

Schroder European Fund

July 2019

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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

The Schroder European Fund (the 'fund') aims to provide capital growth by investing in equity and equity related securities of European companies, excluding the UK.

The Fund invests at least 80% of its assets in equity and equity related securities of large and mid sized European companies, excluding the UK. These are companies that, at the time of purchase, are considered to be in the top 90% by market capitalisation of the European equities market. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may also invest in collective investment schemes, warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently.

Financial highlights

Dealing price	15.7.19	15.1.19	% change
A Income units	101.00p	89.18p	13.25
A Accumulation units	107.50p	94.23p	14.08
GBP Hedged A Income units	77.20p	69.27p	11.45
GBP Hedged A Accumulation units	80.43p	71.07p	13.17
GBP Hedged Z Income units	77.71p	69.45p	11.89
GBP Hedged Z Accumulation units	84.84p	74.26p	14.25
I Income units	1,386.00p	1,231.00p	12.59
I Accumulation units	2,166.00p	1,890.00p	14.60
L Income units	75.97p	67.44p	12.65
L Accumulation units	82.59p	72.09p	14.57
Q Euro Accumulation units	99.60c	87.88c	13.34
S Income units	74.83p	66.56p	12.42
Y Accumulation units	72.92p	63.48p	14.87
Z Income units	109.10p	96.81p	12.69
Z Accumulation units	119.40p	104.20p	14.59

The performance of a hedged unit class may differ from other unit classes of the fund because the return on unhedged unit classes is based on both the performance of the fund's investments and the performance of the portfolio currencies relative to sterling whereas the return on a hedged unit class is based only on the performance of the fund's investments.

Fund Information (continued)

Fund information

Launch date	30 April 1987	
Launch price	134.30p per I Income unit	
	138.50p per I Accumulation unit	
Launch date	1 October 2010	
Launch price	50.00p per A Income unit	
	50.00p per A Accumulation unit	
Launch date	8 November 2011	
Launch price	50.00p per Z Income unit	
	50.00p per Z Accumulation unit	
Launch date	1 July 2013	
Launch price	50.00p per GBP Hedged A Income unit	
	50.00p per GBP Hedged A Accumulation unit	
	50.00p per GBP Hedged Z Income unit	
	50.00p per GBP Hedged Z Accumulation unit	
Launch date	1 October 2013	
Launch price	50.00p per L Income unit	
	50.00p per L Accumulation unit	
Launch date	31 January 2014	
Launch price	50.00p per S Income unit	
Launch date	11 March 2016	
Launch price	50.00p per Y Accumulation unit	
Launch date	1 December 2017	
Launch price	100.00¢ per Q Euro Accumulation unit	
	Interim	Final
Accounting dates	15 July	15 January
Revenue allocation date		15 March

Fund Information (continued)

Ongoing charges figure

	For the period to 15.7.19	For the year to 15.1.19
A Income units	1.67% ¹	1.67%
A Accumulation units	1.67% ¹	1.67%
GBP Hedged A Income units	1.77% ¹	1.77% ^{2,3}
GBP Hedged A Accumulation units	1.77% ¹	1.77% ^{2,3}
GBP Hedged Z Income units	1.01% ¹	1.02% ^{2,3}
GBP Hedged Z Accumulation units	1.02% ¹	1.02% ^{2,3}
I Income units	0.76% ¹	0.77%
I Accumulation units	0.76% ¹	0.77%
L Income units	0.84% ¹	0.85%
L Accumulation units	0.84% ¹	0.85%
Q Euro Accumulation units	0.74% ¹	0.75%
S Income units	0.54% ¹	0.55%
Y Accumulation units	0.31% ¹	0.32%
Z Income units	0.91% ¹	0.92%
Z Accumulation units	0.91% ¹	0.92%

1 The Ongoing charges figure is annualised based on the fees incurred during the accounting period.

2 The Ongoing charges figure was a projected figure based on the latest expenses of that unit class.

3 The Ongoing charges figure includes the hedging programme cost of 0.10%.

Total purchases and sales

	For the period to 15.7.19 £000's	For the year to 15.1.19 £000's
Total purchases	425,593	1,309,643
Total sales	434,584	1,104,458

Review of Investment Activities

From 15 January 2019 to 15 July 2019, the price of I Accumulation units on a dealing price to dealing price basis rose 14.60%. In comparison, the FTSE¹ World European ex UK Index generated a total return of 15.87%² in sterling terms.

European ex UK equities posted strong gains over the period. Despite worries over trade wars and data suggesting an economic slowdown, shares were boosted by expectations that central banks would respond with looser monetary policy.

The fund registered a positive absolute return but lagged behind the index's strong advance. Nokia was the main individual detractor. The group's quarter 1 results were weak amid a disappointing performance from the Networks business. This was partly due to low margin legacy contracts as well as a step-up in research & development spending ahead of the switch to 5G. thyssenkrupp was another detractor amid market worries over the group's debt and lack of detail on planned restructuring. Meanwhile, positioning in the consumer goods sector detracted, notably due to our underweight exposure to the food & beverage segment. We do own Danone, which made a positive contribution. Other positives included biotechnology group Galapagos. During the period, clinical trials for a rheumatoid arthritis treatment proved not just its efficacy but also a best-in-class safety profile. Also among the top individual contributors were semiconductor stocks ams and ASM International. The latest quarterly results suggest we may be near the trough of the semiconductor cycle with demand set to improve later this year.

Momentum has been in favour for most of the year but is perhaps now starting to fade. Given a more stable macroeconomic backdrop, the market's focus may start to switch to other areas, such as cyclical and value. In terms of how we have positioned the portfolio, we continue to look for relative value. Restructuring and ESG considerations also remain important elements in the fund.

Fund Manager:

Martin Skanberg



Martin joined Schroders in 2004 as an Industrials analyst, before taking on portfolio management responsibilities in 2006 and is now a fund manager for the Schroder European Fund and Schroder ISF EURO Equity

Investment career commenced in 1994 when he joined SEB Asset Management as an investment analyst for Nordic Industrials and Basic Materials. In 1999 he became Head of European Research

Also previously worked at American Express Asset Management as a senior investment analyst responsible for Industrials and Telecommunications

Masters in Financial Economics

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2 Source: Thomson Reuters Datastream.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

Risk Profile

Risk and reward indicator



The risk and reward indicator changed from 5 to 6 with effect from 13 June 2019 for GBP Hedged A Income units, GBP Hedged A Accumulation units, and GBP Hedged Z Accumulation units. At period end the risk and reward indicator for A Income units, A Accumulation units, I Income units, I Accumulation units, GBP Hedged Z Income units, L Income units, L Accumulation units, Q Euro Accumulation units, S Income units, Y Accumulation units, Z Income units and Z Accumulation units remained at 5.

The risk category was calculated using historical performance data and may not be a reliable indicator of the fund's future risk profile.

The fund's risk category is not guaranteed to remain fixed and may change over time.

A fund in the lowest category does not mean a risk free investment.

The fund is in this category because it can take higher risks in search of higher rewards and its price may rise and fall accordingly.

Specific risks

The fund invests in assets which are exposed to currencies other than sterling. For non-hedged unit classes exchange rates may cause the value of overseas investments and the revenue from them to rise or fall.

There is no guarantee that the hedging strategy applied in hedged unit classes will entirely eliminate the adverse effects of changes in exchange rates between the base currency and the portfolio currencies.

In addition, it should be noted that hedging transactions will be entered into whether or not the currency of a hedged unit class is declining or increasing in value in relation to the base currency or portfolio currencies. Hedged unit classes aim to provide investors with a return correlated to the portfolio currencies performance of the fund by reducing the effect of exchange rate fluctuations between the base currency and the portfolio currencies.

As it is not possible to legally segregate unit classes' liabilities from those of other unit classes in the fund, there is a risk that, in certain limited circumstances, the hedging transactions undertaken in relation to a hedged unit class could result in liabilities which might affect the net asset value of the other unit classes in the fund.

The fund is index unconstrained and has the potential for greater volatility.

The fund may invest in a wide range of derivatives in order to meet its investment objectives.

For these reasons, the purchase of units should not normally be regarded as a short term investment.

Net Asset Value and Comparative Tables

Unit price range

Financial year to 15 January	A Income units		A Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	90.78	67.37	95.20	69.54
2018	107.50	89.15	112.80	93.59
2019	107.70	85.95	113.80	90.82
Financial period to 15 July 2019	101.60	88.29	108.20	94.01

Financial year to 15 January	GBP Hedged A Income units		GBP Hedged A Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	70.96	57.69	70.96	57.69
2018	82.16	68.44	84.39	70.30
2019	84.55	65.86	86.84	67.57
Financial period to 15 July 2019	77.84	68.63	81.10	71.52

Financial year to 15 January	GBP Hedged Z Income units		GBP Hedged Z Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	70.21	57.50	73.06	59.01
2018	82.87	68.78	87.56	72.39
2019	84.38	66.02	90.27	70.59
Financial period to 15 July 2019	78.34	68.80	85.53	74.74

Financial year to 15 January	I Income units		I Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	1,255.00	920.80	1,875.00	1,358.00
2018	1,483.00	1,220.00	2,242.00	1,845.00
2019	1,478.00	1,186.00	2,268.00	1,821.00
Financial period to 15 July 2019	1,395.00	1,208.00	2,180.00	1,888.00

Net Asset Value and Comparative Tables (continued)

Financial year to 15 January	L Income units		L Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	68.76	50.47	71.63	51.92
2018	81.22	66.89	85.59	70.49
2019	81.00	64.98	86.58	69.45
Financial period to 15 July 2019	76.45	66.23	83.12	72.00

Financial year to 15 January	Q Euro Accumulation units		S Income units	
	Highest dealing ¢	Lowest dealing ¢	Highest dealing p	Lowest dealing p
2017	–	–	67.81	49.65
2018	104.10	100.00	80.15	65.82
2019	106.80	83.45	79.78	64.11
Financial period to 15 July 2019	100.40	88.46	75.30	65.17

Financial year to 15 January	Y Accumulation units		Z Income units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
2017	62.42	49.00	98.80	72.50
2018	74.98	61.46	116.60	96.09
2019	75.98	61.15	116.30	93.27
Financial period to 15 July 2019	73.38	63.46	109.80	95.14

Financial year to 15 January	Z Accumulation units	
	Highest dealing p	Lowest dealing p
2017	103.70	75.24
2018	123.80	102.10
2019	125.20	100.40
Financial period to 15 July 2019	120.10	104.10

Net Asset Value and Comparative Tables (continued)

Net revenue

Financial year to 15 January	A Income units pence per unit	A Accumulation units pence per unit
2017	0.0998	0.3919
2018	0.6963	0.7311
2019	0.6866	0.7429
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	GBP Hedged A Income units pence per unit	GBP Hedged A Accumulation units pence per unit
2017	1.8531	1.8531
2018	Nil ¹	Nil ¹
2019	1.0736	1.1117
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	GBP Hedged Z Income units pence per unit	GBP Hedged Z Accumulation units pence per unit
2017	0.7881	0.9054
2018	1.1583	1.2297
2019	1.0933	1.1677
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	I Income units pence per unit	I Accumulation units pence per unit
2017	15.2682	30.7392
2018	21.9555	33.2972
2019	21.8426	33.5386
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	L Income units pence per unit	L Accumulation units pence per unit
2017	0.7871	0.8572
2018	1.1388	1.2215
2019	1.1419	1.2207
Financial period to 15 July 2019	Nil	Nil

Net Asset Value and Comparative Tables (continued)

Financial year to 15 January	Q Euro Accumulation units cents per unit	S Income units pence per unit
2017	–	0.9356
2018	Nil ¹	1.3557
2019	1.5959	1.3459
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	Y Accumulation units pence per unit	Z Income units pence per unit
2017	0.9897	1.1474
2018	1.4227	1.5649
2019	1.4422	1.5601
Financial period to 15 July 2019	Nil	Nil

Financial year to 15 January	Z Accumulation units pence per unit
2017	0.9368
2018	1.6734
2019	1.6777
Financial period to 15 July 2019	Nil

1 There was no distribution as the total amount distributable was below de minimis.

Net Asset Value and Comparative Tables (continued)

Net asset value

As at 15 January	Net asset value £000's	Net asset value per unit p	Number of units in issue
2017			
A Income units	2,278	90.82	2,508,387
A Accumulation units	32,212	95.34	33,786,735
GBP Hedged A Income units	14	69.21	20,000
GBP Hedged A Accumulation units	14	71.06	20,000
GBP Hedged Z Income units	4,169	69.53	5,995,198
GBP Hedged Z Accumulation units	1,520	73.17	2,076,733
I Income units	152,116	1,241.91	12,248,546
I Accumulation units	156,658	1,877.75	8,342,840
L Income units	153,937	68.07	226,134,993
L Accumulation units	14,945	71.74	20,833,714
S Income units	5,698	66.97	8,507,861
Y Accumulation units	510,465	62.52	816,539,468
Z Income units	4,446	97.80	4,546,133
Z Accumulation units	21,898	103.88	21,081,110
2018			
A Income units	2,909	106.60	2,729,265
A Accumulation units	37,775	112.64	33,534,767
GBP Hedged A Income units	16	82.04	20,000
GBP Hedged A Accumulation units	22	84.26	26,486
GBP Hedged Z Income units	7,852	81.59	9,623,281
GBP Hedged Z Accumulation units	41,670	87.43	47,659,512
I Income units	128,273	1,458.83	8,792,866
I Accumulation units	320,209	2,238.82	14,302,611
L Income units	173,410	79.96	216,874,298
L Accumulation units	88,238	85.47	103,244,570
Q Euro Accumulation units	1	92.50 ¹	1,000
S Income units	18,718	78.67	23,793,164
Y Accumulation units	538,053	74.87	718,621,960
Z Income units	5,632	114.86	4,903,254
Z Accumulation units	90,186	123.65	72,934,258

Net Asset Value and Comparative Tables (continued)

As at 15 January	Net asset value £000's	Net asset value per unit p	Number of units in issue
2019			
A Income units	1,801	88.94	2,024,386
A Accumulation units	39,154	94.71	41,341,243
GBP Hedged A Income units	14	68.55	20,000
GBP Hedged A Accumulation units	27	71.43	38,380
GBP Hedged Z Income units	5,605	68.71	8,157,040
GBP Hedged Z Accumulation units	21,348	74.64	28,600,947
I Income units	103,539	1,215.84	8,515,804
I Accumulation units	339,450	1,899.37	17,871,722
L Income units	147,452	66.65	221,249,497
L Accumulation units	130,537	72.45	180,166,353
Q Euro Accumulation units	46,688	78.50 ¹	59,472,979
S Income units	13,937	65.55	21,260,888
Y Accumulation units	419,140	63.81	656,889,008
Z Income units	13,567	95.74	14,169,795
Z Accumulation units	113,562	104.75	108,414,002
2019 at 15 July			
A Income units	2,028	101.12	2,005,941
A Accumulation units	40,476	107.68	37,590,369
GBP Hedged A Income units	15	77.31	20,000
GBP Hedged A Accumulation units	31	80.55	38,380
GBP Hedged Z Income units	6,418	77.82	8,246,461
GBP Hedged Z Accumulation units	3,699	84.97	4,352,924
I Income units	113,210	1,388.44	8,153,730
I Accumulation units	383,556	2,169.09	17,682,832
L Income units	151,945	76.08	199,722,932
L Accumulation units	141,434	82.71	170,997,427
Q Euro Accumulation units	51,962	89.66 ¹	57,953,120
S Income units	15,474	74.94	20,649,559
Y Accumulation units	496,671	73.03	680,087,894
Z Income units	16,865	109.25	15,436,856
Z Accumulation units	134,181	119.53	112,252,891

1 The Net asset value per unit is shown in pence, as this is the reporting currency of the fund.

Net Asset Value and Comparative Tables (continued)

Fund performance

	Net asset value per unit as at 15.7.19	Net asset value per unit as at 15.1.19	% change
A Income units	101.12p	88.94p	13.69
A Accumulation units	107.68p	94.71p	13.69
GBP Hedged A Income units	77.31p	68.55p	12.78
GBP Hedged A Accumulation units	80.55p	71.43p	12.77
GBP Hedged Z Income units	77.82p	68.71p	13.26
GBP Hedged Z Accumulation units	84.97p	74.64p	13.84
I Income units	1,388.44p	1,215.84p	14.20
I Accumulation units	2,169.09p	1,899.37p	14.20
L Income units	76.08p	66.65p	14.15
L Accumulation units	82.71p	72.45p	14.16
Q Euro Accumulation units	99.74c ¹	88.32c ¹	12.93
S Income units	74.94p	65.55p	14.32
Y Accumulation units	73.03p	63.81p	14.45
Z Income units	109.25p	95.74p	14.11
Z Accumulation units	119.53p	104.75p	14.11

1 The Net asset value per unit is shown in cents, as this is the reporting currency of the unit class.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

Portfolio Statement

	Holding at 15.7.19	Market Value £000's	% of net assets
Equities 98.77% (98.86%)			
Austria 4.05% (2.85%)			
ams	702,223	23,534	1.51
Erste Group Bank	1,317,946	39,617	2.54
		63,151	4.05
Belgium 3.79% (2.81%)			
Galapagos	432,918	59,094	3.79
		59,094	3.79
Denmark 0.00% (1.39%)			
Finland 7.20% (6.94%)			
Neste	816,224	22,532	1.45
Nokia	10,231,712	41,444	2.66
Nordea Bank	5,006,219	30,471	1.95
Stora Enso R	1,951,084	17,705	1.14
		112,152	7.20
France 25.49% (25.15%)			
Accor	828,806	29,756	1.91
Atos	241,839	16,961	1.09
AXA	1,836,720	39,105	2.51
Bureau Veritas	397,513	7,786	0.50
Carrefour	3,338,826	53,708	3.45
Cie de Saint-Gobain	1,064,142	32,409	2.08
Danone	1,032,536	70,391	4.52
Elis	1,008,153	14,853	0.95
Eramet	267,049	12,612	0.81
Iliad	313,565	27,059	1.74
Lagardere	870,066	17,676	1.13
Publicis Groupe	284,118	12,325	0.79
Sanofi	655,958	43,504	2.79

Portfolio Statement (continued)

	Holding at 15.7.19	Market Value £000's	% of net assets
France (continued)			
Worldline	327,809	18,933	1.22
		397,078	25.49
Germany 13.55% (17.70%)			
BASF	376,158	20,639	1.32
Beiersdorf	259,184	24,754	1.59
Continental	90,021	9,596	0.61
GEA Group	871,375	17,405	1.12
HOCHTIEF	59,837	6,003	0.38
Krones	253,851	12,276	0.79
OSRAM Licht	491,534	14,634	0.94
Porsche Automobil Holding Preference	721,652	39,363	2.53
RWE	1,592,654	33,615	2.16
SAP	86,678	9,478	0.61
thyssenkrupp	2,265,354	23,377	1.50
		211,140	13.55
Greece 1.86% (2.25%)			
Hellenic Telecommunications Organization	2,579,456	28,961	1.86
		28,961	1.86
Ireland 1.75% (1.91%)			
Ryanair Holdings	2,996,014	27,309	1.75
		27,309	1.75
Italy 4.08% (3.87%)			
Leonardo	3,270,140	34,084	2.19
UniCredit	2,866,327	29,476	1.89
		63,560	4.08

Portfolio Statement (continued)

	Holding at 15.7.19	Market Value £000's	% of net assets
Luxembourg 2.09% (1.67%)			
Subsea 7	3,660,669	32,619	2.09
		32,619	2.09
Netherlands 5.21% (4.30%)			
Akzo Nobel	268,104	20,075	1.29
ASM International	592,410	31,674	2.03
STMicroelectronics	2,072,309	29,433	1.89
		81,182	5.21
Norway 1.22% (1.36%)			
DNB	1,261,916	19,051	1.22
		19,051	1.22
Spain 3.66% (1.80%)			
Industria de Diseno Textil	1,624,378	40,242	2.58
Metrovacesa	1,223,256	11,062	0.71
Repsol	455,934	5,703	0.37
		57,007	3.66
Sweden 8.97% (10.82%)			
BillerudKorsnas	4,673,441	48,723	3.13
Fastighets AB Balder B	1,404,912	41,554	2.67
Gefinge B	2,212,469	28,208	1.81
Munters Group	3,166,434	10,498	0.67
Trelleborg B	966,090	10,763	0.69
		139,746	8.97
Switzerland 15.36% (13.05%)			
Adecco Group	520,344	22,408	1.44
Cie Financiere Richemont	488,119	32,480	2.09
Julius Baer Group	697,345	23,812	1.53
Lonza Group	161,339	43,325	2.78

Portfolio Statement (continued)

	Holding at 15.7.19	Market Value £000's	% of net assets
Switzerland (continued)			
Roche Holding	312,098	66,909	4.29
Sonova Holding	128,339	23,229	1.49
Swatch Group	118,555	27,047	1.74
		239,210	15.36
United States of America 0.49% (0.99%)			
Veoneer SDR	581,449	7,614	0.49
		7,614	0.49
Equities total		1,538,874	98.77
Forward Foreign Currency Contracts 0.00% (0.02%)			
Buy CHF 47,720 Sell GBP 38,531 31/07/2019	CHF 47,720	0	0.00
Buy EUR 163,219 Sell GBP 146,449 31/07/2019	EUR 163,219	1	0.00
Buy EUR 11,102 Sell GBP 9,993 31/07/2019	EUR 11,102	0	0.00
Buy NOK 303,443 Sell GBP 28,232 31/07/2019	NOK 303,443	0	0.00
Buy SEK 29,532 Sell GBP 2,525 31/07/2019	SEK 29,532	0	0.00
Buy SEK 279,220 Sell GBP 23,726 31/07/2019	SEK 279,220	0	0.00
Sell CHF 2,283,291 Buy GBP 1,845,409 31/07/2019	CHF (2,283,291)	(8)	0.00
Sell EUR 4,951 Buy GBP 4,459 31/07/2019	EUR (4,951)	0	0.00
Sell EUR 8,270,495 Buy GBP 7,419,048 31/07/2019	EUR (8,270,495)	(19)	0.00
Sell NOK 36 Buy GBP 3 31/07/2019	NOK (36)	0	0.00
Sell NOK 4,268,117 Buy GBP 395,428 31/07/2019	NOK (4,268,117)	(3)	0.00
Sell SEK 9,027 Buy GBP 767 31/07/2019	SEK (9,027)	0	0.00
Sell SEK 15,339,563 Buy GBP 1,306,908 31/07/2019	SEK (15,339,563)	0	0.00
Forward Foreign Currency Contracts total		(29)	0.00

Portfolio Statement (continued)

	Market Value £000's	% of net assets
Portfolio of investments	1,538,845	98.77
Net other assets	19,120	1.23
Net assets attributable to unitholders	1,557,965	100.00

The comparative percentage figures in brackets are as at 15 January 2019.

Unless otherwise stated, all securities are admitted to official stock exchange listings.

Summary of Portfolio Transactions

Largest purchases

For the six months ended 15 July 2019	Cost £000's
Roche Holding	39,811
Industria de Diseno Textil	37,348
Subsea 7	35,997
RWE	32,555
Cie Financiere Richemont	30,424
STMicroelectronics	27,138
Getinge B	24,362
Neste	21,858
Stora Enso R	20,869
Sonova Holding	17,051

Largest sales

For the six months ended 15 July 2019	Proceeds £000's
Elekta B	33,559
Tenaris	27,691
Sonova Holding	27,041
Akzo Nobel	26,451
E.ON	24,748
Vestas Wind Systems	20,111
Bureau Veritas	19,376
Beiersdorf	19,273
Sanofi	16,425
Lonza Group	15,520

Statement of the Manager's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes sourcebook (COLL) requires the Manager to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the financial position of the fund and of its net revenue and the net capital gains on the property of the fund for the period. In preparing the accounts the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA (now the Investment Association (IA))) in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the accounts on the basis that the fund will continue in operation unless it is inappropriate to do so;
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates that are prudent and reasonable.

The Manager is responsible for the management of the fund in accordance with its Trust Deed, the Prospectus and the COLL, and for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The Manager's report and accounts for the period ended 15 July 2019 were signed on 11 September 2019 on behalf of the Manager by:

J.A. Walker-Hazell
Directors

P. Chislett

Statement of Total Return (unaudited)

For the six months ended 15 July 2019

	15.7.19	15.7.18
	£000's	£000's
Income		
Net capital gains/(losses)	167,791	(52,535)
Revenue	35,797	35,651
Expenses	(4,934)	(5,181)
Net revenue before taxation	30,863	30,470
Taxation	(2,182)	(2,390)
Net revenue after taxation	28,681	28,080
Total return before distributions	196,472	(24,455)
Distributions	(338)	171
Change in net assets attributable to unitholders from investment activities	196,134	(24,284)

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

For the six months ended 15 July 2019

	15.7.19	15.7.18
	£000's	£000's
Opening net assets attributable to unitholders	1,395,821 ¹	1,452,964
Amounts receivable on issue of units	70,520	250,779
Amounts payable on cancellation of units	(104,577)	(92,538)
	(34,057)	158,241
Dilution adjustment	67	158
Change in net assets attributable to unitholders from investment activities	196,134	(24,284)
Closing net assets attributable to unitholders	1,557,965	1,587,079¹

1 The Opening net assets attributable to unitholders for the current period do not equal the Closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Balance Sheet (unaudited)

As at 15 July 2019

	15.7.19	15.1.19
	£000's	£000's
Assets		
Investments	1,538,875	1,380,270
Current assets		
Debtors	6,882	20,409
Cash and bank balances	22,516	16,560
Total assets	1,568,273	1,417,239
Liabilities		
Investment liabilities	(30)	(26)
Creditors		
Distribution payable	0	(4,997)
Other creditors	(10,278)	(16,395)
Total liabilities	(10,308)	(21,418)
Net assets attributable to unitholders	1,557,965	1,395,821

Notes to the Accounts (unaudited)

Basis of preparation

The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the SORP for UK Authorised Funds issued by the IMA in May 2014 and in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)).

Accounting policies

The accounting policies applied are consistent with those of the annual accounts for the year ended 15 January 2019 and are described in those annual accounts.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Administration Details

Schroders
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RLTZ-CHSY-HBUT
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Investor Services
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investorservices@schroders.com
Dealing 0800 718 788
Fax 0870 043 4080

Independent Auditors

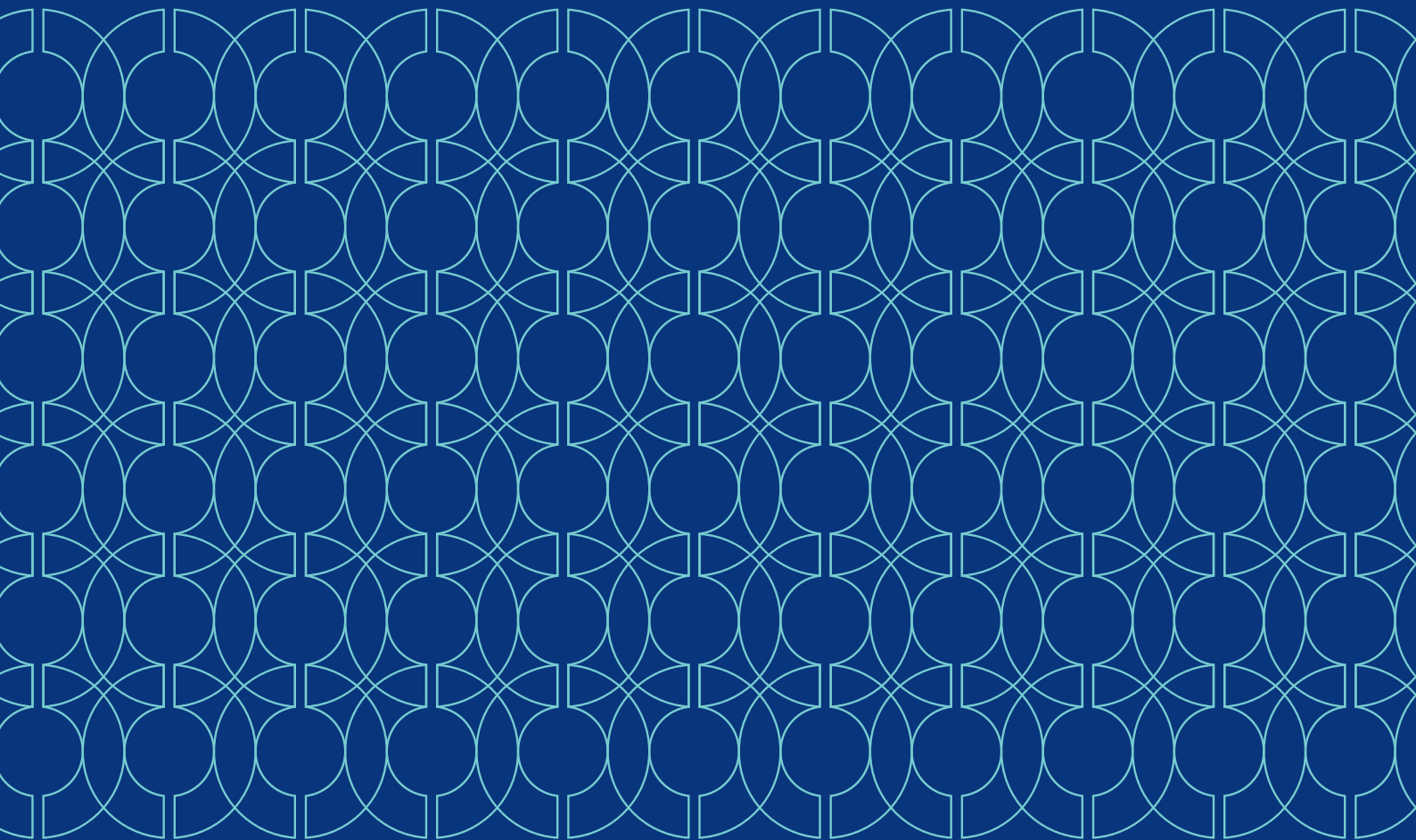
PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorisation

The fund is an authorised unit trust and is constituted pursuant to the COLL and is structured as a trust. The fund is a UCITS scheme for the purpose of the categorisation of the COLL.

Other information

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.co.uk.



EST. 1804

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For further literature please contact Schroder Investor Services on 0800 718 777 or at investorservices@schroders.com, or visit our website at www.schroders.co.uk.

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