which is designed to protect capital during down market periods. The Fund's relative performance trailed the benchmark due to stock selection and country allocation impacts.

From a sector standpoint, a relative overweight allocation to Energy was the chief contributor to results during the reporting period. Meanwhile, stock selection in the Materials sector offset results due to performance within chemicals and metals & mining industries. Consumer Discretionary also detracted from performance as specialty retail and hotels, restaurants & leisure industries trailed the benchmark. From a country standpoint, a relative overweight allocation and positive stockpicking in Russia contributed to performance, as did bottom-up stock selection in India and Peru. Conversely, a relative underweight and more conservative stock selection in Brazil was the primary source of underperformance as the country rebounded significantly at the end of the reporting period. Selections in South Korea and underweight allocation to Taiwan detracted from results more modestly. Sector and country selection is primarily derived on a stock-specific basis through our behavioral finance-focused investment process which seeks to capture market inefficiencies through the combination of behavioral and intrinsic/valuation factors.

Outlook

Emerging market equities have come under pressure as global sentiment waned. Our belief is the asset class may be bottoming as headwinds over tariffs, deleveraging in China and currency weakness may be subsiding. Negotiations between Donald Trump and Xi Jinping appear to be making progress, but tangible results are yet to be finalized. While deleveraging in China has resulted in slowing growth in the near-term, longer-term this will be beneficial for the asset class as the quality of future growth should be more sustainable. The US dollar has been strong relative to emerging market currencies in recent months due in part to tax cuts and repatriation of foreign capital back to the US, which is being played out. As such, investors with a medium to long-term

Investment Review continued

horizon may be rewarded for maintaining or increasing their allocation to the asset in light of recent performance challenges which have resulted in depressed share prices.

We continue to construct the Fund on a bottom-up basis with conviction at the stock level. In addition, we apply a dual risk-budget, targeting a tracking error of 4-5% and lower forecast risk than the benchmark, which may help protect capital during inevitable down market periods and provide our clients with a greater level of return consistency. We believe investment results will be supported by earnings growth and our behavioral finance-focused investment process and focus on higher quality securities with attractive company fundamentals will be a driver of returns for the coming periods.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
EQUITIES - 99.75% (2018 - 97.91%)			
Brazil - 6.67% (2018 - 4.45%)			
169,700	Banco do Estado do Rio Grande do Sul Preference Shares	691	0.41
190,600	Banco Bradesco Preference Shares	1,405	0.84
118,100	Cia de Saneamento Basico do Estado de Sao Paulo ADR	691	0.41
390,500	Estacio Participacoes	1,861	1.11
36,200	IRB Brasil Resseguros	547	0.33
238,600	Itau Unibanco Preference Shares	2,505	1.50
135,100	Porto Seguro	1,532	0.92
248,600	Suzano Papel e Celulose	1,929	1.15
		11,161	6.67
China - 27.11% (2018 - 28.21%)			
38,515	Alibaba ADR	4,108	2.45
967,500	Anhui Conch Cement	3,905	2.33
2,104,500	China Merchants Bank	6,332	3.78
1,602,000	China Petroleum & Chemical	1,015	0.61
1,411,500	China Shenhua Energy	2,501	1.49
809,200	China Vanke	1,946	1.16
156,000	Chitina	811	0.48
2,482,000	CNOOC	3,329	1.99
188,000	Guangzhou Baiyunshan Pharmaceutical	534	0.32
538,000	Hengan International	3,329	1.99
2,701,000	Industrial and Commercial Bank of China	1,429	0.85
4,486,000	Lenovo	2,229	1.33
363,000	Ping An Insurance Group Company of China	2,673	1.60
347,000	Tencent	9,218	5.51
2,638,000	Weichai Power	2,038	1.22
		45,397	27.11
Hong Kong - 4.21% (2018 - 5.64%)			
275,500	CK Asset	1,429	0.85
209,000	Hang Seng Bank	3,827	2.29
259,000	Link REIT*	1,796	1.07
		7,052	4.21
India - 12.86% (2018 - 6.02%)			
25,575	HDFC Bank ADR	1,759	1.05
241,791	Hindustan Unilever	4,139	2.47
564,014	Infosys	4,091	2.45
147,924	Jubilant Foodworks	1,693	1.01
361,307	Tata Consultancy Services	7,400	4.42
310,548	Tech Mahindra	2,444	1.46
		21,526	12.86
Indonesia - 1.21% (2018 - 2.48%)			
1,663,200	Bank Central Asia	2,023	1.21
Luxembourg - 2.53% (2018 - 3.25%)			
4,233,939	Allianz Emerging Markets Equity Opportunities Fund	4,238	2.53
Malaysia - 2.07% (2018 - 1.63%)			
254,661	Malayan Banking	452	0.27
655,600	Public Bank	3,012	1.80
		3,464	2.07
Mexico - 2.18% (2018 - 0.00%)			
855,200	Grupo Financiero Banorte	3,644	2.18
Panama - 0.00% (2018 - 2.52%)			
Peru - 3.78% (2018 - 3.42%)			
36,500	Credicorp	6,326	3.78

Portfolio Statement continued

As at 31 October 2018

Holding	Market Value £'000	% of Net Assets
Poland - 0.00% (2018 - 0.85%)		
Russia - 7.81% (2018 - 6.75%)		
1,305,000	Alrosa	1,531 0.91
146,774	LUKOIL ADR	8,356 4.99
233,055	Mobile TeleSystems ADR	1,452 0.87
344,459	Sberbank of Russia	763 0.46
2,171,009	Surgutneftegas Preference Shares	967 0.58
		13,069 7.81
South Africa - 2.01% (2018 - 3.78%)		
85,981	Exxaro Resources	701 0.42
104,325	Sasol	2,668 1.59
		3,369 2.01
South Korea - 14.21% (2018 - 11.58%)		
33,979	GS Engineering & Construction	973 0.58
28,051	Hotel Shilla	1,374 0.82
48,201	KB Financial	1,569 0.94
293,190	LG Uplus	3,253 1.94
8,471	Lotte Chemical	1,528 0.91
17,775	POSCO	3,144 1.88
12,554	Samsung Electro-Mechanics	1,018 0.61
234,519	Samsung Electronics	6,823 4.07
87,876	SK Hynix	4,111 2.46
		23,793 14.21
Taiwan - 8.63% (2018 - 5.98%)		
2,979,000	Cathay Financial	3,685 2.20
1,737,000	CTBC Financial	901 0.54
1,234,000	Formosa Chemicals & Fibre	3,481 2.08
1,241,000	Grand Pacific Petrochemical	655 0.39
1,032,000	Taiwan Cement	905 0.54
696,000	Taiwan Semiconductor Manufacturing	4,103 2.45
379,000	Uni-President Enterprises	715 0.43
		14,445 8.63
Thailand - 2.92% (2018 - 6.33%)		
119,100	Advanced Info Service	547 0.33
2,017,200	Krung Thai Bank	953 0.57
2,852,800	Land & Houses	694 0.41
821,400	PTT Exploration & Production	2,696 1.61
		4,890 2.92
Turkey - 0.43% (2018 - 4.48%)		
566,106	Eregli Demir ve Celik Fabrikalari	724 0.43
United Kingdom - 1.12% (2018 - 0.00%)		
100,963	Mondi	1,867 1.12
United States - 0.00% (2018 - 0.54%)		
	Investment assets	166,988 99.75
	Net other assets	425 0.25
	Net assets	167,413 100.00

* Real Estate Investment Trust.

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(29,803)		24,226
Revenue	4,354		4,627	
Expenses	(1,352)		(1,471)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	3,001		3,155	
Taxation	(419)		(534)	
Net revenue after taxation		2,582		2,621
Total return before distributions		(27,221)		26,847
Distributions		(86)		(110)
Change in net assets attributable to shareholders from investment activities		(27,307)		26,737

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to shareholders		206,129		196,533
Amounts receivable on issue of shares	4,194		2,116	
Amounts payable on cancellation of shares	(15,603)		(15,509)	
		(11,409)		(13,393)
Change in net assets attributable to shareholders from investment activities (see above)		(27,307)		26,737
Closing net assets attributable to shareholders		167,413		209,877

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		166,988		201,815
Current assets:				
Debtors	228		2,334	
Cash and bank balances	2,696		2,982	
Total assets		169,912		207,131
Liabilities:				
Creditors:				
Other creditors	(2,499)		(1,002)	
Total liabilities		(2,499)		(1,002)
Net assets attributable to shareholders		167,413		206,129

Fund Information

Investment Objective and Policy

The Allianz Fixed Income Macro Fund aims to generate capital growth by outperforming SONIA by 4% to 6% per annum (gross of fees) over any rolling three year period by investing predominantly in derivatives of fixed income instruments and fixed income securities. Investors should be aware that the Fund's capital is at risk and there is no guarantee that the Fund will achieve its investment objective over any particular period at all.

The ACD will adopt a policy of active management and will invest up to 100% of the Fund's assets into fixed income securities indirectly through the use of derivative instruments in order to implement the strategies within the Fund. These will include but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps and inflation linked swaps) and currency forward contracts.

The ACD may also invest using an unconstrained approach to allocate up to 100% of the Fund's assets to fixed income securities including global sovereign bonds which includes agencies and municipalities, global credit including high yield and global foreign exchange currencies.

More than 35% of the value of the property of the Fund may be invested in Government and public securities issued or guaranteed by any of the following states; the United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales), Australia, Canada, Germany, Netherlands, Norway, Sweden, Switzerland and the United States of America.

Investments in either derivatives or fixed income securities may be made anywhere in the world including developed markets and non-developed markets or emerging market countries.

The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.

The Fund may also invest up to a maximum of 10% of the Fund's assets in collective investment schemes.

Fund Details

Fund Manager	Brzezniak, Kacper	
Benchmark	SONIA (Sterling Over Night Index Average)	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	E Shares	18 July 2018
ISA status	Yes	
Share Classes and types of Shares	E (Accumulation Shares)	
Minimum investment	E Shares	Lump sum £10,000,000 Available to Approved Investors only
Initial charge	E Shares	Nil
Annual ACD fee	E Shares	0.45%*

*0.45 % p.a. minus the Additional Expenses payable in respect of the E shares.

**0.45 % p.a. minus the Additional Expenses payable in respect of the W shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
E Shares Accumulation	31 October 2018	3,532	3,600,000	98.12

Fund was launched on 18 July 2018.

Investment Review

Performance Summary

Over the period under review, 18th July 2018 to 31st October 2018, the Fund's E Acc share class produced a total return of -1.86%. The Fund's benchmark, SONIA, produced a total return of 0.19% over the period.*

The key reasons for this underperformance were our rates, credit and inflation strategies, while our FX and equity strategies were positive for returns.

* Source: Allianz Global Investors/Datastream. Fund performance based midday prices using the mid market price portfolio valuation, net of fees and expenses, with net revenue re-invested in Sterling. Performance per comparative table based on bid market price portfolio valuation at close of business on the last day of the accounting period and with related accounting adjustments. Benchmark performance based on midday prices.

Market Background

At the launch of the Fund on the 18th July, markets were in the midst of enjoying a brief summer risk rally as they moved on from a range of emerging market and the Italian budget crisis. These crises returned in August as the Turkish lira and Argentine peso sold off dramatically, and Italian government bond yields drifted higher.

We attribute the greater volatility in risky assets seen in 2018 to tighter financial conditions and a stronger dollar. While this volatility was often attributed to idiosyncratic risks, we believed that a global tightening of financial conditions and a stronger US dollar were key factors increasing underlying instability in global financial markets. Nonetheless, the market often overreacted to these events, which created an opportunity to add risk at the portfolio level and enter positions at more attractive valuations. Meanwhile, there were other areas of financial markets that weren't reflecting the risks we saw to them, such as US credit, which looked unattractive.

Portfolio Review

The Fund aims to generate returns through 4 core investment strategies: Rates, FX, Credit and Inflation. We also manage portfolio risk through positions within our Equity strategy.

Rates

One theme we expressed on the Fund was the view that expectations of further US monetary policy would continue

rising. We were short the 2 year Eurodollar future from late July and held this until September. We also expressed this through a 2 year mid-curve Eurodollar options put ladder, selling an additional call option to cheapen the structure. These structures were negative for performance in August, but given the move lower in Eurodollar futures prices, it was a positive contributor in October and for the Fund overall.

We also expressed the view that rates in the rest of the world would see upward pressure given tighter US policy. This was expressed through a short 10 year Japanese government bond future in August which was a slight positive for returns, and a put ladder on bunds through October. Bunds rallied in October as Italian concerns returned, and so our options structure lost value.

FX

Given the upcoming elections in Brazil, we positioned for depreciation in the Brazilian real on political concerns, which was a key driver of the positive returns the Fund experienced in August. We traded EURSEK around the Swedish elections and political risk premia, which was also positive for Fund returns. We remained long Mexican peso in October as an emerging market proxy, although the selloff seen in the latter half of the month was negative. The Fund held a short Turkish lira position which was another key driver of positive returns that the Fund saw in August as renewed fears over the Turkish economy emerged. Finally, our other central FX position which lost money was long sterling, reflecting our positive Brexit outcome view, through a basket of options against Australian dollar, euro and US dollar.

Credit

In late October, we added a 30 year Argentine USD bond. We treat this as credit as it is in US dollars and has a spread to US treasuries. The bond was yielding 9.25% while the country has been supported by the largest IMF package ever, and it therefore seemed very unlikely that Argentina would get into trouble making payments while it had support by the IMF. We maintained this position through the end of the review period, but through the latter half of October the position was a net drag on returns.

Following the spread widening since May between Italy and Germany, short-dated Italian bonds were looking attractive

Investment Review continued

given the low likelihood of default over this time frame and higher yield on offer. Further widening as we entered October increased our conviction in the position and we added more short dated Italian bonds as well as buying some call options on BTP futures. These positions contributed to the negative Fund returns seen in early October, but were positive into month end as Italian yields fell back down.

We expressed no views on corporate credit markets over the period, aside from the proxies outlined in the equity section below.

Outlook

Moving forward, the growth in real M1 globally continues to signal worsening economic growth ahead. We like this measure as it captures the amount that firms and households are holding in cash, and therefore what they are intending to spend, adjusted for the real purchasing power of this cash. It is a good lead indicator of changes in global manufacturing PMI, and the measure has weakened this year to a current level where it is as weak as it was in late 2007. This does not bode well for economic growth and indeed it has predicted the weakening PMIs we have seen globally this year.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Euro Denominated Fixed Rate Government Bonds - 57.30%			
€500,000	Bundesrepublik Deutschland Bundesanleihe 1% 15/08/2025	473	13.39
€50,000	Bundesrepublik Deutschland Bundesobligation 0% 13/10/2023	45	1.27
€380,000	French Republic Government Bond 0% 25/03/2024	336	9.51
€80,000	Italy Buoni Ordinari del Tesoro 0% 31/01/2019	71	2.01
€200,000	Italy Buoni Poliennali Del Tesoro 0.1% 15/04/2019	177	5.01
€555,000	Italy Buoni Poliennali Del Tesoro 0.95% 01/03/2023	463	13.11
€150,000	Italy Buoni Poliennali Del Tesoro 4.25% 01/02/2019	135	3.82
€220,000	Italy Buoni Poliennali Del Tesoro 4.5% 01/03/2019	198	5.61
€40,000	Italy Buoni Poliennali Del Tesoro 4.5% 01/02/2020	37	1.05
€100,000	Kingdom of Belgium Government Bond 0.8% 22/06/2028	89	2.52
		2,024	57.30
Sterling Denominated Fixed Rate Government Bonds - 29.19%			
£250,000	UK Treasury Bond 0.75% 22/07/2023	247	6.99
£100,000	UK Treasury Bond 1.625% 22/10/2028	102	2.89
£278,000	UK Treasury Bond 1.75% 22/07/2019	280	7.93
£25,000	UK Treasury Bond 2% 22/07/2020	25	0.71
£200,000	UK Treasury Bond 3.75% 07/09/2019	205	5.80
£100,000	UK Treasury Bond 4.5% 07/03/2019	101	2.86
£20,000	UK Treasury Bond 4.75% 07/03/2020	21	0.59
£50,000	UK Treasury Bill 0% 10/12/2018	50	1.42
		1,031	29.19
US Dollar Denominated Fixed Rate Government Bonds - 10.25%			
\$95,000	Argentine Republic Government International Bond 6.875% 11/01/2048	54	1.53
\$100,000	US Treasury Bonds 2.875% 30/09/2023	78	2.21
\$300,000	US Treasury Bonds 2.875% 15/08/2028	230	6.51
		362	10.25
Derivatives - (1.19)%			
Interest Rate Swaps - (0.48)%			
800,000	Receive 3.5% Pay Variable 15/09/2028	(6)	(0.17)
500,000	Receive 3.5% Pay Variable 15/07/2033	(11)	(0.31)
		(17)	(0.48)
Open Forward Exchange Contracts* - (0.20)%			
	Bought BRL 352,531 : Sold USD 95,000	-	0.00
	Bought CAD 120,000 : Sold JPY 10,664,277	(2)	(0.06)
	Bought EUR 100,000 : Sold JPY 13,151,300	(2)	(0.06)
	Bought EUR 100,000 : Sold USD 116,011	(2)	(0.06)
	Bought JPY 10,322,952 : Sold CAD 120,000	-	0.00
	Bought JPY 12,866,668 : Sold EUR 100,000	-	0.00
	Bought JPY 625,957 : Sold GBP 4,306	-	0.00
	Bought JPY 10,677,534 : Sold USD 95,000	-	0.00
	Bought KRW 106,000,000 : Sold USD 95,395	(2)	(0.06)
	Bought MXN 1,815,762 : Sold USD 95,805	(4)	(0.11)
	Bought TRY 582,110 : Sold USD 95,000	8	0.23
	Bought TRY 1,110,463 : Sold USD 190,000	8	0.23
	Bought USD 94,918 : Sold BRL 352,531	-	0.00
	Bought USD 115,482 : Sold EUR 100,000	2	0.06
	Bought USD 95,000 : Sold JPY 10,684,631	-	0.00
	Bought USD 94,445 : Sold KRW 106,000,000	1	0.03
	Bought USD 93,575 : Sold MXN 1,815,762	3	0.08
	Bought USD 190,000 : Sold TRY 1,106,530	(7)	(0.20)
	Bought USD 95,582 : Sold TRY 582,110	(8)	(0.22)
	Bought USD 100,112 : Sold ZAR 1,430,995	2	0.06
	Bought ZAR 1,471,162 : Sold USD 100,000	-	0.00
	Sold EUR 229,000 : Bought GBP 207,196	3	0.08
	Sold EUR 195,725 : Bought GBP 175,642	1	0.03
	Sold EUR 80,000 : Bought GBP 71,715	-	0.00
	Sold EUR 146,341 : Bought GBP 130,797	-	0.00
	Sold EUR 1,684,377 : Bought GBP 1,497,647	(1)	(0.03)
	Sold JPY 1,047,660 : Bought GBP 7,300	-	0.00
	Sold USD 65,000 : Bought GBP 49,512	(1)	(0.03)
	Sold USD 490,229 : Bought GBP 377,371	(6)	(0.17)
		(7)	(0.20)

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Open Futures Contracts - (0.34)%			
(4)	CBOE VIX November 2018	(6)	(0.17)
10	Euro 157 PUT FSO January 2019	(2)	(0.06)
8	Euro 157.5 PUT FSO December 2018	(3)	(0.08)
(10)	VSTOXX November 18	(1)	(0.03)
		(12)	(0.34)
Written Call Options - 0.06%			
500,000	Sterling Call Option 1.35 December 2018	-	0.00
400,000	Sterling Call Option 1.35 February 2019	2	0.06
390,000	Sterling Call Option 1.42 October 2019	3	0.09
1,500,000	Sterling Call Option 1.9 January 2019	3	0.09
(1,500,000)	Sterling Call Option 2.05 January 2019	(1)	(0.03)
500,000	Sterling Call Option 2.054 October 2019	3	0.08
(100)	US Dollar Call Option 96.875 November 2018	(8)	(0.23)
(500,000)	US Dollar Call Option 115.25 November 2018	-	0.00
		2	0.06
Written Put Options - (0.23)%			
500,000	Euro Put Option 0.831 October 2019	3	0.08
(1,500,000)	Sterling Put Option 1.45 April 2019	(14)	(0.40)
4,000,000	US Dollar Put Option 3.45 November 2018	2	0.06
1,000,000	US Dollar Put Option 13.85 November 2018	1	0.03
(1,400,000)	US Dollar Put Option 18.2 December 2018	(1)	(0.03)
700,000	US Dollar Put Option 18.5 December 2018	-	0.00
(100)	US Dollar Put Option 96.375 November 2018	-	0.00
(100)	US Dollar Put Option 96.5 November 2018	-	0.00
100	US Dollar Put Option 96.625 November 2018	1	0.03
(500,000)	US Dollar Put Option 105 November 2018	-	0.00
500,000	US Dollar Put Option 108 November 2018	-	0.00
(500,000)	US Dollar Put Option 112 November 2018	(1)	(0.03)
10	US Dollar Put Option 117.5 November 2018	1	0.03
		(8)	(0.23)
Investment assets ¹		3,375	95.55
Net other assets		157	4.45
Net assets		3,532	100.00

* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

¹ Includes derivative liabilities.

The market value of the holdings shown as 0 is below £500 and is therefore rounded down to £0.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s
Income:		
Net capital losses		(104)
Revenue	46	
Expenses	(10)	
Interest payable and similar charges	-	
Net revenue before taxation	36	
Taxation	-	
Net revenue after taxation		36
Total return before distributions		(68)
Distributions		-
Change in net assets attributable to Shareholders from investment activities		(68)

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s
Opening net assets attributable to Shareholders		-
Amounts receivable on issue of shares	3,600	
Amounts payable on cancellation of shares	-	
		3,600
Change in net assets attributable to Shareholders from investment activities (see above)		(68)
Closing net assets attributable to Shareholders		3,532

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s
Assets:		
Fixed assets:		
Investments		3,464
Current assets:		
Debtors	16	
Cash and bank balances	148	
Total assets		3,628
Liabilities:		
Investment liabilities		(89)
Creditors:		
Other creditors	(7)	
Total liabilities		(96)
Net assets attributable to Shareholders		3,532

Fund Information

Investment Objective and Policy

The Allianz Global AC Equity Insights Fund aims to generate long-term capital growth by investing in global equity markets to achieve an equity portfolio with a focus on stock selection.

The ACD will invest at least 70% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts and P-Notes) worldwide. In addition, index certificates and other certificates on equities, adequately diversified equity baskets and warrants may also be acquired.

Up to 49% of the Fund's assets may be invested in securities/instruments where the issuers or the issuers of the underlying securities have their registered offices in Non-Developed Countries (as defined in the prospectus) of which up to 10% of the Fund's assets may be invested in Chinese A-Shares either directly via Stock Connect or indirectly through all eligible instruments as set out in the investment policy.

The ACD may also utilise deposits and money market instruments in the management of the portfolio. Deposits together with money market instruments may make up to a maximum of 30% of the Fund's assets.

The Fund may also invest up to a maximum of 10% in collective investment schemes.

GITA Restriction (Alternative 1) applies, however at least 70% of Fund's assets are invested in Equity Participation according to Art. 2 Section 8 GITA.

Fund Details

Fund Manager	Steve Berexa	
Benchmark	MSCI All Country World Index Net Total Return GBP	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	E Shares	14 August 2017
	W Shares	14 August 2017
	O Shares	3 May 2018
ISA status	Yes	
Share Classes and types of Shares	E (Accumulation Shares) W (Accumulation Shares) O (Accumulation Shares)	
Minimum investment	E Shares	Lump sum £10,000,000 Available to Approved Investors only
	W Shares	Lump sum £10,000,000 Available to Approved Investors only
	O Shares	Lump sum £10,000,000 Available to Approved Investors only
Initial charge	E Shares	Nil
	W Shares	2.00%
	O Shares	Nil
Annual ACD fee	E Shares	0.45%*
	W Shares	0.73%**
	O Shares	0.20%***

*0.45 % p.a. minus the Additional Expenses payable in respect of the E shares.

**0.45 % p.a. minus the Additional Expenses payable in respect of the W shares.

***0.20 % p.a. minus the Additional Expenses payable in respect of the O shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
E Shares Accumulation	31 October 2018	3,898	3,600,000	108.28
O Shares Accumulation	31 October 2018	1	1,000	101.77
W Shares Accumulation	31 October 2018	76	69,854	107.90

Operating Charges

Share Class	Year Ended	(%)
E Shares Accumulation ¹	30 April 2018	0.45
O Shares Accumulation ²	30 April 2018	N/A
W Shares Accumulation ³	30 April 2018	0.73

¹ Operating charges have been capped at 0.45%

² 'O' Class Accumulation Shares launched on 3rd May 2018.

³ Operating charges have been capped at 0.73%

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
E Shares Accumulation	30 June 2018	0.5298
O Shares Accumulation ²	30 June 2018	-
W Shares Accumulation	30 June 2018	-

Please note: Investors are reminded that the Fund distributes annually.

² 'O' Class Accumulation Shares launched on 3rd May 2018.

Investment Review

Performance Summary

Over the six months under review, from 1 May 2018 to 31 October 2018, the Allianz Global AC Equity Insights Fund's W share class produced a return of 2.59% in GBP, net of fees. The Fund's benchmark, the MSCI All Country World Index in GBP, produced a return of 3.55% over the period.*

The Fund results trailed the benchmark due to the impact from stock selection.

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on midday prices.

Market Background

Global equity results were modestly positive each month from the May to July period, as markets shrugged off rising geopolitical uncertainty, concerns over a trade war and the potential for tightening monetary policy. Performance results were modestly lower in September and the decline accelerated in October as a rise in bond yields and more hawkish comments from the US Federal Reserve led investors to question whether corporate earnings may have peaked. Developed markets strongly outperformed their emerging markets during the six month period as investors gravitated toward equities deemed less risky and better insulated from the prevailing macroeconomic headwinds.

Country results were led by advances in Qatar and Russia which benefitted from higher demand for oil and gas globally. The United States was the top developed market performer with a low double-digit advance thanks to robust corporate earnings, followed by a high single-digit gain in Switzerland. Meanwhile, emerging market equities led to the downside and accounted for the five worst performers during the reporting period, including Greece and Turkey which saw their share prices cut by nearly one-third due to rising investor uncertainty. Italy posted a double-digit decline as market participants were weary of the country's rising debt levels.

Sector performance was mostly positive, with eight out of 11 sectors advancing. Results were led by Health Care and Information Technology shares, which posted double-digit gains thanks to resilient end-user demand. Meanwhile, Materials were lower as construction-related segments lagged, with Financials and Consumer Discretionary offsetting results more modestly.

Portfolio Review

The Allianz Global AC Equity Insights Fund offers of bottom-up, high conviction, unconstrained global equity strategy which seeks to take advantage of fundamental mispricing in the market. The Fund's relative performance trailed the benchmark modestly due to the impact from stock selection at the end of the reporting period as the broad equity sell-off resulted in many of the Fund's prior outperformers becoming underperformers in October.

From a sector standpoint, strong bottom-up stock selection in Industrials, Communication Services and Health Care contributed to performance thanks to idiosyncratic opportunities in each sector. Conversely, Information Technology was the primary laggard due to selections in software and IT services industries. Consumer Discretionary and Consumer Staples offset results more modestly. From a country perspective, bottom-up stock selection in Canada contributed to results as did the avoidance of South Korea, South Africa and Italy, which each declined by double-digit figures during the reporting period. Meanwhile, China was the primary laggard due to the stock-specific impact from household durables, life sciences tools & services and banking industries. Stockpicking in the Philippines and Germany detracted more modestly from results.

Outlook

Global equities have come under pressure in recent months as investor sentiment deteriorated. Given the macro risks around trade wars, European debt and decelerating economic indices, as well as end to central bank money printing, we believe there may be additional volatility in equity prices over the coming periods. Although we continue to focus on our idiosyncratic names, we have taken steps to reduce beta and cyclical exposure in the portfolio and increased weightings in large cap equities which may outperform on a relative basis in the current market environment. The cash weight has been increased in recent periods to keep our powder dry for attractive investment opportunities or a turnaround in equity sentiment globally.

We continue to construct the Fund on a bottom-up basis via a conviction, high active share portfolio given our belief that the global equity universe remains inefficient. Fundamentals can often be misunderstood and assumptions supporting financial

Investment Review continued

statement projections can turn out to be substantially wrong over time, due in large part to the dynamic global economy. We seek to take advantage of these mispricings on behalf of our investor clients by developing a superior understanding of the fundamental drivers and then by confirming our hypotheses with proprietary market research. We believe that an information advantage can be developed, given the proper resources.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
	EQUITIES - 94.16% (2018 - 95.49%)		
	United Kingdom - 8.02% (2018 - 7.22%)		
21,930	Auto Trader	90	2.26
5,160	BHP Billiton	80	2.01
1,610	Blue Prism	27	0.68
50,055	FirstGroup	43	1.08
3,175	Royal Dutch Shell 'A' Shares	79	1.99
		319	8.02
	EUROPE - 13.11% (2018 - 16.22%)		
	France - 5.66% (2018 - 5.81%)		
1,755	SOITEC	100	2.51
760	Valeo	19	0.48
2,575	Worldline	106	2.67
		225	5.66
	Germany - 3.98% (2018 - 5.27%)		
1,095	Bechtle	75	1.89
730	Covestro	37	0.93
1,445	Osram	46	1.16
		158	3.98
	Ireland - 0.00% (2018 - 0.97%)		
	Luxembourg - 2.29% (2018 - 1.80%)		
3,630	Novocure	91	2.29
		91	2.29
	Switzerland - 1.18% (2018 - 2.37%)		
250	Roche	47	1.18
		47	1.18
		521	13.11
	ASIA PACIFIC (EXCLUDING JAPAN) - 6.41% (2018 - 9.75%)		
	China - 2.44% (2018 - 6.08%)		
60,000	China Oilfield Services	44	1.11
400	Kweichow Moutai	25	0.63
5,000	WuXi Biologics	28	0.70
		97	2.44
	India - 2.16% (2018 - 3.28%)		
122	Allianz India Equity Fund	86	2.16
		86	2.16
	Philippines - 0.00% (2018 - 0.39%)		
	Singapore - 0.83% (2018 - 0.00%)		
2,500	DBS	33	0.83
		33	0.83
	Taiwan - 0.98% (2018 - 0.00%)		
18,000	Accton Technology	39	0.98
		39	0.98
		255	6.41

Portfolio Statement continued

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
JAPAN - 8.86% (2018 - 8.65%)			
Japan - 8.86% (2018 - 8.65%)			
600	FANUC	82	2.06
4,000	MINEBEA MITSUMI	48	1.21
700	SoftBank	44	1.11
2,500	Sony	106	2.67
1,300	Suzuki Motor	51	1.28
1,100	ZOZO	21	0.53
		352	8.86
		352	8.86
NORTH AMERICA - 56.48% (2018 - 50.50%)			
Canada - 6.82% (2018 - 3.10%)			
31,530	Entertainment One	129	3.25
1,453	Nutrien	59	1.48
3,170	Suncor Energy	83	2.09
		271	6.82
United States of America - 49.66% (2018 - 47.40%)			
1,040	Aerovironment	72	1.81
13,135	Amyris	77	1.94
2,400	Axon Enterprise	109	2.74
405	Bio-Rad Laboratories	86	2.16
1,260	Calavo Growers	99	2.49
5,415	CenturyLink	87	2.19
2,000	Citigroup	101	2.54
2,225	Comcast 'A' Shares	66	1.66
1,710	Dave & Buster's	79	1.99
1,545	Heron Therapeutics	33	0.83
770	International Business Machines	70	1.76
3,825	Invitae	40	1.01
1,495	JPMorgan Chase	126	3.17
2,855	Live Nation Entertainment	113	2.84
2,015	Malibu Boats	63	1.58
3,035	MINDBODY	77	1.94
260	Netflix	58	1.46
1,145	Neurocrine Biosciences	96	2.42
500	Pioneer Natural Resources	57	1.43
2,055	Six Flags Entertainment	87	2.19
515	Tesla	134	3.37
345	UnitedHealth	70	1.76
675	Vulcan Materials	53	1.33
920	Walt Disney	83	2.09
2,640	Yext	38	0.96
		1,974	49.66
		2,245	56.48

Portfolio Statement continued

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
	MIDDLE EAST - 1.28% (2018 - 3.15%)		
	Israel - 1.28% (2018 - 3.15%)		
2,795	Radware	51	1.28
		51	1.28
		51	1.28
	Investment assets	3,743	94.16
	Net other assets	232	5.84
	Net assets	3,975	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital gains		83		123
Revenue	31		11	
Expenses	(6)		(3)	
Net revenue before taxation	25		8	
Taxation	(5)		(1)	
Net revenue after taxation		20		7
Total return before distributions		103		130
Distributions		-		-
Change in net assets attributable to shareholders from investment activities		103		130

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to shareholders		3,837		-
Amounts receivable on issue of shares	36		3,606	
Amounts payable on cancellation of shares	(1)		-	
		35		3,606
Change in net assets attributable to shareholders from investment activities (see above)		103		130
Closing net assets attributable to shareholders		3,975		3,736

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		3,743		3,664
Current assets:				
Debtors	31		47	
Cash and bank balances	220		169	
Total assets		3,994		3,880
Liabilities:				
Creditors:				
Bank overdrafts	-		(14)	
Other creditors	(19)		(29)	
Total liabilities		(19)		(43)
Net assets attributable to shareholders		3,975		3,837

Fund Information

Investment Objective and Policy

The Allianz RiskMaster Conservative Multi Asset Fund aims to achieve long term capital growth by maintaining a balance between investments which are considered lower to medium risk and those which are considered higher risk.

The Fund seeks to achieve this objective by (1) actively investing in a broad range of asset classes across all economic sectors worldwide and (2) managing the risks associated with investing in these assets by utilising a broad range of risk management techniques.

The Fund will maintain a balance between investments which are considered lower to medium risk such as fixed income securities (issued by corporate, government and/or supranational institutions), collective investment schemes (including those with exposure to the property market), cash, near cash and money market instruments and those which are considered higher risk, such as equity, equity related securities and (indirectly) alternative asset classes (including commodities indices and hedge fund indices).

The Fund may gain exposure to the above mentioned securities either through direct investment or indirectly by investing in collective investment schemes, including exchange traded funds.

In particularly adverse market conditions the Fund may hold cash deposits up to 100% of the portfolio.

The Fund may also invest in derivative instruments such as futures, options, options on swaps, swap agreements (including equity and/or index based total return swaps, interest rate swaps and credit default swaps) and currency forward contracts. The Fund may use options in order to generate synthetic cash positions.

Derivatives may also be used for the purpose of efficient portfolio management.

Fund Details

Fund Manager	Allianz RiskMaster	
	Multi Asset team	
Benchmark	n/a	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	Fund	15 May 2012
	A Shares	15 May 2012*
	C Shares	15 May 2012
	T Shares	15 March 2013
	F Shares	19 May 2016
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) T (Accumulation Shares) F (Accumulation Shares) Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	T Shares	Available only to discretionary management or advisory clients of the Investment Advisor or members of its group or others at the discretion of the ACD
	F Shares	Available only to a feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS and which has been approved by the ACD
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only
	C Shares	Nil
	T Shares	Nil
Initial charge	F Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	T Shares	Nil
	F Shares	0.50%**
	Y Shares	0.50%***

For the T Share class a fund admin charge is applied at an amount or rate agreed with the investor.

*The 'A' Class Accumulation Shares closed effective 16 February 2017.

The 'F' Class Accumulation Shares launched effective 19 May 2016.

The 'Y' Class Accumulation Shares launched effective 20 February 2017.

**0.50 % p.a. minus the Additional Expenses payable in respect of the F shares.

***0.50 % p.a. minus the Additional Expenses payable in respect of the Y shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
C Shares Accumulation	31 October 2018	4,160	3,038,373	136.90
T Shares Accumulation	31 October 2018	4,889	3,974,723	123.00
F Shares Accumulation	31 October 2018	88,389	71,280,315	124.00
Y Shares Accumulation	31 October 2018	9	176	4,991.73

Operating Charges

Share Class	Year Ended	(%)
C Shares Accumulation ¹	30 April 2018	0.99
T Shares Accumulation ²	30 April 2018	0.90
F Shares Accumulation ³	30 April 2018	0.50
Y Shares Accumulation ⁴	30 April 2018	0.50

¹ Operating charges have been capped at 0.99% (C shares)

² Operating charges have been capped at 0.90% (T shares)

³ Operating charges have been capped at 0.50% (F shares)

⁴ Operating charges have been capped at 0.50% (Y shares)

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
C Shares Accumulation	30 June 2018	1.6021
T Shares Accumulation	30 June 2018	1.3731
F Shares Accumulation	30 June 2018	1.9803
Y Shares Accumulation	30 June 2018	-

Please note: Investors are reminded that the Fund distributes annually.

Investment Review

Performance Summary

Over the 6 months under review, 30 April 2018 to 31 October 2018, the Fund's 'T' class produced a total return of -2.09%, the Fund's 'C' class -2.12%.*

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling.

Market Background

The six-month period under review initially saw global equities post robust gains, however a sharp selloff in early October erased most developed market YTD returns, with global markets experiencing volatility akin to the moves witnessed in February. A sudden rise in bond yields at the start of October proved to be the catalyst for the sell-off, with the downward movement in shares gathering pace as investors focused on further hawkish comments from the Federal Reserve. In addition, concerns that corporate earnings may have peaked, worries over global growth and the impact of higher tariffs, as well as heightened geopolitical tensions, added to investors' unease.

Through until the end of September, US equities led the advance, buoyed by robust US economic data and continued earnings growth. Elsewhere, concerns over the impact of a trade war between the US and its major trading partners caused stocks to retreat from the peaks touched in May. Emerging markets however weakened throughout the period, affected by a strengthening US dollar and by currency crises in Argentina, Turkey and Venezuela.

In October, the selloff was felt most acutely in the popular "FAANG" stocks, where extreme optimism on projected earnings were most impacted by rising interest rates, as investors started to apply higher discount rates to equity valuations. Industrials, materials and energy companies also retreated sharply amid a broad rotation into defensive sectors, such as consumer staples and utilities.

Global bond yields surged at the start of October, as robust US economic data raised concerns that the Federal Reserve would need to adopt a more hawkish stance. The yield on the 10-year US Treasury bond reached 3.26%*, its highest level in seven years, while the yield on the 10-year German Bund approached 0.6%*. However, the subsequent equity market volatility boosted demand for assets seen to be safe havens, helping core government bonds to recoup their earlier losses,

although corporate bonds underperformed. Overall, global bonds closed a volatile six month period with negative returns. Rising oil prices increased fears of a pick-up in inflation, leading to sharp sell-offs in April and early May.

Economic data highlighted the divergence in the major economies, with strong momentum in the US contrasting with lacklustre growth in Europe and slowing growth in China. Both the US Federal Reserve and Bank of England raised rates. While rates remained on hold in other developed economies, the European Central Bank announced it would end its bond-buying programme by the end of this year, and the Bank of Japan gave itself more flexibility by expanding its target for the 10-year bond yield. In contrast, interest rates rose in several emerging markets as they sought to stem currency weakness.

The US dollar strengthened over the period, boosted by higher US interest rates and bond yields. While the euro strengthened against the British pound and Japanese yen, it fell against the US dollar. The British pound was among the weakest of all the major currencies as hopes in progress in the Brexit negotiations were dashed when Prime Minister Theresa May's "Chequers approach" was universally rejected by EU leaders.

While UK equities declined over October (in GBP terms), they outperformed most other developed markets, helped by further weakness in the British pound which depreciated amid a higher probability of a "no deal" Brexit. The UK economy grew 0.7% in the three months to August, although growth in August itself was flat, and wage growth rose to 3.1%, the fastest pace in almost a decade. However, UK equities underperformed global developed markets over the six month period, as sentiment and Brexit headlines continued to drag on UK assets.

*Bloomberg

Investment Review continued

Portfolio Review

Strategic Asset Allocation

The fund's medium-term SAA (Strategic Asset Allocation) reflects the asset allocation to achieve the fund's objectives over the next 3-5 years. The fund is aiming to maximise returns whilst delivering the required level of risk of equivalent to 50% global equities, over the long term this represents an expected volatility of around 8% p.a..

The revised SAA aimed to diversify the growth assets both within equities, and by making High Yield and Emerging Market Debt strategic weights. The main consequence of this is a marginal reduction in the level of equities, most significantly through UK equities. This has resulted in a more diverse equity exposure, with a higher allocation to non-UK equities.

The SAA also includes a strategic hedge if a proportion of the overseas developed market equity currency exposure. This is to mitigate the risk of sterling volatility impacting the overall investment outcome.

	Current	Revised	Change
Growth	54.00%	53.00%	(1.00)%
UK Equity	21.10%	8.25%	(12.80)%
North America	15.20%	16.25%	1.10%
Europe ex UK	2.80%	7.25%	4.40%
Japan	2.50%	5.25%	2.70%
Pacific ex JPN	1.40%	3.00%	1.60%
EM Equities	5.00%	6.25%	1.30%
EM Bonds	-	2.75%	2.80%
Global High Yield Bond	6.00%	4.00%	(2.00)%
Defensive			
UK Gilts	5.00%	11.50%	6.50%
UK Credits	20.00%	11.50%	(8.50)%
Global Bonds	-	10.00%	10.00%
Alternatives/Cash	21.00%	14.00%	(7.00)%
/empty			
GBP Exposure	73.00%	81.00%	8.00%

In the short-term, the asset allocation is tactically varied around the SAA in order to add additional value and to avoid an "over-shooting" or "under-shooting" of the chosen risk tolerance level.

Tactical Asset Allocation

The fund started the period underweight global equities compared to the SAA, although this was increased to an active

overweight from June as momentum gathered for developed equity markets. The fund ended the period with a marginal overweight to equities, whilst remaining underweight Growth assets in general, with notable underweights to Emerging Market equities and Global High Yield.

At the end of the period, within global equities, the fund remained highly selective in where it is taking its equity exposure. On a regional basis, with reference to the SAA, the fund is overweight North American and Japanese equity, and underweights to UK, European and Emerging Market equities.

Over the period, within the overweight US equities, the fund has reduced its exposure to Nasdaq/Tech sector exposures. This sector looks most at risk to a sudden market correction, given the pressure a higher rate environment may have on the lofty equity valuations given its higher beta sensitivities.

Within fixed income, over the period, the allocation to UK investment grade credit was reduced. The purpose was to increase the diversification of the Defensive assets, with the inclusion of global bonds. The reduction in UK investment grade credit also reflected the more negative view on credit given the combination of reasonably low spreads, and potential for rising rate environment.

Both strategically and tactically the fund has reduced exposure to Alternatives strategies throughout the period and is currently positioned underweight versus the SAA. The preference is to diversify with Defensive assets such as sovereign bonds and global investment grade credit, which has exhibited a lower correlation with growth assets during periods of market stress.

Global Outlook

Late-cycle dynamics continue to unfold, as tighter labour markets and now positive output gaps in a majority of countries have spilled over into a gradual reflating of the global economy. This trend has been underpinned by somewhat slower yet above-potential GDP growth that remains restrained by weak supply side dynamics in general and subdued productivity growth in particular.

Investment Review continued

Downside risks to the world economy have increased over the course of this year in light of lingering geopolitical tensions and the ongoing loss of cyclical momentum. While global macro data has deteriorated in eight out of the last nine months, there are tentative signs that the relative economic outperformance of the United States may come closer to an end. Analysts have responded to this more uncertain environment by further scaling back their growth forecasts for many countries.

Following the mostly conducive “fragile goldilocks” settings over the last couple of years, financial markets are now facing a more challenging backdrop of peak economic and earnings growth, peak central bank liquidity and monetary policy normalisation as well as heightened political headwinds. Historically, investors have not been compensated well for taking beta risks at an advanced stage of the business cycle.

Rising trade tensions giving way to a full-blown US-led trade war, elevated geopolitical risks (for example: Italy, Brexit, Middle East/Iran/Syria), widening problems in the emerging world (e. g. Turkey, Argentina, China), a mishandled monetary policy normalization by major central banks and a deeper setback in financial markets rank high among the downside risks for the global economy. Furthermore, ill-timed fiscal stimulus in the United States at a matured stage of the business cycle has raised the risk of a boom/bust-scenario.

UK Outlook

On the UK side, there are a number of different stages to the political risk, most immediately around whether an acceptable package can be agreed between the UK Government and the EU, and then whether this package is accepted by Parliament. However UK Parliament approval may be the biggest hurdle for any Brexit deal.

Any Brexit deal (or even confirmation of a ‘no deal’/WTO outcome) may actually release the UK from the malaise of uncertainty once the initial knee jerk reaction takes place. The extent of which will inevitably depend on the details of the package. For now, the negative sentiment and uncertainty has led international investors to shun UK assets, and therefore look “cheap” from a valuation standpoint.

In a no deal/WTO outcome, the expectation would be for sterling and rates to fall significantly. In respect of UK equities, the large caps (as per the original Brexit referendum) could well be resilient and bounce back quickly due to sterling depreciation, potentially leading to a positive outcome; however domestically focused stocks would struggle and suffer most. In the event of a “soft” deal, sterling could well appreciate and short duration gilt yields to widen. Large cap UK equities would face the headwinds of the sterling rally; smaller domestically focused stocks would rally. On a harder deal, there is the potential for lower rates and a fall in sterling, this could be a positive for large cap UK stocks but domestically focused stock would be more challenged.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Open-Ended Funds - 70.20% (2018 - 76.55%)			
Equities - 26.17% (2018 - 30.70%)			
1	Allianz Best Styles Emerging Markets Equity Fund	-	0.00
12,870	Allianz Best Styles Global Equity Fund	17,789	18.25
1,838	Allianz Structured Return Fund	1,821	1.87
913,592	Allianz UK Opportunities Fund	954	0.98
5,568	Allianz Volatility Strategy Fund	4,936	5.07
		25,500	26.17
Fixed Interest - 44.03% (2018 - 45.85%)			
3,393	Allianz Emerging Markets Bond Fund	2,626	2.69
7,808,479	Allianz Gilt Yield Fund	14,340	14.72
1,162	Allianz Selective Global High Yield Fund	955	0.98
3,142,187	Allianz Strategic Bond Fund	2,961	3.04
76,390	iShares Core Bond UCITS ETF	10,756	11.04
2,311,932	iShares Global Aggregate Bond UCITS ETF	11,265	11.56
		42,903	44.03
Euro Denominated Fixed Rate Government Bonds - 2.41% (2018 - 0.00%)			
€2,650,000	Italy Buoni Ordinari del Tesoro 0% 12/04/2019	2,351	2.41
		2,351	2.41
Sterling Denominated Fixed Rate Government Bonds - 17.23% (2018 - 14.22%)			
£8,000,000	UK Treasury Bonds 1.75% 22/07/2019	8,057	8.27
£5,750,000	UK Treasury Bill 0% 07/01/2019	5,743	5.89
£2,000,000	UK Treasury Bill 0% 18/02/2019	1,996	2.05
£1,000,000	UK Treasury Bill 0% 01/04/2019	997	1.02
		16,793	17.23
US Dollar Denominated Fixed Rate Government Bonds - 6.01% (2018 - 4.02%)			
\$6,000,000	US Treasury Bill 0% 08/11/2018	4,695	4.82
\$1,500,000	US Treasury Bill 0% 20/06/2019	1,155	1.18
		5,850	6.00
Derivatives - (1.52)% (2018 - 0.51%)			
Open Forward Exchange Contracts* - (0.20)% (2018 - (0.36)%)			
	Bought AUD1,495,000 : Sold GBP824,357	7	0.01
	Bought CAD1,038,000 : Sold GBP609,655	9	0.01
	Bought JPY157,770,000 : Sold GBP1,078,589	14	0.01
	Bought USD127,000 : Sold GBP98,159	1	0.00
	Sold AUD2,288,000 : Bought GBP1,252,510	(19)	(0.02)
	Sold EUR6,945,000 : Bought GBP6,178,311	5	0.01
	Sold EUR2,650,000 : Bought GBP2,374,603	6	0.01
	Sold USD12,709,000 : Bought GBP9,717,539	(222)	(0.23)
		(199)	(0.20)

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Open Futures Contracts - (1.32)% (2018 - 0.87%)			
18	EURO STOXX 50 December 2018	(36)	(0.04)
23	FTSE 100 Index December 2018	(35)	(0.04)
28	S&P/TSX 60 IX December 2018	(172)	(0.18)
94	S&P EMINI December 2018	(609)	(0.62)
10	SPI 200 December 2018	(52)	(0.05)
45	TOPIX Index December 2018	(378)	(0.39)
		(1,282)	(1.32)
Investment assets ¹		91,916	94.32
Net other assets		5,531	5.68
Net assets		97,447	100.00

* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

¹ Includes derivative liabilities.

The market value of the holdings shown as 0 is below £500 and is therefore rounded down to £0.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(2,664)		1,894
Revenue	793		854	
Expenses	(117)		(185)	
Interest payable and similar charges	(4)		(42)	
Net revenue before taxation	672		627	
Taxation	(132)		(125)	
Net revenue after taxation		540		502
Total return before distributions		(2,124)		2,396
Distributions		5		107
Change in net assets attributable to shareholders from investment activities		(2,119)		2,503

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to shareholders		107,726		71,639
Amounts receivable on issue of shares	10,810		38,856	
Amounts payable on cancellation of shares	(18,978)		(2,408)	
		(8,168)		36,448
Dilution adjustment		8		-
Change in net assets attributable to shareholders from investment activities (see above)		(2,119)		2,503
Closing net assets attributable to shareholders		97,447		110,590

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		93,439		103,343
Current assets:				
Debtors	315		305	
Cash and bank balances	5,801		5,438	
Total assets		99,555		109,086
Liabilities:				
Investment liabilities		(1,523)		(680)
Creditors:				
Other creditors	(585)		(680)	
Total liabilities		(2,108)		(1,360)
Net assets attributable to shareholders		97,447		107,726

Fund Information

Investment Objective and Policy

The Allianz RiskMaster Growth Multi Asset Fund aims to achieve long term capital growth by investing in investments which are considered higher risk but may, on an ancillary basis, invest in investment considered lower to medium risk.

The Fund seeks to achieve this objective by (1) actively investing in a broad range of asset classes across all economic sectors worldwide and (2) managing the risks associated with investing in these assets by utilising a broad range of risk management techniques.

The Fund will invest mainly in investments which are considered high risk, such as equity, equity related securities and (indirectly) alternative asset classes (including commodities indices and hedge fund indices) but may, on an ancillary basis invest in investments considered lower to medium risk such as fixed income securities (issued by corporate, government and/or supranational institutions), collective investment schemes (including those with exposure to the property market), cash, near cash and money market instruments.

The Fund may gain exposure to the above mentioned securities either through direct investment or indirectly by investing in collective investment schemes, including exchange traded funds.

In particularly adverse market conditions the Fund may hold cash deposits up to 100% of the portfolio.

The Fund may also invest in derivative instruments such as futures, options, options on swaps, swap agreements (including equity and/or index based total return swaps, interest rate swaps and credit default swaps) and currency forward contracts. The Fund may use options in order to generate synthetic cash positions.

Derivatives may also be used for the purpose of efficient portfolio management.

Fund Details

Fund Manager	Allianz RiskMaster	
	Multi Asset team	
Benchmark	n/a	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	Fund	15 May 2012
	A Shares	15 May 2012*
	C Shares	15 May 2012
	T Shares	15 March 2013
	F Shares	19 May 2016
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares) T (Accumulation Shares) F (Accumulation Shares) Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500 Monthly saving £50
	T Shares	Available only to discretionary management or advisory clients of the Investment Advisor or members of its group or others at the discretion of the ACD
	F Shares	Available only to a feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS and which has been approved by the ACD
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only
Initial charge	C Shares	Nil
	T Shares	Nil
	F Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	T Shares	Nil
	F Shares	0.50%**
	Y Shares	0.50%***

For the T Share class a fund admin charge is applied at an amount or rate agreed with the investor.

*The 'A' Class Accumulation Shares closed effective 16 February 2017.

The 'F' Class Accumulation Shares launched effective 19 May 2016.

The 'Y' Class Accumulation Shares launched effective 20 February 2017.

**0.50 % p.a. minus the Additional Expenses payable in respect of the F shares.

***0.50 % p.a. minus the Additional Expenses payable in respect of the Y shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
C Shares Accumulation	31 October 2018	3,879	2,513,499	154.31
T Shares Accumulation	31 October 2018	5,679	4,201,607	135.18
F Shares Accumulation	31 October 2018	164,790	120,916,701	136.28
Y Shares Accumulation	31 October 2018	46	922	4,982.53

Operating Charges

Share Class	Year Ended	(%)
C Shares Accumulation ¹	30 April 2018	0.99
T Shares Accumulation ²	30 April 2018	0.90
F Shares Accumulation ³	30 April 2018	0.50
Y Shares Accumulation ⁴	30 April 2018	0.50

¹Operating charges have been capped at 0.99% (C shares)

²Operating charges have been capped at 0.90% (T shares)

³Operating charges have been capped at 0.50% (F shares)

⁴ Operating charges have been capped at 0.50% (Y shares)

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
C Shares Accumulation	30 June 2018	2.1715
T Shares Accumulation	30 June 2018	2.0516
F Shares Accumulation	30 June 2018	2.7199
Y Shares Accumulation	30 June 2018	-

Please note: Investors are reminded that the Fund distributes annually.

Investment Review

Performance Summary

Over the 6 months under review, 30 April 2018 to 31 October 2018, the Fund's 'T' class produced a total return of -4.11%, the Fund's 'C' class -4.14%.*

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling.

Market Background

The six-month period under review initially saw global equities post robust gains, however a sharp selloff in early October erased most developed market YTD returns, with global markets experiencing volatility akin to the moves witnessed in February. A sudden rise in bond yields at the start of October proved to be the catalyst for the sell-off, with the downward movement in shares gathering pace as investors focused on further hawkish comments from the Federal Reserve. In addition, concerns that corporate earnings may have peaked, worries over global growth and the impact of higher tariffs, as well as heightened geopolitical tensions, added to investors' unease.

Through until the end of September, US equities led the advance, buoyed by robust US economic data and continued earnings growth. Elsewhere, concerns over the impact of a trade war between the US and its major trading partners caused stocks to retreat from the peaks touched in May. Emerging markets however weakened throughout the period, affected by a strengthening US dollar and by currency crises in Argentina, Turkey and Venezuela.

In October, the selloff was felt most acutely in the popular "FAANG" stocks, where extreme optimism on projected earnings were most impacted by rising interest rates, as investors started to apply higher discount rates to equity valuations. Industrials, materials and energy companies also retreated sharply amid a broad rotation into defensive sectors, such as consumer staples and utilities.

Global bond yields surged at the start of October, as robust US economic data raised concerns that the Federal Reserve would need to adopt a more hawkish stance. The yield on the 10-year US Treasury bond reached 3.26%*, its highest level in seven years, while the yield on the 10-year German Bund approached 0.6%*. However, the subsequent equity market volatility boosted demand for assets seen to be safe havens, helping core government bonds to recoup their earlier losses,

although corporate bonds underperformed. Overall, global bonds closed a volatile six month period with negative returns. Rising oil prices increased fears of a pick-up in inflation, leading to sharp sell-offs in April and early May.

Economic data highlighted the divergence in the major economies, with strong momentum in the US contrasting with lacklustre growth in Europe and slowing growth in China. Both the US Federal Reserve and Bank of England raised rates. While rates remained on hold in other developed economies, the European Central Bank announced it would end its bond-buying programme by the end of this year, and the Bank of Japan gave itself more flexibility by expanding its target for the 10-year bond yield. In contrast, interest rates rose in several emerging markets as they sought to stem currency weakness.

The US dollar strengthened over the period, boosted by higher US interest rates and bond yields. While the euro strengthened against the British pound and Japanese yen, it fell against the US dollar. The British pound was among the weakest of all the major currencies as hopes in progress in the Brexit negotiations were dashed when Prime Minister Theresa May's "Chequers approach" was universally rejected by EU leaders.

While UK equities declined over October (in GBP terms), they outperformed most other developed markets, helped by further weakness in the British pound which depreciated amid a higher probability of a "no deal" Brexit. The UK economy grew 0.7% in the three months to August, although growth in August itself was flat, and wage growth rose to 3.1%, the fastest pace in almost a decade. However, UK equities underperformed global developed markets over the six month period, as sentiment and Brexit headlines continued to drag on UK assets.

*Bloomberg

Investment Review continued

Portfolio Review

Strategic Asset Allocation

The fund's medium-term SAA (Strategic Asset Allocation) reflects the asset allocation to achieve the fund's objectives over the next 3-5 years. The fund is aiming to maximise returns whilst delivering the required level of risk of equivalent to 80% global equities, over the long term this represents an expected volatility of around 12% p.a..

The revised SAA aimed to diversify the growth assets both within equities, and by making High Yield and Emerging Market Debt strategic weights. The main consequence of this is a marginal reduction in the level of equities, most significantly through UK equities. This has resulted in a more diverse equity exposure, with a higher allocation to non-UK equities.

The SAA also includes a strategic hedge if a proportion of the overseas developed market equity currency exposure. This is to mitigate the risk of sterling volatility impacting the overall investment outcome.

	Current	Revised	Change
Growth	85.00%	86.75%	1.70%
UK Equity	32.40%	13.50%	(18.90)%
North America	21.20%	26.50%	5.30%
Europe ex UK	4.00%	12.00%	8.00%
Japan	3.50%	8.50%	5.00%
Pacific ex JPN	1.90%	5.00%	3.10%
EM Equities	17.00%	10.50%	(6.50)%
EM Bonds	-	4.25%	4.30%
Global High Yield Bond	5.00%	6.50%	1.50%
Defensive			
UK Gilts	-	1.50%	1.50%
UK Credits	-	1.50%	1.50%
Global Bonds	-	1.25%	1.30%
Alternatives/Cash	15.00%	9.00%	(6.00)%
	100.00%	100.00%	0.00%
GBP Exposure	52.00%	69.00%	(16.00)%

In the short-term, the asset allocation is tactically varied around the SAA in order to add additional value and to avoid an "over-shooting" or "under-shooting" of the chosen risk tolerance level.

Tactical Asset Allocation

The fund started the period underweight global equities compared to the SAA, although this was increased to an active

overweight from June as momentum gathered for developed equity markets. The fund ended the period with a marginal overweight to equities, whilst remaining underweight Growth assets in general, with notable underweights to Emerging Market equities and Global High Yield.

At the end of the period, within global equities, the fund remained highly selective in where it is taking its equity exposure. On a regional basis, with reference to the SAA, the fund is overweight North American and Japanese equity, and underweights to UK, European and Emerging Market equities.

Over the period, within the overweight US equities, the fund has reduced its exposure to Nasdaq/Tech sector exposures. This sector looks most at risk to a sudden market correction, given the pressure a higher rate environment may have on the lofty equity valuations given its higher beta sensitivities.

Within fixed income, over the period, the allocation to UK investment grade credit was reduced. The purpose was to increase the diversification of the Defensive assets, with the inclusion of global bonds. The reduction in UK investment grade credit also reflected the more negative view on credit given the combination of reasonably low spreads, and potential for rising rate environment.

Both strategically and tactically the fund has reduced exposure to Alternatives strategies throughout the period and is currently positioned underweight versus the SAA. The preference is to diversify with Defensive assets such as sovereign bonds and global investment grade credit, which has exhibited a lower correlation with growth assets during periods of market stress.

Global Outlook

Late-cycle dynamics continue to unfold, as tighter labour markets and now positive output gaps in a majority of countries have spilled over into a gradual reflating of the global economy. This trend has been underpinned by somewhat slower yet above-potential GDP growth that remains restrained by weak supply side dynamics in general and subdued productivity growth in particular.

Investment Review continued

Downside risks to the world economy have increased over the course of this year in light of lingering geopolitical tensions and the ongoing loss of cyclical momentum. While global macro data has deteriorated in eight out of the last nine months, there are tentative signs that the relative economic outperformance of the United States may come closer to an end. Analysts have responded to this more uncertain environment by further scaling back their growth forecasts for many countries.

Following the mostly conducive “fragile goldilocks” settings over the last couple of years, financial markets are now facing a more challenging backdrop of peak economic and earnings growth, peak central bank liquidity and monetary policy normalisation as well as heightened political headwinds. Historically, investors have not been compensated well for taking beta risks at an advanced stage of the business cycle.

Rising trade tensions giving way to a full-blown US-led trade war, elevated geopolitical risks (for example: Italy, Brexit, Middle East/Iran/Syria), widening problems in the emerging world (e. g. Turkey, Argentina, China), a mishandled monetary policy normalization by major central banks and a deeper setback in financial markets rank high among the downside risks for the global economy. Furthermore, ill-timed fiscal stimulus in the United States at a matured stage of the business cycle has raised the risk of a boom/bust-scenario.

UK Outlook

On the UK side, there are a number of different stages to the political risk, most immediately around whether an acceptable package can be agreed between the UK Government and the EU, and then whether this package is accepted by Parliament. However UK Parliament approval may be the biggest hurdle for any Brexit deal.

Any Brexit deal (or even confirmation of a ‘no deal’/WTO outcome) may actually release the UK from the malaise of uncertainty once the initial knee jerk reaction takes place. The extent of which will inevitably depend on the details of the package. For now, the negative sentiment and uncertainty has led international investors to shun UK assets, and therefore look “cheap” from a valuation standpoint.

In a no deal/WTO outcome, the expectation would be for sterling and rates to fall significantly. In respect of UK equities, the large caps (as per the original Brexit referendum) could well be resilient and bounce back quickly due to sterling depreciation, potentially leading to a positive outcome; however domestically focused stocks would struggle and suffer most. In the event of a “soft” deal, sterling could well appreciate and short duration gilt yields to widen. Large cap UK equities would face the headwinds of the sterling rally; smaller domestically focused stocks would rally. On a harder deal, there is the potential for lower rates and a fall in sterling, this could be a positive for large cap UK stocks but domestically focused stock would be more challenged.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Open-Ended Funds - 49.25% (2018 - 61.40%)			
Equities - 32.81% (2018 - 45.07%)			
13,170	Allianz Best Styles Emerging Markets Equity Fund	9,885	5.67
22,910	Allianz Best Styles Global Equity Fund	31,667	18.16
4,610	Allianz Structured Return Fund	4,567	2.62
3,836,899	Allianz UK Opportunities Fund	4,006	2.30
7,988	Allianz Volatility Strategy Fund	7,080	4.06
		57,205	32.81
Fixed Interest - 16.44% (2018 - 16.33%)			
6,563	Allianz Emerging Markets Bond Fund	5,079	2.91
4,153,536	Allianz Gilt Yield Fund	7,628	4.38
5,567,247	Allianz Strategic Bond Fund	5,247	3.01
23,813	iShares Core Bond UCITS ETF	3,353	1.92
1,510,601	iShares Global Aggregate Bond UCITS ETF	7,360	4.22
		28,667	16.44
Euro Denominated Fixed Rate Government Bonds - 5.65% (2018 - 0.00%)			
€6,400,000	Bundesrepublik Deutschland Bundesobligation 0.5% 12/04/2019	5,715	3.28
€4,650,000	Italy Buoni Ordinari del Tesoro 0% 12/04/2019	4,126	2.37
		9,841	5.65
Sterling Denominated Fixed Rate Government Bonds - 25.93% (2018 - 21.50%)			
£6,000,000	UK Treasury Bonds 4.5 % 07/03/2019	6,079	3.49
£23,000,000	UK Treasury Bonds 1.75% 22/07/2019	23,165	13.28
£9,000,000	UK Treasury Bill 0% 07/01/2019	8,988	5.15
£2,000,000	UK Treasury Bill 0% 18/02/2019	1,996	1.15
£5,000,000	UK Treasury Bill 0% 01/04/2019	4,985	2.86
		45,213	25.93
US Dollar Denominated Fixed Rate Government Bonds - 14.07% (2018 - 11.05%)			
\$20,000,000	US Treasury Bill 0% 08/11/2018	15,650	8.97
\$5,000,000	US Treasury Bill 0% 28/02/2019	3,884	2.23
\$6,500,000	US Treasury Bill 0% 22/06/2019	5,005	2.87
		24,539	14.07
Derivatives - (3.06)% (2018 - (0.90)%)			
Open Forward Exchange Contracts* - (0.25)% (2018 - (0.37)%)			
-	Bought AUD 5,849,000: Sold GBP 3,225,195	26	0.01
-	Bought CAD 2,295,000: Sold GBP 1,348,219	19	0.01
-	Bought JPY 593,470,000: Sold GBP 4,035,964	75	0.04
-	Sold AUD 5,258,000: Bought GBP 2,878,364	(44)	(0.03)
-	Sold EUR 6,854,000: Bought GBP 6,090,840	(2)	0.00
-	Sold EUR 11,050,000: Bought GBP 9,903,160	27	0.02
-	Sold USD 32,237,000: Bought GBP 24,694,420	(517)	(0.30)
		(416)	(0.25)
Open Futures Contracts - (2.81)% (2018 - 1.27%)			
307	EURO STOXX 50 December 2018	(603)	(0.35)
232	FTSE 100 Index December 2018	(346)	(0.20)
55	S&P/TSX 60 IX December 2018	(339)	(0.19)
293	S&P500 EMINI December 2018	(2,128)	(1.22)
52	SPI 200 December 2018	(277)	(0.16)
127	TOPIX Index December 2018	(1,196)	(0.69)
		(4,889)	(2.81)

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
	Investment assets ¹	160,160	91.84
	Net other assets	14,234	8.16
	Net assets	174,394	100.00

* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

¹ Includes derivative liabilities.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(8,331)		5,605
Revenue	1,586		1,403	
Expenses	(318)		(245)	
Interest payable and similar charges	(8)		(54)	
Net revenue before taxation	1,260		1,104	
Taxation	(242)		(216)	
Net revenue after taxation		1,018		888
Total return before distributions		(7,313)		6,493
Distributions		93		106
Change in net assets attributable to Shareholders from investment activities		(7,220)		6,599

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to Shareholders		162,836		103,854
Amounts receivable on issue of shares	32,417		37,755	
Amounts payable on cancellation of shares	(13,639)		(3,017)	
		18,778		34,738
Change in net assets attributable to Shareholders from investment activities (see above)		(7,220)		6,599
Closing net assets attributable to Shareholders		174,394		145,191

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		165,612		155,684
Current assets:				
Debtors	1,181		1,110	
Cash and bank balances	14,000		9,661	
Total assets		180,793		166,455
Liabilities:				
Investment liabilities		(5,452)		(1,232)
Creditors:				
Bank overdrafts	-		(1,623)	
Other creditors	(947)		(764)	
Total liabilities		(6,399)		(3,619)
Net assets attributable to Shareholders		174,394		162,836

Fund Information

Investment Objective and Policy

The Allianz RiskMaster Moderate Multi Asset Fund aims to achieve long term capital growth by maintaining a bias towards investments which are considered higher risk but may invest, to a lesser degree, in investments considered lower to medium risk.

The Fund seeks to achieve this objective by (1) actively investing in a broad range of asset classes across all economic sectors worldwide and (2) managing the risks associated with investing in these assets by utilising a broad range of risk management techniques.

The Fund will maintain a bias towards investments which are considered higher risk, such as equity, equity related securities and (indirectly) alternative asset classes (including commodities indices and hedge fund indices) but may invest, to a lesser degree, in investments considered lower to medium risk such as fixed income securities (issued by corporate, government and/or supranational institutions), collective investment schemes (including those with exposure to the property market), cash, near cash and money market instruments.

The Fund may gain exposure to the above mentioned securities either through direct investment or indirectly by investing in collective investment schemes, including exchange traded funds.

In particularly adverse market conditions the Fund may hold cash deposits up to 100% of the portfolio.

The Fund may also invest in derivative instruments such as futures, options, options on swaps, swap agreements (including equity and/or index based total return swaps, interest rate swaps and credit default swaps) and currency forward contracts. The Fund may use options in order to generate synthetic cash positions.

Derivatives may also be used for the purpose of efficient portfolio management.

Fund Details

Fund Manager	Allianz RiskMaster	
	Multi Asset team	
Benchmark	n/a	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	Fund	15 May 2012
	A Shares	15 May 2012*
	C Shares	15 May 2012
	T Shares	15 March 2013
	F Shares	19 May 2016
	Y Shares	20 February 2017
ISA status	Yes	
Share Classes and types of Shares	C (Accumulation Shares)	
	T (Accumulation Shares)	
	F (Accumulation Shares)	
	Y (Accumulation Shares)	
Minimum investment	C Shares	Lump sum £500
		Monthly saving £50
	T Shares	Available only to discretionary management or advisory clients of the Investment Advisor or members of its group or others at the discretion of the ACD
	F Shares	Available only to a feeder UCITS which has been approved to invest at least 85% of its assets in units of another UCITS and which has been approved by the ACD
	Y Shares	Lump sum £100,000,000 Available to Approved Investors only
Initial charge	C Shares	Nil
	T Shares	Nil
	F Shares	Nil
	Y Shares	Nil
Annual ACD fee	C Shares	0.75%
	T Shares	Nil
	F Shares	0.50%**
	Y Shares	0.50%***

For the T Share class a fund admin charge is applied at an amount or rate agreed with the investor.

*The 'A' Class Accumulation Shares closed effective 16 February 2017.

The 'F' Class Accumulation Shares launched effective 19 May 2016.

The 'Y' Class Accumulation Shares launched effective 20 February 2017.

**0.50 % p.a. minus the Additional Expenses payable in respect of the F shares.

***0.50 % p.a. minus the Additional Expenses payable in respect of the Y shares.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
C Shares Accumulation	31 October 2018	7,925	5,457,406	145.22
T Shares Accumulation	31 October 2018	12,444	9,690,031	128.42
F Shares Accumulation	31 October 2018	260,258	200,968,763	129.50
Y Shares Accumulation	31 October 2018	61	1,235	4,976.97

Operating Charges

Share Class	Year Ended	(%)
C Shares Accumulation ¹	30 April 2018	0.99
T Shares Accumulation ²	30 April 2018	0.90
F Shares Accumulation ³	30 April 2018	0.50
Y Shares Accumulation ⁴	30 April 2018	0.50

¹ Operating charges have been capped at 0.99% (C shares)

² Operating charges have been capped at 0.90% (T shares)

³ Operating charges have been capped at 0.50% (F shares)

⁴ Operating charges have been capped at 0.50% (Y shares)

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
C Shares Accumulation	30 June 2018	2.0035
T Shares Accumulation	30 June 2018	1.7890
F Shares Accumulation	30 June 2018	2.4531
Y Shares Accumulation	30 June 2018	136.3282

Please note: Investors are reminded that the Fund distributes annually.

Investment Review

Performance Summary

Over the 6 months under review, 30 April 2018 to 31 October 2018, the Fund's 'T' class produced a total return of -3.35%, the Fund's 'C' class -3.39%.*

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling.

Market Background

The six-month period under review initially saw global equities post robust gains, however a sharp selloff in early October erased most developed market YTD returns, with global markets experiencing volatility akin to the moves witnessed in February. A sudden rise in bond yields at the start of October proved to be the catalyst for the sell-off, with the downward movement in shares gathering pace as investors focused on further hawkish comments from the Federal Reserve. In addition, concerns that corporate earnings may have peaked, worries over global growth and the impact of higher tariffs, as well as heightened geopolitical tensions, added to investors' unease.

Through until the end of September, US equities led the advance, buoyed by robust US economic data and continued earnings growth. Elsewhere, concerns over the impact of a trade war between the US and its major trading partners caused stocks to retreat from the peaks touched in May. Emerging markets however weakened throughout the period, affected by a strengthening US dollar and by currency crises in Argentina, Turkey and Venezuela.

In October, the selloff was felt most acutely in the popular "FAANG" stocks, where extreme optimism on projected earnings were most impacted by rising interest rates, as investors started to apply higher discount rates to equity valuations. Industrials, materials and energy companies also retreated sharply amid a broad rotation into defensive sectors, such as consumer staples and utilities.

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although corporate bonds underperformed. Overall, global bonds closed a volatile six month period with negative returns. Rising oil prices increased fears of a pick-up in inflation, leading to sharp sell-offs in April and early May.

Economic data highlighted the divergence in the major economies, with strong momentum in the US contrasting with lacklustre growth in Europe and slowing growth in China. Both the US Federal Reserve and Bank of England raised rates. While rates remained on hold in other developed economies, the European Central Bank announced it would end its bond-buying programme by the end of this year, and the Bank of Japan gave itself more flexibility by expanding its target for the 10-year bond yield. In contrast, interest rates rose in several emerging markets as they sought to stem currency weakness.

The US dollar strengthened over the period, boosted by higher US interest rates and bond yields. While the euro strengthened against the British pound and Japanese yen, it fell against the US dollar. The British pound was among the weakest of all the major currencies as hopes in progress in the Brexit negotiations were dashed when Prime Minister Theresa May's "Chequers approach" was universally rejected by EU leaders.

While UK equities declined over October (in GBP terms), they outperformed most other developed markets, helped by further weakness in the British pound which depreciated amid a higher probability of a "no deal" Brexit. The UK economy grew 0.7% in the three months to August, although growth in August itself was flat, and wage growth rose to 3.1%, the fastest pace in almost a decade. However, UK equities underperformed global developed markets over the six month period, as sentiment and Brexit headlines continued to drag on UK assets.

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Investment Review continued

Portfolio Review

Strategic Asset Allocation

The fund's medium-term SAA (Strategic Asset Allocation) reflects the asset allocation to achieve the fund's objectives over the next 3-5 years. The fund is aiming to maximise returns whilst delivering the required level of risk of equivalent to 65% global equities, over the long term this represents an expected volatility of around 10% p.a..

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The SAA also includes a strategic hedge if a proportion of the overseas developed market equity currency exposure. This is to mitigate the risk of sterling volatility impacting the overall investment outcome.

	Current	Revised	Change
Growth	68.00%	70.00%	2.00%
UK Equity	27.10%	10.75%	(16.30)%
North America	17.20%	21.25%	4.00%
Europe ex UK	3.20%	9.75%	6.50%
Japan	2.90%	7.00%	4.10%
Pacific ex JPN	1.60%	4.00%	2.40%
EM Equities	11.00%	8.50%	(2.50)%
EM Bonds	-	3.50%	3.50%
Global High Yield Bond	5.00%	5.25%	0.30%
Defensive			-
UK Gilts	14.00%	6.25%	6.30%
UK Credits	-	6.25%	(7.80)%
Global Bonds	-	5.50%	5.50%
Alternatives/Cash	18.00%	12.00%	(6.00)%
/empty	100.00%	100.00%	-
GBP Exposure	64.00%	75.00%	11.00%

In the short-term, the asset allocation is tactically varied around the SAA in order to add additional value and to avoid an "over-shooting" or "under-shooting" of the chosen risk tolerance level.

Tactical Asset Allocation

The fund started the period underweight global equities compared to the SAA, although this was increased to an active overweight from June as momentum gathered for developed equity markets. The fund ended the period with a marginal overweight to equities, whilst remaining underweight Growth assets in general, with notable underweights to Emerging Market equities and Global High Yield.

At the end of the period, within global equities, the fund remained highly selective in where it is taking its equity exposure. On a regional basis, with reference to the SAA, the fund is overweight North American and Japanese equity, and underweights to UK, European and Emerging Market equities.

Over the period, within the overweight US equities, the fund has reduced its exposure to Nasdaq/Tech sector exposures. This sector looks most at risk to a sudden market correction, given the pressure a higher rate environment may have on the lofty equity valuations given its higher beta sensitivities.

Within fixed income, over the period, the allocation to UK investment grade credit was reduced. The purpose was to increase the diversification of the Defensive assets, with the inclusion of global bonds. The reduction in UK investment grade credit also reflected the more negative view on credit given the combination of reasonably low spreads, and potential for rising rate environment.

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Global Outlook

Late-cycle dynamics continue to unfold, as tighter labour markets and now positive output gaps in a majority of countries have spilled over into a gradual reflationing of the global economy. This trend has been underpinned by somewhat slower yet above-potential GDP growth that

Investment Review continued

remains restrained by weak supply side dynamics in general and subdued productivity growth in particular. Downside risks to the world economy have increased over the course of this year in light of lingering geopolitical tensions and the ongoing loss of cyclical momentum. While global macro data has deteriorated in eight out of the last nine months, there are tentative signs that the relative economic outperformance of the United States may come closer to an end. Analysts have responded to this more uncertain environment by further scaling back their growth forecasts for many countries. Following the mostly conducive “fragile goldilocks” settings over the last couple of years, financial markets are now facing a more challenging backdrop of peak economic and earnings growth, peak central bank liquidity and monetary policy normalisation as well as heightened political headwinds. Historically, investors have not been compensated well for taking beta risks at an advanced stage of the business cycle. Rising trade tensions giving way to a full-blown US-led trade war, elevated geopolitical risks (for example: Italy, Brexit, Middle East/Iran/Syria), widening problems in the emerging world (e. g. Turkey, Argentina, China), a mishandled monetary policy normalization by major central banks and a deeper setback in financial markets rank high among the downside risks for the global economy. Furthermore, ill-timed fiscal stimulus in the United States at a matured stage of the business cycle has raised the risk of a boom/bust-scenario.

however domestically focused stocks would struggle and suffer most. In the event of a “soft” deal, sterling could well appreciate and short duration gilt yields to widen. Large cap UK equities would face the headwinds of the sterling rally; smaller domestically focused stocks would rally. On a harder deal, there is the potential for lower rates and a fall in sterling, this could be a positive for large cap UK stocks but domestically focused stock would be more challenged.

17 December 2018

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On the UK side, there are a number of different stages to the political risk, most immediately around whether an acceptable package can be agreed between the UK Government and the EU, and then whether this package is accepted by Parliament. However UK Parliament approval may be the biggest hurdle for any Brexit deal. Any Brexit deal (or even confirmation of a ‘no deal’/WTO outcome) may actually release the UK from the malaise of uncertainty once the initial knee jerk reaction takes place. The extent of which will inevitably depend on the details of the package. For now, the negative sentiment and uncertainty has led international investors to shun UK assets, and therefore look “cheap” from a valuation standpoint. In a no deal/WTO outcome, the expectation would be for sterling and rates to fall significantly. In respect of UK equities, the large caps (as per the original Brexit referendum) could well be resilient and bounce back quickly due to sterling depreciation, potentially leading to a positive outcome;

Portfolio Statement

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
Open-Ended Funds - 56.45% (2018 - 73.54%)			
Equities - 30.66% (2018 - 39.55%)			
10,733	Allianz Best Styles Emerging Markets Equity Fund	8,057	2.87
37,342	Allianz Best Styles Global Equity Fund	51,613	18.39
4,860	Allianz Structured Return Fund	4,815	1.71
4,646,493	Allianz UK Opportunities Fund	4,851	1.73
18,862	Allianz Volatility Strategy Fund	16,720	5.96
		86,056	30.66
Fixed Interest - 25.79% (2018 - 33.99%)			
8,914	Allianz Emerging Markets Bond Fund	6,899	2.46
10,531,017	Allianz Gilt Yield Fund	19,340	6.89
2,837	Allianz Selective Global High Yield Fund	2,331	0.83
7,448,979	Allianz Strategic Bond Fund	7,021	2.50
77,628	iShares Core Bond UCITS ETF	10,930	3.89
5,309,470	iShares Global Aggregate Bond UCITS ETF	25,870	9.22
		72,391	25.79
Euro Denominated Fixed Rate Government Bonds - 3.56% (2018 - 0.00%)			
€4,250,000	Bundesrepublik Deutschland Bundesobligation 0.5% 12/04/2019	3,795	1.35
€7,000,000	Italy Buoni Ordinari del Tesoro 0% 12/04/2019	6,212	2.21
		10,007	3.56
Sterling Denominated Fixed Rate Government Bonds - 26.88% (2018 - 17.62%)			
£13,500,000	UK Treasury Bonds 4.50% 07/03/2019	13,677	4.87
£45,000,000	UK Treasury Bonds 1.75% 22/07/2019	45,322	16.15
£10,000,000	UK Treasury Bill 0% 07/01/2019	9,987	3.56
£1,000,000	UK Treasury Bill 0% 18/02/2019	998	0.35
£5,500,000	UK Treasury Bill 0% 01/04/2019	5,483	1.95
		75,467	26.88
US Dollar Denominated Fixed Rate Government Bonds - 6.70% (2018 - 2.80%)			
\$10,000,000	US Treasury Bill 0% 08/11/2018	7,825	2.79
\$6,000,000	US Treasury Bill 0% 20/01/2019	4,621	1.65
\$8,250,000	US Treasury Bill 0% 18/07/2019	6,338	2.26
		18,784	6.70
Derivatives - (2.20)% (2018 - 0.91%)			
Open Forward Exchange Contracts* - (0.08)% (2018 - (0.24)%)			
	Bought AUD 6,785,000 : Sold GBP 3,741,314	30	0.01
	Bought CAD 7,011,000 : Sold GBP 4,128,190	49	0.02
	Bought EUR 711,000 : Sold GBP 627,919	4	0.00
	Bought JPY 798,010,000 : Sold GBP 5,438,927	88	0.03
	Bought USD 4,806,000 : Sold GBP 3,671,533	87	0.03
	Sold AUD 6,196,000 : Bought GBP 3,391,849	(52)	(0.02)
	Sold EUR 18,960,000 : Bought GBP 16,874,286	20	0.01
	Sold EUR 11,250,000 : Bought GBP 10,068,781	14	0.00
	Sold USD 37,247,000 : Bought GBP 28,679,220	(450)	(0.16)
		(210)	(0.08)

Portfolio Statement continued

As at 31 October 2018

Holding/Nominal		Market Value £'000	% of Net Assets
	Open Futures Contracts - (2.12)% (2018 - 1.15%)		
332	EURO STOXX 50 December 2018	(658)	(0.23)
233	FTSE 100 Index December 2018	(371)	(0.13)
133	S&P/TSX 60 IX December 2018	(636)	(0.23)
353	S&P EMINI December 2018	(2,391)	(0.85)
76	SPI 200 December 2018	(398)	(0.14)
184	TOPIX Index December 2018	(1,520)	(0.54)
		(5,974)	(2.12)
	Investment assets ¹	256,521	91.39
	Net other assets	24,167	8.61
	Net assets	280,688	100.00

* Forwards are not approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

¹ Includes derivative liabilities.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(11,750)		7,057
Revenue	2,503		2,487	
Expenses	(512)		(440)	
Interest payable and similar charges	(9)		(105)	
Net revenue before taxation	1,982		1,942	
Taxation	(384)		(380)	
Net revenue after taxation		1,598		1,562
Total return before distributions		(10,152)		8,619
Distributions		139		186
Change in net assets attributable to Shareholders from investment activities		(10,013)		8,805

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to Shareholders		257,304		186,104
Amounts receivable on issue of shares	47,667		75,613	
Amounts payable on cancellation of shares	(14,275)		(13,385)	
		33,392		62,228
Dilution adjustment		5		-
Change in net assets attributable to Shareholders from investment activities (see above)		(10,013)		8,805
Closing net assets attributable to Shareholders		280,688		257,137

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		262,997		245,490
Current assets:				
Debtors	1,908		1,477	
Cash and bank balances	22,855		14,735	
Total assets		287,760		261,702
Liabilities:				
Investment liabilities		(6,476)		(1,392)
Creditors:				
Bank overdrafts	-		(1,130)	
Other creditors	(596)		(1,876)	
Total liabilities		(7,072)		(4,398)
Net assets attributable to Shareholders		280,688		257,304

Fund Information

Investment Objective and Policy

The objective of the Fund is to maximise total return through dividend yield and capital appreciation.

Investors should be aware that the Fund's capital is at risk and there is no guarantee that the Fund will achieve its investment objective over any particular period or at all.

The ACD aims to achieve the objective by investing in high yielding or undervalued securities of companies in Asia, excluding Japan. The portfolio will consist of a concentrated range of securities from any sector in the MSCI AC Asia (ex Japan) Index and may include the securities of smaller companies.

The ACD may also utilise deposits and money market instruments in the management of the portfolio. The Fund may also invest in collective investment schemes.

Fund Details

Fund Manager	Yuming Pan	
Benchmark	MSCI AC Asia (ex Japan) Index	
Income allocation dates	30 April 31 October	
Income pay dates	30 June 31 December	
Launch dates	A (Accumulation Shares)	20 June 2002
	C (Income Shares)	2 November 2006
	C (Accumulation Shares)	17 February 2016
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares) C (Income Shares) C (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
Initial charge	A Shares	4.00%
	C Shares	Nil
Annual ACD fee	A Shares	1.75%
	C Shares	0.88%

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
A Shares Accumulation	31 October 2018	19,558	2,533,540	771.95
C Shares Income	31 October 2018	6,988	1,003,877	696.08
C Shares Accumulation	31 October 2018	11,971	8,770,617	136.49

Operating Charges

Share Class	Year Ended	(%)
A Shares Accumulation	30 April 2018	2.04
C Shares Income	30 April 2018	1.19
C Shares Accumulation	30 April 2018	1.17

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
A Shares Accumulation	31 December 2018	10.3760
	30 June 2018	2.0156
C Shares Income	31 December 2018	9.9816
	30 June 2018	1.7700
C Shares Accumulation	31 December 2018	1.8938
	30 June 2018	0.3539

Please note: Investors are reminded that the Fund distributes bi-annually.

Investment Review

Performance Summary

Over the six months from 1 May 2018 to 31 October 2018, the Fund's A class shares produced a total return of -14.36%. The Fund's benchmark, the MSCI AC Asia ex Japan Total Return Index, produced a total return of -12.32%.*

Stock selection in Taiwan, particularly in the information technology sector, detracted from performance. On the other hand, stock selection in South Korea and Philippines were the major contributors over the reporting period. On a sector level, stock selection in information technology and consumer discretionary hurt performance, while favourable stock selection in energy and financials offset some underperformance.

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on midday prices.

Market Background

Contrary to the rally in 2017, Asia ex Japan equities were on a declining trend since the peak in Q1 2018. Weakness in Asian equities was mainly led by the sluggish performance of China equities. The ongoing tension over Sino-US trade conflict imposed concerns on regional economic growth going forward; while the strength of USD continued to challenge the market. The slowest quarterly GDP growth since early 2009 was reported; while the official purchasing managers' index of manufacturing activity reached the lowest level in two years in China. To support the economy and financial markets, the Chinese government pledged to provide further measures, both on monetary and fiscal front. For example, the People's Bank of China announced a further cut to banks' reserve requirement ratio to support liquidity.

ASEAN markets weakened, with currency depreciation adding to local-currency losses in many markets. Thailand held up the best as sentiment, boosted by progress towards long-delayed elections. However, The Philippines was the weakest market as its twin deficits, i.e. current account and budget deficits, left it more exposed to rising US interest rates.

Portfolio Review

The portfolio manager maintained a concentrated and unconstrained approach to investing with a range of 35 to 45 holdings in the portfolio. The level of active money, a measure of how different the portfolio structure is from the benchmark, remained at a high level above 80%. The "Two High One Low" principle remained the key stock selection criteria, resulting in a combination of High Earnings Growth, High Quality Sustainable Growth and Low Valuation stocks.

Among the top detractors we saw Macau gaming stocks. Share prices corrected driven by concerns over declining gaming revenue growth, on the back of slowing economic growth and weakening Renminbi. However, the realised gaming revenue growth held up relatively well, especially in the mass market segment. Valuations of our preferred names are now very attractive, given the long term structural growth in the mass segment of the market as well as the dividend level.

On a positive note, the top contributor was PetroChina, an integrated oil company with both upstream oil exploration and distribution business. This company performed well together with rising crude oil prices; however, we believe there are further catalysts for this company to performance, including a turnaround of its natural gas business.

Outlook

The volatility of recent weeks has been extreme and following the sharp market declines we are finding an increasing number of stocks which appear to be significantly undervalued. Although it may take more time for Asian markets to stabilise given the uncertain macro outlook, the initial period of market recovery often brings the strongest performance. Over the short to medium term, market participants will likely focus on the effects of the already announced trade tariffs on earnings, the potential impact if another phase of tariffs is to be implemented, and how the recent stimulus measures in China are filtering through into the broader economy.

We have used the recent market weakness to add to high quality, sustainable growth names, with strong management and dominant market share. We continue to add to defensive technology names in Taiwan and defensive consumption

Investment Review continued

names in Korea. These positions were funded by taking profit from a number of retail/consumption plays throughout the region and selected Indian holdings that have held up on a relative basis.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
EQUITIES - 93.47% (2018 - 96.13%)			
Asia Pacific ex Japan - 2.03% (2018 - 2.01%)			
1,000	Allianz Asian Small Cap Equity Fund	782	2.03
Cayman Islands - 7.18% (2018 - 9.75%)			
104,100	Tencent	2,765	7.18
China - 26.96% (2018 - 29.94%)			
17,558	Alibaba ADR	1,873	4.86
277,736	Angel Yeast	673	1.75
2,920,000	Bank of China	970	2.52
176,000	Brilliance China Automotive	120	0.31
153,000	China Merchants Bank	460	1.19
161,237	Guangzhou Baiyun International Airport	177	0.46
9,500	Kweichow Moutai	585	1.52
1,263,200	MGM China	1,394	3.62
14,675	New Oriental Education & Technology ADR	654	1.70
4,004,000	PetroChina	2,293	5.95
70,000	Ping An Insurance	516	1.34
628,000	Shangri-La Asia	668	1.74
		10,383	26.96
Hong Kong - 9.62% (2018 - 12.78%)			
296,600	AIA	1,757	4.56
182,500	BOC Hong Kong	533	1.38
255,000	China Mengniu Dairy	587	1.52
364,000	CSPC Pharmaceutical	600	1.56
419,500	WH	229	0.60
		3,706	9.62
India - 10.28% (2018 - 8.08%)			
405	Allianz India Equity Fund	370	0.96
49,005	Apollo Hospitals Enterprise	592	1.54
32,846	HDFC Bank ADR	2,258	5.86
10,607	Maruti Suzuki India	741	1.92
		3,961	10.28
Indonesia - 4.77% (2018 - 1.59%)			
9,313,100	Telekomunikasi Indonesia	1,837	4.77
Malaysia - 1.65% (2018 - 2.48%)			
757,600	Genting Malaysia	635	1.65
Philippines - 4.22% (2018 - 3.66%)			
441,293	BDO Unibank	788	2.05
2,762,412	Robinsons Land	837	2.17
		1,625	4.22
Singapore - 4.62% (2018 - 3.24%)			
522,200	Singapore Technologies Engineering	1,045	2.71
84,700	Venture	733	1.91
		1,778	4.62
South Korea - 7.50% (2018 - 9.23%)			
4,628	BGF Retail	536	1.39
25,324	Hanwha Aerospace	494	1.28
999	Hugel	188	0.49
29,360	Kangwon Land	578	1.50
37,476	Shinhan Financial	1,095	2.84
		2,891	7.50

Portfolio Statement continued

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
Taiwan - 11.07% (2018 - 11.04%)			
159,000	Accton Technology	342	0.89
69,000	Airtac International	463	1.20
36,000	Globalwafers	224	0.58
103,000	King Slide Works	833	2.16
100,000	LandMark Optoelectronics	517	1.34
152,000	MediaTek	869	2.26
34,339	Taiwan Semiconductor Manufacturing ADR	1,016	2.64
		4,264	11.07
Thailand - 3.57% (2018 - 2.33%)			
740,000	Central Pattana	1,376	3.57
Investment assets		36,003	93.47
Net other assets		2,514	6.53
Net assets		38,517	100.00

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital (losses)/gains		(6,563)		6,574
Revenue	645		592	
Expenses	(347)		(433)	
Net revenue before taxation	298		159	
Taxation	(55)		(61)	
Net revenue after taxation		243		98
Total return before distributions		(6,320)		6,672
Distributions		(542)		(474)
Change in net assets attributable to Shareholders from investment activities		(6,862)		6,198

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to Shareholders		46,549		45,057
Amounts receivable on issue of shares	361		1,193	
Amounts payable on cancellation of shares	(1,960)		(3,632)	
		(1,599)		(2,439)
Change in net assets attributable to Shareholders from investment activities (see above)		(6,862)		6,198
Retained distributions on accumulation shares		429		368
Closing net assets attributable to Shareholders		38,517		49,184

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		36,003		44,749
Current assets:				
Debtors	444		971	
Cash and bank balances	2,586		1,652	
Total assets		39,033		47,372
Liabilities:				
Creditors:				
Distribution payable	(100)		(19)	
Other creditors	(416)		(804)	
Total liabilities		(516)		(823)
Net assets attributable to Shareholders		38,517		46,549

Fund Information

Investment Objective and Policy

The Allianz US Equity Fund aims to achieve capital growth through investment in leading North American companies.

The Fund invests mainly in the larger companies of the United States of America considered to have good prospects for increasing profits and selling on attractive price/earnings ratios. Investments may also be made in Canadian companies and, if particular opportunities are presented, investments may be made in medium and occasionally smaller sized US companies. The Fund's portfolio is based on the sector weightings of the US stock market and emphasis is placed on sectors expected to out perform relative to the market.

Fund Details

Fund Manager	Steve Berexa	
Benchmark	S&P 500 Index	
Income allocation date	30 April	
Income pay date	30 June	
Launch dates	A Shares	20 June 2002
	C Shares	26 October 2009
ISA status	Yes	
Share Classes and types of Shares	A (Accumulation Shares) C (Accumulation Shares) I (Accumulation Shares)	
Minimum investment	A Shares	Lump sum £500 Monthly saving £50
	C Shares	Lump sum £500 Monthly saving £50
	I Shares	Lump sum £10,000,000 Available only at the discretion of the ACD
Initial charge	A Shares	4.00%
	C Shares	Nil
	I Shares	Nil
Annual ACD fee	A Shares	1.50%
	C Shares	0.75%
	I Shares	0.65%

I Shares are available but are not currently in issue.

Fund Information continued

As at 31 October 2018 (unaudited)

Net Asset Value

Share Class	Period Ended	Net Asset Value (£000s)	Number of Shares in Issue	Net Asset Value per Share (p)
A Shares Accumulation	31 October 2018	13,189	2,161,049	610.28
C Shares Accumulation	31 October 2018	16,200	5,579,473	290.35

Operating Charges

Share Class	Year Ended	(%)
A Shares Accumulation	30 April 2018	1.70
C Shares Accumulation	30 April 2018	0.91

Operating Charges represent all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses including custodial transaction charges incurred by the Fund.

Summary of Distribution

Share Class	Payment date	Net distribution per share (p)
A Shares Accumulation	30 June 2018	-
C Shares Accumulation	30 June 2018	1.2978

Please note: Investors are reminded that the Fund distributes annually.

Investment Review

Performance Summary

Over the six months from 1 May 2018 to 31 October 2018, the Fund's A class produced a total return of 5.34%. The Fund's benchmark, the S&P 500, produced a total return of 11.46% over the period.*¹

Underperformance was largely driven by negative stock selection, with picks in the financials, health care and industrials sectors the most negative for performance. Sector allocation also modestly detracted from returns during the period.

* Source: Allianz Global Investors/Datastream. Fund performance based on midday prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on midday prices.

¹ Returns for the Fund and the S&P 500 Index are stated in GBP.

Market Background

US equities trended steadily higher for the first five months of the reporting period recording double digit gains. Robust economic data and corporate earnings growth, helped by tax cuts, helped the market overcome concerns over rising tariffs and higher bond yields. This propelled the market to its longest bull run in history, surpassing the previous record set between 1990 and 2000. That said, the market corrected sharply in October wiping out almost all gains made during the start of the year. Despite a relatively positive third quarter reporting season, investors were unnerved by hawkish comments from the Fed, worsening trade war tensions and fears that corporate earnings had peaked.

US economic activity accelerated during the period, with GDP expanding at an annualised rate of 4.2% in the second quarter and 3.5% over the third quarter. Expansion was driven largely by strong consumer and government spending and the lowest unemployment rate since 1969. This GDP growth put the economy on track for the strongest six months in four years, yet inflation eased, headline consumer prices and core consumer prices slow compared to August and September respectively.

Minutes of the Fed's latest rate-setting meeting raised speculation that the US central bank might raise rates above the level considered to be neutral, with suggestions that policy should become "modestly restrictive" for a time. In particular, policymakers indicated that it might become necessary to boost rates temporarily above a longer-term neutral rate to

prevent inflation picking up and ward off risks of financial excesses.

Portfolio Review

The portfolio delivered positive results during the reporting period but trailed the S&P 500, its benchmark index. Underperformance was largely due to negative stock selection while sector allocation modestly detracted.

With respect to stock selection, picks in the financials, industrials and health care sectors were the most negative for performance; whereas picks within the consumer discretionary sector were positive partially mitigating negative results. On an individual stock basis our decision not to hold social media giant **Facebook Inc** was the largest active contributor. In addition, our ~200+ bps active weight in **Anthem** and **Abbott Labs** also contributed to positive returns. In contrast, the overweight positions to **Nevro**, **Blackrock** and **Caterpillar** detracted from relative returns.

In terms of sector allocation, our active underweight to the defensively oriented consumer staples sector detracted from results, while our overweight to the health care sector was additive.

The strategy follows a long only investment approach and does not utilize derivatives.

Outlook

Markets continue to be driven by sentiment rather than fundamentals resulting in continued volatility. Investors continue to brace for the end of the cycle while awaiting results of the mid-term elections. Concerns related to the implications of slowing global growth, tightening US fiscal policy in the US, and rising trade tariffs continue to drive negative market sentiment. On the contrary, fundamentals remain strong and earnings across most sectors were positive for the third quarter. We believe this indicates recent correction is overdone driven primarily by sentiment rather than underlying data. We believe we will see recovery and even potential growth prior to the end of cycle.

Investment Review continued

Equity markets, by nature, encompass a number of risks and we continue to monitor the potential risks. As always, we continue to seek out individual companies with attractive risk reward profiles and strong fundamentals.

17 December 2018

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
	IRELAND - 1.38% (2018 - 2.48%)		
3,331	Support Services - 1.38% (2018 - 2.48%) Accenture	405	1.38
	ISRAEL - 0.00% (2018 - 0.61%)		
	Electronic & Electrical Equipment - 0.00% (2018 - 0.61%)		
	SWITZERLAND - 1.42% (2018 - 2.19%)		
4,233	Nonlife Insurance - 1.42% (2018 - 2.19%) Chubb	418	1.42
	UNITED STATES OF AMERICA - 94.05% (2018 - 91.17%)		
	Aerospace & Defence - 4.61% (2018 - 3.72%)		
4,618	Axon Enterprise	211	0.72
2,665	Boeing	734	2.50
8,958	Hexcel	411	1.39
		1,356	4.61
	Banks - 5.83% (2018 - 8.14%)		
19,118	Bank of America	403	1.37
11,102	JPMorgan Chase	933	3.17
2,100	SVB Financial	378	1.29
		1,714	5.83
	Chemicals - 2.35% (2018 - 2.16%)		
3,910	Albemarle	299	1.02
9,429	DowDuPont	391	1.33
		690	2.35
	Electronic & Electrical Equipment - 1.38% (2018 - 0.00%)		
14,037	Trimble	406	1.38
	Financial Services - 4.75% (2018 - 4.55%)		
1,025	Cboe Global Markets	90	0.31
3,258	Goldman Sachs	562	1.91
5,037	MasterCard	744	2.53
		1,396	4.75
	Fixed Line Telecommunications - 2.48% (2018 - 0.00%)		
30,360	AT&T	728	2.48
	Food Producers - 2.23% (2018 - 1.87%)		
19,766	Mondelez International	655	2.23
	General Industrials - 3.50% (2018 - 1.67%)		
7,945	Fortive	448	1.53
72,300	General Electric	579	1.97
		1,027	3.50
	General Retailers - 5.68% (2018 - 4.54%)		
844	Amazon.com	1,017	3.46
3,636	Costco Wholesale	652	2.22
		1,669	5.68

Portfolio Statement continued

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
	Health Care Equipment & Services - 11.05% (2018 - 11.13%)		
3,590	Anthem	750	2.55
1,599	Intuitive Surgical	618	2.10
7,884	Nevro	301	1.03
3,652	Thermo Fisher Scientific	669	2.28
4,466	UnitedHealth	908	3.09
		3,246	11.05
	Industrial Engineering - 1.31% (2018 - 2.36%)		
4,176	Caterpillar	386	1.31
	Industrial Transportation - 1.78% (2018 - 1.99%)		
6,557	Kansas City Southern	523	1.78
	Leisure Goods - 1.69% (2018 - 0.00%)		
172,381	Zynga	498	1.69
	Media - 0.00% (2018 - 2.28%)		
	Nonlife Insurance - 1.49% (2018 - 0.00%)		
7,970	Progressive	438	1.49
	Oil & Gas Producers - 4.59% (2018 - 6.49%)		
5,126	Chevron	447	1.52
7,894	ConocoPhillips	432	1.47
5,642	EOG Resources	469	1.60
		1,348	4.59
	Personal Goods - 0.00% (2018 - 1.85%)		
	Pharmaceuticals & Biotechnology - 8.29% (2018 - 3.26%)		
13,502	Abbott Laboratories	723	2.46
7,397	BioMarin Pharmaceutical	536	1.82
20,320	Heron Therapeutics	430	1.47
13,030	Merck	747	2.54
		2,436	8.29
	Real Estate Investment Trusts - 3.70% (2018 - 4.55%)		
5,572	American Tower	702	2.39
7,488	Prologis	385	1.31
		1,087	3.70
	Software & Computer Services - 9.53% (2018 - 10.29%)		
801	Alphabet 'A' Shares	662	2.25
7,428	DXC Technology	415	1.41
18,242	Microsoft	1,490	5.07
520	Paycom Software	53	0.18
395	ServiceNow	52	0.18
885	Tableau Software	71	0.24
4,090	Yext	59	0.20
		2,802	9.53
	Support Services - 2.68% (2018 - 3.48%)		
12,376	PayPal	788	2.68
	Technology Hardware & Equipment - 10.16% (2018 - 10.78%)		
8,949	Apple	1,503	5.11
19,038	Intel	716	2.44
2,610	Lam Research	286	0.97
5,129	Motorola Solutions	481	1.64
		2,986	10.16

Portfolio Statement continued

As at 31 October 2018

Holding		Market Value £'000	% of Net Assets
	Tobacco - 0.00% (2018 - 2.14%)		
	Travel & Leisure - 4.97% (2018 - 3.92%)		
12,190	Live Nation Entertainment	482	1.64
5,196	Royal Caribbean Cruises	416	1.41
8,288	Yum! Brands	564	1.92
		1,462	4.97
	Investment assets	28,464	96.85
	Net other assets	925	3.15
	Net assets	29,389	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30 April 2018.

Statement of Total Return

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Income:				
Net capital gains		1,509		1,574
Revenue	222		216	
Expenses	(178)		(180)	
Net revenue before taxation	44		36	
Taxation	(30)		(32)	
Net revenue after taxation		14		4
Total return before distributions		1,523		1,578
Distributions		-		(2)
Change in net assets attributable to Shareholders from investment activities		1,523		1,576

Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 October 2018 (unaudited)

	2018 £000s	2018 £000s	2017 £000s	2017 £000s
Opening net assets attributable to shareholders		28,133		29,650
Amounts receivable on issue of shares	3,966		1,799	
Amounts payable on cancellation of shares	(4,233)		(3,658)	
		(267)		(1,859)
Change in net assets attributable to Shareholders from investment activities (see above)		1,523		1,576
Closing net assets attributable to Shareholders		29,389		29,367

Section 3.30 of the IMA SORP issued in May 2014 requires comparative figures for the above statement. For interim financial statements this will result in the closing comparative net assets not being equal to net assets at the start of the current period.

Please note that the 'Distributions' figure includes 'Revenue received on creation of shares' and 'Revenue deducted on cancellation of shares'.

Balance Sheet

As at 31 October 2018 (unaudited)

	31 October 2018 £000s	31 October 2018 £000s	30 April 2018 £000s	30 April 2018 £000s
Assets:				
Fixed assets:				
Investments		28,464		27,133
Current assets:				
Debtors	380		682	
Cash and bank balances	777		1,050	
Total assets		29,621		28,865
Liabilities:				
Creditors:				
Bank overdrafts	-		(50)	
Other creditors	(232)		(682)	
Total liabilities		(232)		(732)
Net assets attributable to Shareholders		29,389		28,133

Authorised Corporate Director's Report to the Shareholders

REPORT OF THE AUTHORISED CORPORATE DIRECTOR TO
THE SHAREHOLDERS OF THE Allianz International Investment
Funds FOR SIX MONTHS ENDED 31 October 2018.

In accordance with the requirements of the Regulations, we
hereby certify the report on behalf of Allianz Global Investors
GmbH, UK Branch.

Birte Trenkner

Tobias Pross

Authorised signatory

Authorised signatory

19 December 2018

Additional Information

How will I be kept informed of my investment?

You will receive interim and annual short form reports as at 31 October and 30 April, respectively. You will also receive a full statement of your investments as at 5 April and 5 October sent to you at the end of April and end of October respectively. You can also request a valuation at any time by calling 0800 073 2001.

In addition, the share prices are published daily on our website at <https://uk.allianzgi.com>

Interim and audited annual long form reports as at 31 October and 30 April can be obtained from our website or by calling the number above.

Taxation

Capital gains tax

Investors are only liable to capital gains tax if their total chargeable gains (net of allowable losses) in the year exceed the annual exemption (£11,300 for 2017/2018 year, £11,100 for the 2016/2017 year). If gains in excess of this exemption are realised the excess is taxable at the rate of UK capital gains tax applicable to the investor, being either 10% (18% prior to April 2016) or (for higher & additional rate taxpayers) 20% (28% prior to April 2016).

Income tax

Distributions, whether they are paid out or accumulated, are treated as income for tax purposes.

Dividend distributions (Equity Funds)

From April 2016, the 10% tax credit was abolished and a £5,000 tax free dividend allowance was introduced. Dividends above this level will be taxed at 7.5% (basic rate), 32.5% (higher rate) and 38.1% (additional rate). Dividend income will be treated as the top band of income. Dividends received by Pensions and ISAs will be unaffected.

Interest distributions (Bond Funds)

Income tax at the rate of 20% will be deducted from payments of interest distributions to UK resident investors who will then

receive a credit for the tax deducted. A basic rate taxpayer has no further tax liability. Higher rate and additional rate (currently 40% and 45% respectively) taxpayers must account to HM Revenue & Customs for any further tax due on the gross amount of the interest. In line with current legislation, we will report all interest distribution payments to HM Revenue & Customs.

All interest distributions after 6 April 2017 will be paid gross, i.e. without the deduction of income tax. Investors are advised to consult with their independent tax advisor to determine the effects to them, if any as a result of this change in UK legislation.

Risk warning

Investors are reminded that the value of shares of a subfund and the income from the shares may go down as well as up and is not guaranteed. An investor may not get back the amount he/she has invested. The past is no guide to future performance. Details of the risk factors are published in the full prospectus which may be accessed at www.allianzglobalinvestors.co.uk. Alternatively, call our Investor Services team on 0800 317 573 to request a copy free of charge.

Complaints

A copy of our leaflet, "Allianz Global Investors Complaints Process", is available on request. Any eligible complainant having any complaint in respect of the Fund should inform Allianz Global Investors in writing of the details of the complaint. This will then be investigated and a reply provided as soon as possible and any appropriate remedial action taken. In addition, eligible complainants will have a right of complaint directly to the Financial Ombudsman Service if he/she is not satisfied with the outcome of the investigation into the complaint. Details of the Financial Services Compensation Scheme established under the Financial Services and Market Act 2000, under which an investor may be entitled to receive compensation if the ACD is unable to meet any of its liabilities to the investor are available on written request from the ACD.

Additional Information continued

Telephones

For our mutual protection, calls are recorded and may be used for quality control and training purposes, however, Allianz Global Investors GmbH, UK Branch, reserves the right to use such recordings in the event of a dispute.

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