

# HSBC Index Tracker Investment Funds

Annual Report and Accounts

**15 May 2019**

## Company Information

### Company

HSBC Index Tracker Investment  
Funds Registered in England  
with Company Number IC000075

### Registered Office

8 Canada Square  
London E14 5HQ

### Directors

The Authorised Corporate Director (ACD) is HSBC Global Asset Management (UK) Limited which is the sole director.

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of The Investment Association (IA).

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### HSBC Global Asset Management (UK) Limited - Directors

C.A. Berman (resigned 27 September 2018)

C.S. Cheetham

A.S. Clark

A.C. Corfield

P.G.P. Dew (appointed 11 December 2018)

P.J.F. Glaze

M.G. McDonald

J.M. Munro

T.J. Palmer

J.R. Paterson (appointed 27 November 2018)

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## Director's Report

**We are pleased to present the Annual Report and Financial Statements for HSBC Index Tracker Investment Funds Open-Ended Investment Company (OEIC), ("the Company"), covering the year from 16 May 2018 to 15 May 2019.**

HSBC OEICs are investment companies with variable capital under regulation 12 (Authorisation) of the OEIC Regulations. All Funds within the OEIC are classed as securities funds.

The ACD, HSBC Global Asset Management (UK) Limited, is incorporated in England and Wales under number 1917956 and authorised and regulated by the Financial Conduct Authority.

The Company is an umbrella company comprising various Funds, each of which is operated as a distinct Fund, with its own portfolio of investments.

Each Fund has the investment powers equivalent to those of a securities company.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

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**A.C. Corfield**

**Director**



**A.S. Clark**

**Director**



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**For and on behalf of HSBC Global Asset Management (UK) Limited  
Authorised Corporate Director**

**31 July 2019**

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# Market Review

**Welcome to the Annual Report for the HSBC Index Tracker Investment Funds Open-Ended Investment Company (OEIC). The report covers the year 16 May 2018 to 15 May 2019.**

**Please do take the time to look through the report and if you have any questions, contact our Customer Services on 0800 358 3011\*.**

**To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.**

**\*Lines are open 9am to 5pm Monday to Friday (excluding public holidays).**

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## Market Overview

Global stocks gained over the review period, overcoming severe volatility in late 2018. There were signs of slowing growth in the global economy, with lower GDP in the UK, Europe, Japan and some emerging markets. The US economy was no exception, expanding at an annualised rate of 4.2% in the second quarter of 2018, before the pace of growth eventually slowed to 3.4% in the fourth quarter.

Major central banks continued to 'normalise' monetary policy by raising interest rates and withdrawing asset-purchase schemes. The US Federal Reserve (the Fed) raised rates three times during the review period, with the final hike taking rates to a range of 2.25–2.5%. The Bank of England (BoE) raised rates in August to 0.75%, but noted that concerns over Brexit had stopped it from continuing this trend.

Meanwhile, the European Central Bank (ECB) kept rates unchanged, but stated that it would terminate its asset-purchase programme at the end of 2018. The ECB also indicated that interest rates were unlikely to rise until at least the autumn of 2019. The Bank of Japan (BoJ) began to reduce the scale of its own bond-buying programme, while also announcing that it would defer its 2.0% inflation target.

Concerns over the late stage of the current economic cycle and the effects of tighter monetary policy translated into equity-market weakness on occasion. In particular, global stocks plummeted in the last quarter of 2018, as the prospect of further US interest-rate rises rattled investors. Lingering fears about the US-China trade war, alongside a 35-day shutdown of the US government, contributed to investors' angst. The shutdown was the longest in history, and stemmed from a political disagreement over funds for President Trump's border wall.

In early 2019, the Fed took a more reassuring stance towards monetary policy, and essentially disavowed its intention to raise rates in 2019. In addition, President Xi of China and President Trump met in January and agreed to pause plans to impose fresh tariffs. This contributed to a more buoyant environment for global stocks, which recovered the ground lost in the previous quarter.

In April, global equities continued their ascent, as hopes grew that China and the US would agree on trade. Some encouraging economic data, in the form of positive factory activity in China, also sent stocks higher. In May, however, President Trump threatened to impose more tariffs on China, causing trade-war fears to resurface.

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## UK Equities

The UK market (measured by the FTSE All Share index), ended the period a shade lower. In May 2018, the FTSE 100 touched 7,503 and set a new all-time high, driven by strong earnings momentum and sterling weakness. The weak pound benefited the overseas earnings of a large portion of companies in the index. Stocks subsequently fell back on the prospect of slowing economic growth, triggered by Brexit and wider concerns about the global trade dispute.

On the economic front, labour data was strong, with unemployment falling to levels not seen since the mid-1970s (4.0% in November). But wage and productivity growth lagged, so that consumer-spending growth and, consequently, GDP growth were modest. GDP grew 1.2% in the second quarter on an annualised basis, before growing at the faster rate of 1.5% in the third quarter. Fourth-quarter growth of 1.3% fell short of expectations, however. Core consumer prices were down over the period, despite the weakness in sterling and higher oil and food prices, from 2.1% in April 2018 to 1.8% in March 2019.

The BoE continued to raise interest rates from historic low levels, by a further 0.25% to 0.75% in August. The hike was justified by the BoE on the basis of the tight labour market and rising inflation, not least from higher oil prices. Concerns over the impact of Brexit on the UK economy, alongside signs of economic weakness, helped dissuade policymakers from continuing this trend. A consensus on Brexit arrangements had still not been reached by the planned exit date of 29 March. Prior to this, Prime Minister Theresa May's deal had been repeatedly voted down in the Commons, in a record defeat for a government motion. In response to the stalemate, the EU permitted an extension of article 50 until the end of October 2019.

Brexit led to bouts of uncertainty, particularly later in the period, when it appeared that a 'no deal' scenario was more likely. Despite this, markets participated in the broad-based rally in global equities in the first three months of the year. The FTSE All Share index climbed higher in April and early May too, buoyed by some encouraging economic data points. In other news, it was confirmed that the UK would take part in the European elections on 23 May.

## US Equities

US equities gained over the review period, benefiting from strength in the US economy. There were bouts of volatility, however, with US stocks gaining over the first six months before sustaining heavy falls in late 2018. Initially, the favourable market conditions created by healthy corporate earnings and President Trump's tax cuts buoyed US stocks. The S&P 500, the Dow Jones and Nasdaq indices all set new all-time highs and, in August, the S&P 500 broke the record for its longest-ever bull-market run.

The trade war between the US and China continued apace, with the scope of the tariffs widening substantially. President Trump targeted a further \$200 billion in Chinese imports in September; China responded with its own measures. In December, the US and China made some headway at the G20 summit, with both parties agreeing to postpone further tariffs. The ongoing dispute led to bouts of volatility but, on the whole, investors appeared to price in a positive resolution of the dispute.

In the final quarter of 2018, however, US equities went into freefall, and the S&P 500 endured its worst December since the Great Depression. With falls of more than 20%, US stocks officially entered a bear market. During the month, the Fed raised interest rates by 25 basis points (bps) to a range of 2.25–2.5% – a move investors were prepared for. This rate increase provoked ire from President Trump, although the Fed lowered its guidance for 2019, projecting two rates rises, down from the previous three. The prospect of tighter monetary policy unnerved investors and contributed to the fourth-quarter sell-off. The negative mood was exacerbated by the shutdown of large parts of the US government, due to a disagreement over funds for the president's proposed border wall.

In early 2019, however, US stocks recovered. January proved to be the strongest month for US equities since 1987, as hopes resurfaced that China and the US could reach an accord on trade. In recognition of slowing growth, the Fed's policymakers made some conciliatory comments about monetary policy. This positive sentiment lifted stocks throughout the first quarter of 2019 and continued in April. In May, better-than-expected non-farm payrolls lent support to US equities, before the US-China trade feud was reignited by the threat of fresh US tariffs on China.

## Europe Ex-UK Equities

European equities fell over the review period. Although the European economy expanded, the pace of growth slowed over the year, falling from an annual rate of 2.7% in January 2018 to 1.4% in January 2019. Regional economic health varied. Germany narrowly avoided slipping into recession, after a contraction in the third quarter was followed by a static growth reading in the fourth. Meanwhile, in the fourth quarter of 2018, the Italian economy officially entered recession, having contracted in two consecutive quarters.

The ECB kept interest rates on hold throughout the period, although the bank's president, Mario Draghi, became increasingly gloomy in his public statements. In late 2018, he remarked that economic risks were 'broadly balanced', but in February 2019 he commented that risks were 'to the downside'. The ECB concluded its asset-purchase programme at the end of December 2018, having previously curtailed monthly purchases. Policymakers also cut eurozone growth forecasts for 2018 and 2019.

There was political drama too. A coalition of more populist, anti-establishment parties, the Five Star Movement and the League, gained power in Italy. Bond yields rose materially as the new coalition government spelled out its intentions on tax cuts and higher spending. This caused friction with the EU, especially when the Italian government refused to back down over its budgetary plans. After pressure from the EU, the situation was resolved in December, when the Italian government passed a revised budget. In Germany, meanwhile, Angela Merkel announced that she would be stepping down as party leader at the end of the year, and as chancellor in 2021.

The final quarter of 2018 was challenging for European ex UK equities, with global trade concerns and political machinations in Europe influencing investor sentiment. European equities fell markedly in October and December, in line with other major markets, as investors eschewed equities for less risky assets. In the first three months of 2019, however, a conciliatory tone from the ECB provided respite to markets, helping European shares to recover. European stocks took their cue from global bourses, which benefited from a widespread revival of risk appetite in the first three months of 2019. This continued in April, when the MSCI Europe edged higher. Speculation that the US and China were close to a trade deal also pushed stocks higher at this time, but that optimism faded in May, when President Trump threatened to increase tariffs on Chinese goods.

## Japanese Equities

The Japanese market was weaker over the period, with much of the damage done in the final few months of 2018. The trade dispute between China and the US, as well as the tariffs imposed by the US administration on Japanese steel, were a particular source of unease for investors in Japanese equities. Slowing global economic growth and monetary tightening (albeit not in Japan) were additional factors clouding the backdrop. The benchmark Nikkei index had risen to a 26-year high early in 2018, on positive sentiment towards the domestic economy. However, a run of eight consecutive quarters of GDP growth, the best for nearly 30 years, came to an end in the first quarter of 2018 when GDP growth contracted by 0.1%. After recovering in the second quarter, to 0.5%, GDP fell by 0.6% in the third, due to the effects of severe flooding and earthquake in the west of Japan. In the last quarter of 2018, the Japanese economy grew by 0.5%. In March 2019, a fall in factory output prompted concerns over inventory levels.

On the political front, Prime Minister Shinzo Abe experienced a torrid time as a scandal concerning allegations of cronyism, and more specifically a favourable land sale to a colleague, weakened his authority and caused his popularity rating to plummet. Despite this, he managed to win a further term as leader of the governing LDP party.

The Bank of Japan (BoJ) kept monetary conditions loose. It maintained its yield-curve control programme and its flat to negative interest rate of -0.1% to hold the 10-year Japanese government bond yield at 0%. The BoJ also lowered its inflation expectations for the 2019 fiscal year from a range of 1.5–1.7% to 1.0–1.3%. This contributed to a weaker yen in the first three months of 2019. Japanese equities rallied over this period, taking their cue from global bourses, which clawed back losses made in the final quarter of 2018. In April, Japanese stocks (measured by the TOPIX index) traded in a tight range. In the first half of May, revived concerns over US-Chinese trade put pressure on Japanese stocks.

### Asia Ex-Japan Equities

Asian equities were under pressure during the period, as sentiment was affected by global trade friction and its potential consequences for Asian manufacturing. Investors in China expressed concern about the trade dispute with the US and the slowdown in the economy. The People's Bank of China (PBoC) took steps to ease liquidity by cutting banks' reserve requirement ratios. Policymakers also flooded the money markets with record amounts of liquidity in early 2019, fearful of banking conditions and the prospect of an economic downturn. Preliminary figures for fourth-quarter GDP in China showed annualised growth of 6.4%, the weakest since the global financial crisis.

The Indian market was one of the best-performing regional markets. The Sensex index achieved a new all-time high in August, before falling back. The Reserve Bank of India began to raise interest rates for the first time in over four years, in response to the strong economy and rising inflation. However, GDP slowed to 7.1% growth (on an annual basis) in the third quarter of 2018, with inflation easing back later in the period. Indonesia also performed well, notching up double-digit gains in sterling terms. By contrast, the Korean market was one of the weakest, down in both sterling and local-currency terms.

Markets in Asia were also unsettled by the potential impact on emerging economies of higher US interest rates. Central banks in Indonesia and the Philippines raised interest rates to stem falls in their respective currencies. The rise in the US dollar threatened higher inflation while fuelling worries about the high aggregate level of US-dollar-denominated debt across the region.

In early May, optimism that the US and China could reach a trade deal faded, as the US threatened to increase tariffs from 10% to 25% on Chinese goods totaling \$200 billion. Although Chinese shares initially held up well, they subsequently fell in the face of this uncertainty.

### UK Fixed Income

The UK fixed-income market produced positive returns over the period, with a strong final quarter of 2018 boosting returns, as investors favoured the safety of bonds over equities. Sentiment for much of the year had been negatively affected by the global trend towards quantitative tightening and the interest-rate hike carried out by the BoE. Yields rose by more at the shorter end of the yield curve, and the yield curve subsequently flattened over the period. This flattening partly reflected demand from investors at the long end for higher-yielding bonds.

The BoE raised interest rates by 0.25% in August, for only the second time this cycle, taking the benchmark interest rate to 0.75%. The UK inflation rate was largely subdued, falling back to the 1.9% mark by March 2019, having been above 3.0% in early 2018.

The 10-year government bond yield spiked in early 2018 on the back of fears over rising wage inflation from the US. The backdrop of global trade friction and difficult Brexit negotiations, as well as potentially higher inflation, meant that UK bonds were quite volatile through the remainder of the period. Yields spiked higher again in September and early October, following the August rate hike, and as oil prices rose. However, they sank back significantly in the final months of the period as equity markets experienced marked volatility and turmoil. The increasing possibility of a no-deal Brexit also caused investors to seek the relative security of bonds over equities. In April, however, these fears dissipated, causing gilt yields to rise. Overall, the UK 10-year gilt fell from 1.50% to 1.06% over the year to 15 May 2019.

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns. Information provided by HSBC Global Asset Management (UK) Limited 15 May 2019.*



# Notes to the Company Financial Statements

**for the year ended 15 May 2019**

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## Accounting Policies

### a. Basis of Accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in compliance with FRS102 and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association ("IA") in May 2014. Unless otherwise stated all other accounting policies are consistent with those of the prior year.

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### b. Revenue

Dividends on equities and investment funds are recognised when the security is quoted ex-dividend.

Dividends on investment funds are accounted for on an accruals basis at an estimated rate based on available information. Interest on fixed interest securities is accounted for on an effective yield basis. Interest on deposits is accounted for on an accruals basis. Other revenue is accounted for on a receipts basis. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and, where applicable, is included in the distribution, except Pacific Index which recognises these as revenue but they are not included in the distribution.

Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

Any reported revenue from an offshore fund in excess of any distributions is recognised as revenue after the end of the reporting period, no later than the date when the reporting fund makes this information available.

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### c. Expenses

All expenses, other than those relating to the purchase and sale of investments are charged to revenue when incurred.

Transaction charges are treated as capital.

Where a Fund has more than one share class, each share class may suffer different expenses. Consequently, the level of net revenue attributable to each share class will differ.

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### d. Taxation

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses.

Where overseas tax has been deducted from overseas revenue, that tax can, in some instances, be set off against corporation tax payable by the Fund by way of a double taxation refund.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the Authorised Corporate Director considers that it is more likely than not that there will be taxable profits from which the underlying timing differences can be deducted.

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**e. Investments**

Investments are initially recognised at fair value on the date the contract is entered into. The listed investments of the Company have been valued at bid prices at the closing valuation point on 15 May 2019. The valuation of unlisted investments is based on the Authorised Corporate Director's assessment of their estimated realisable value. Suspended securities are valued initially at the suspended price but are subject to constant review. Revaluation gains or losses are recognised in the Statement of Total Return. Investments cease to be recognised on the date a contract for sale is entered into or when the Company's interest in the investment is extinguished or terminated.

**f. Exchange Rates**

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 15 May 2019. Forward foreign currency contracts held at the end of the accounting year are valued at the price required to close out the contract at the balance sheet date.

Any gains or losses as a result of foreign currency transactions are applied to the capital of the Funds.

**g. Distributions**

Where the revenue from investments exceeds the expenses, a distribution will be made. Should expenses exceed revenue, there will be no distribution and the shortfall will be transferred to capital.

For the purpose of calculating the distribution, revenue on debt securities is computed as the higher of the amount determined on an accrual of coupon basis and an effective yield basis. A reconciliation of the net distribution to the net revenue of the Fund as reported in the Statement of Total Return is shown in note 7 of the sub-fund accounts.

The policies of the Funds are to determine the amount available for distribution, with distributions to shareholders: quarterly on 15 July, 15 October, 15 January and 15 April for UK Gilt Index, Sterling Corporate Bond Index and Index Linked Gilt Index; semi-annually on 15 July and 15 January for FTSE 100 Index and FTSE All-Share Index; and annually on 15 July for all other Funds within this OEIC.

**h. Derivatives**

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at fair value at the 15 May 2019. Where the fair value of the derivative is positive, it is carried as a derivative asset and where negative as a derivative liability.

The ACD monitors that any exposure is covered globally to ensure adequate cover from within the sub-fund is available to meet the sub-fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions. The ACD has adopted the commitment approach to determine the global market risk exposure in relation to the futures held.

## **Financial Instruments**

In pursuing its Investment Objective, the Company holds a number of financial instruments. The Company's financial instruments, other than derivatives, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Company's financial instruments and the Authorised Corporate Director's policies for managing these risks in each of the Funds are summarised below. These policies have been applied throughout the year.

## **General Risk Management Process**

The management of financial instruments is fundamental to the management of the Company's business. The Company's risk management process is managed by the ACD and oversight of these functions is carried out by the Depositary. This is organised by function with distinct separation of responsibility between managers, dealers and investment administration personnel.

Risks specific to each Fund are managed by the relevant Fund Manager. In addition, these teams are supported by a series of committees which are responsible for oversight and monitoring of the risk management process, the investment process, and performance and operational processes. Those committees and their responsibilities are discussed below.

## **Risk Management Meeting (RMM)**

The most senior risk management forum for the business is the Risk Management Meeting. The RMM sits on a quarterly basis. The RMM is responsible for all aspects of risk policy and control supported by a number of specialist committees. The RMM monitors and controls key business risks, including reviewing the internal control and assurance framework and risk profile, and considering the activities of Business Risk Internal Audit. In addition the Meeting considers reports from other committees that assess the nature and extent of risks.

## **Pricing Valuation Committee (PVC)**

The PVC meets on a monthly basis and its role is to ensure robust pricing policies across the fund range and to provide oversight of any exception to these policies that might arise from time to time. The committee reports into the RMM.

## **Business Risk and Control Committee (BRCC)**

The BRCC is the principal forum for overseeing the management of operational risk and internal control within HSBC Global Asset Management (UK) Limited. Where the level of risk is in excess of appetite or tolerance the BRCC must ensure appropriate action is taken to address the underlying issue or escalate to the RMM and document acceptance of the risk.

## **Product Committee (PC)**

The PC meets monthly and provides independent oversight of product development to ensure that the investment guidelines and risks in new products, or significant changes to existing products have been reviewed and challenged from the perspective of customers, the investment teams, the systems and risk management processes used to deal and monitor positions and the wider business strategy. This includes considering whether a product is consistent with the concept of 'Treating Customers Fairly'.

The same approach applies where the use of new instruments is proposed (including derivatives), whether for a new or an existing product. All new products will in the first instance be considered by the Company. Proposed changes to existing products will be considered significant when they materially alter the product characteristics. This may occur due to changes in the market or due to changing internal or external risks.

### **Market Price Risk**

Market price risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Company holds. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Company's investment portfolio is exposed to market price fluctuations which are monitored by the Authorised Corporate Director in pursuance of the Investment Objective and Policy as set out in the Instrument of Incorporation.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and the rules of the FCA's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

### **Foreign Currency Risk**

Foreign currency risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

A proportion of the Company's investment portfolio is invested in overseas securities and the balance sheet can be affected by movements in foreign exchange rates. The Authorised Corporate Director may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to sterling on the date of receipt. Where applicable, the assets by value denominated in foreign currencies is disclosed in the Fund Financial Statements.

### **Interest Rate Risk**

Interest rate risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in interest rates.

The Company invests in fixed and floating rate securities. The revenue of the Company may be affected by changes to interest rates relevant to particular securities or as a result of the Authorised Corporate Director being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. Where applicable, the value of interest bearing assets is disclosed in the Fund Financial Statements.

### **Liquidity Risk**

The Company's assets comprise mainly of readily realisable securities. The main liability of the Company is the redemption of any shares that investors wish to sell. Assets of the Company may need to be sold if insufficient cash is available to finance such redemptions.

### **Credit Risk**

Certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the Authorised Corporate Director as acceptable counterparties.

In current market conditions exposure to cash within the Fund could be at risk if the counter party fails. All cash is held at HSBC (HSBC is rated AA- by Standard and Poor's) and exposure is limited to a maximum 10% of the value of the Fund. All assets held within the Depositary are ring-fenced. The banks and Depositary used by the Company and the ACD are subject to regular revisions.

# FTSE 100 Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE 100 Index.

## Investment Policy

To invest in companies that make up the FTSE 100 Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund.

The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE 100 Index. This means that the Fund will seek to invest in all of the companies that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE 100 index was down 1.64% during the period.

Two sectors in particular drove such performance: Financials, which was down 6.57%, contributing 1.39% of the index total return; and Telecommunications, which was down 21.09%, contributing 0.74% of the index total return.

UK equities suffered in the latter part of 2018 and sharply fell at the beginning of October, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. Conversely, in the first months of 2019, UK shares rebounded and enjoyed a strong first quarter. Brexit was the main driver of performance and on the whole news flow seemed positive. January saw Prime Minister May secure MP's backing for a withdrawal agreement. Hopes of a smooth exit continued throughout February, and in March the British Government reached an agreement to delay Brexit until October, alleviating fears of a disorderly separation.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 2.76% while the value of the FTSE 100 index fell by 1.64%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.04%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Accumulation
Price	119.2p xd	234.0p	238.8p
Distribution payable (on 15 July 2019) per share net	2.303487p	4.364869p	4.726810p
Current net estimated yield	3.98%	3.83%	4.06%
Annual ACD charge	0.25%	0.25%	0.00%

  

	Income C	Accumulation C	Income S	Accumulation S
Price	120.7p xd	235.5p	120.6p xd	235.9p
Distribution payable (on 15 July 2019) per share net	2.357240p	4.501824p	2.421148p	4.633482p
Current net estimated yield	4.05%	3.93%	4.16%	4.03%
Annual ACD charge	0.10%	0.10%	0.04%	0.04%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>BERMUDA - 0.23% (0.00%)</b>			
<b>Financials - 0.23% (0.00%)</b>			
Hiscox	114,199	1,831	0.23
<b>Total Financials</b>		<b>1,831</b>	<b>0.23</b>
<b>Total Bermuda</b>		<b>1,831</b>	<b>0.23</b>
<b>CHANNEL ISLANDS - 1.69% (2.48%)</b>			
<b>Basic Materials - 1.69% (2.48%)</b>			
Glencore	4,739,827	13,191	1.69
<b>Total Basic Materials</b>		<b>13,191</b>	<b>1.69</b>
<b>Total Channel Islands</b>		<b>13,191</b>	<b>1.69</b>
<b>UNITED KINGDOM - 96.60% (97.13%)</b>			
<b>Oil &amp; Gas - 16.87% (16.95%)</b>			
BP	8,328,546	44,924	5.75
Royal Dutch Shell A	1,871,112	47,124	6.03
Royal Dutch Shell B	1,573,932	39,758	5.09
<b>Total Oil &amp; Gas</b>		<b>131,806</b>	<b>16.87</b>
<b>Basic Materials - 7.02% (6.53%)</b>			
Anglo American	414,592	7,929	1.01
Antofagasta	142,299	1,174	0.15
BHP Group	873,281	15,282	1.95
Croda International	52,091	2,659	0.34
Evrast Group	214,276	1,240	0.16
Fresnillo	75,814	565	0.07
Johnson Matthey	79,763	2,497	0.32
Mondi	153,905	2,559	0.33
Rio Tinto	465,276	21,026	2.69
<b>Total Basic Materials</b>		<b>54,931</b>	<b>7.02</b>
<b>Industrials - 8.57% (8.53%)</b>			
Ashtead Group	198,500	4,030	0.51
BAE Systems	1,340,442	6,232	0.80
Bunzl	141,004	2,937	0.38
CRH	344,356	8,571	1.10
DCC	41,246	2,840	0.36
Experian Group	384,327	8,605	1.10
Ferguson	97,402	5,409	0.69
Halma	159,098	2,831	0.36
Intertek Group	67,764	3,471	0.44
Melrose Industries	2,020,593	3,677	0.47
Rentokil Initial	774,713	2,982	0.38
Rolls-Royce	706,640	6,471	0.83
#Rolls-Royce Holdings	49,406,131	-	0.00
Spirax Sarco Engineering	30,823	2,626	0.34

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Smith (DS)	522,431	1,726	0.22
Smiths Group	166,277	2,465	0.31
Smurfit Kappa Group	99,705	2,161	0.28
<b>Total Industrials</b>		<b>67,034</b>	<b>8.57</b>
<b>Consumer Goods - 16.15% (15.51%)</b>			
Associated British Foods	145,999	3,692	0.47
Barratt Developments	422,658	2,592	0.33
Berkeley Group	49,583	1,850	0.24
British American Tobacco	958,351	27,840	3.56
Burberry Group	171,307	3,292	0.42
Coca-Cola HBC AG	82,724	2,311	0.30
Diageo	996,565	33,041	4.23
Imperial Tobacco Group	398,816	8,489	1.09
Persimmon	132,026	2,783	0.36
Reckitt Benckiser	262,876	16,374	2.09
Taylor Wimpey	1,365,792	2,411	0.31
Unilever	458,841	21,520	2.75
<b>Total Consumer Goods</b>		<b>126,195</b>	<b>16.15</b>
<b>Healthcare - 9.13% (9.61%)</b>			
AstraZeneca	550,805	32,062	4.10
GlaxoSmithKline	2,046,742	31,381	4.01
Hikma Pharmaceuticals	57,503	1,023	0.13
NMC Health	35,377	915	0.12
Smith & Nephew	367,483	5,990	0.77
<b>Total Healthcare</b>		<b>71,371</b>	<b>9.13</b>
<b>Consumer Services - 10.45% (9.91%)</b>			
Carnival (London listed)	67,324	2,694	0.34
Compass Group	664,387	11,813	1.51
easyJet	101,653	1,010	0.13
Informa	522,959	4,061	0.52
InterContinental Hotels Group	76,018	3,788	0.48
International Consolidated Airlines Group	665,810	3,382	0.43
ITV	1,540,789	1,742	0.22
Kingfisher	886,631	2,066	0.26
Marks & Spencer	671,947	1,844	0.24
Morrison (Wm) Supermarkets	898,692	1,929	0.25
Next	55,439	3,199	0.41
Ocado Group	188,578	2,407	0.31
Paddy Power	31,816	1,861	0.24
Pearson	327,051	2,626	0.34
Rightmove	367,359	2,060	0.26
RELX	794,034	14,079	1.80
Sainsbury (J)	664,580	1,376	0.18

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Tesco	4,058,611	9,887	1.27
TUI	178,867	1,466	0.19
Whitbread	76,233	3,474	0.44
WPP Group	514,740	4,921	0.63
<b>Total Consumer Services</b>		<b>81,685</b>	<b>10.45</b>
<b>Telecommunications - 2.73% (3.51%)</b>			
BT Group	3,503,314	7,189	0.92
Vodafone Group	11,211,642	14,122	1.81
<b>Total Telecommunications</b>		<b>21,311</b>	<b>2.73</b>
<b>Utilities - 2.97% (3.04%)</b>			
Centrica	2,392,021	2,273	0.29
National Grid	1,426,505	12,021	1.54
Severn Trent	97,917	1,926	0.25
SSE	431,269	4,668	0.60
United Utilities	286,529	2,297	0.29
<b>Total Utilities</b>		<b>23,185</b>	<b>2.97</b>
<b>Financials - 21.49% (22.67%)</b>			
3i Group	399,909	4,215	0.54
Admiral Group	83,627	1,715	0.22
Aviva	1,645,908	6,857	0.88
Barclays	7,162,432	11,458	1.47
British Land Company	400,929	2,245	0.29
Direct Line Insurance Group	569,157	1,804	0.23
Hargreaves Lansdown	110,328	2,583	0.33
†HSBC (London listed)	8,438,456	55,938	7.16
Land Securities	299,258	2,641	0.34
Legal & General	2,485,416	6,788	0.87
Lloyds Banking Group	29,824,928	18,184	2.33
London Stock Exchange Group	130,949	6,841	0.87
Phoenix Group	217,518	1,479	0.19
Prudential	1,088,288	17,723	2.27
Royal Bank of Scotland Group	1,897,440	4,366	0.56
RSA Insurance Group	430,385	2,373	0.30
Schroders	45,909	1,409	0.18
Scottish Mortgage Investment Trust	617,598	3,205	0.41
Segro REIT	453,090	3,208	0.41
St. James's Place Capital	219,105	2,432	0.31
Standard Chartered	1,135,704	7,696	0.98
Standard Life Aberdeen	1,037,651	2,738	0.35
<b>Total Financials</b>		<b>167,898</b>	<b>21.49</b>



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Technology - 1.24% (0.86%)</b>			
Auto Trader Group	378,455	2,238	0.29
Just Eat	237,784	1,596	0.20
Micro Focus International	142,116	2,598	0.33
Sage Group	455,202	3,261	0.42
<b>Total Technology</b>		<b>9,693</b>	<b>1.24</b>
<b>Futures - -0.02% (0.01%)</b>			
LIFFE FTSE 100 June 2019	192	(144)	(0.02)
<b>Total Futures</b>		<b>(144)</b>	<b>(0.02)</b>
<b>Total United Kingdom</b>		<b>754,965</b>	<b>96.60</b>
<b>Forward Foreign Exchange Contracts - 0.00% (0.00%)</b>			
#Sold \$1,487,000 for £1,153,619 settled 24/6/2019		-	0.00
#Sold \$843,800 for £654,210 settled 5/7/2019		-	0.00
<b>Total Forward Foreign Exchange Contracts</b>		<b>-</b>	<b>0.00</b>
<b>Portfolio of investments</b>		<b>769,987</b>	<b>98.52</b>
<b>Net other assets</b>		<b>11,568</b>	<b>1.48</b>
<b>Net assets</b>		<b>781,555</b>	<b>100.00</b>

†related party

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the future is HSBC.

The counterparty for the Forward Foreign Exchange Contracts is Goldman Sachs.

## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	125.70p	121.20p	99.80p
Return before operating charges*	(2.16p)	9.49p	25.91p
Operating charges**	(0.32p)	(0.33p)	(0.32p)
Return after operating charges*	(2.48p)	9.16p	25.59p
Distributions on income shares	(4.72p)	(4.66p)	(4.19p)
Closing net asset value per share	118.50p	125.70p	121.20p
*after direct transaction costs of:***	0.09p	0.07p	0.08p
<b>Performance</b>			
Return after charges	(1.97%)	7.56%	25.64%
<b>Other information</b>			
Closing net asset value	£15,537,938	£16,854,806	£49,109,224
Closing number of shares	13,107,951	13,412,743	40,528,793
Operating charges - OCF	0.27%	0.27%	0.28%
Direct transaction costs	0.07%	0.06%	0.07%
<b>Prices</b>			
Highest share price	128.30p	128.30p	123.10p
Lowest share price	107.80p	113.80p	96.93p

<b>Retail Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	236.90p	220.00p	174.70p
Return before operating charges*	(3.70p)	17.50p	45.86p
Operating charges**	(0.60p)	(0.60p)	(0.56p)
Return after operating charges*	(4.30p)	16.90p	45.30p
Distributions on accumulation shares	(8.93p)	(8.64p)	(7.41p)
Retained distributions on accumulation shares	8.93p	8.64p	7.41p
Closing net asset value per share	232.60p	236.90p	220.00p
*after direct transaction costs of:***	0.17p	0.13p	0.15p
<b>Performance</b>			
Return after charges	(1.82%)	7.68%	25.93%
<b>Other information</b>			
Closing net asset value	£86,023,872	£93,258,230	£104,454,652
Closing number of shares	36,986,477	39,363,866	47,476,358
Operating charges - OCF	0.27%	0.27%	0.28%
Direct transaction costs	0.07%	0.06%	0.07%
<b>Prices</b>			
Highest share price	241.90p	237.22p	219.90p
Lowest share price	207.50p	210.40p	169.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	241.10p	223.40p	176.90p
Return before operating charges*	(3.77p)	17.75p	46.56p
Operating charges**	(0.03p)	(0.05p)	(0.06p)
Return after operating charges*	(3.80p)	17.70p	46.50p
Distributions on accumulation shares	(9.67p)	(9.33p)	(8.01p)
Retained distributions on accumulation shares	9.67p	9.33p	8.01p
Closing net asset value per share	237.30p	241.10p	223.40p
*after direct transaction costs of:***	0.17p	0.13p	0.15p
<b>Performance</b>			
Return after charges	(1.58%)	7.92%	26.29%
<b>Other information</b>			
Closing net asset value	£126,406,341	£92,332,664	£67,514,707
Closing number of shares	53,270,559	38,292,533	30,224,314
Operating charges - OCF	0.01%	0.02%	0.03%
Direct transaction costs	0.07%	0.06%	0.07%
<b>Prices</b>			
Highest share price	246.20p	241.40p	223.20p
Lowest share price	211.50p	214.10p	172.00p

<b>Income C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	127.20p	122.70p	101.00p
Return before operating charges*	(2.13p)	9.60p	26.27p
Operating charges**	(0.20p)	(0.21p)	(0.21p)
Return after operating charges*	(2.33p)	9.39p	26.06p
Distributions on income shares	(4.87p)	(4.89p)	(4.36p)
Closing net asset value per share	120.00p	127.20p	122.70p
*after direct transaction costs of:***	0.09p	0.07p	0.08p
<b>Performance</b>			
Return after charges	(1.83%)	7.65%	25.80%
<b>Other information</b>			
Closing net asset value	£229,087,277	£237,022,369	£200,461,598
Closing number of shares	190,973,610	186,384,635	163,415,185
Operating charges - OCF	0.17%	0.17%	0.18%
Direct transaction costs	0.07%	0.06%	0.07%
<b>Prices</b>			
Highest share price	129.80p	129.90p	124.70p
Lowest share price	109.10p	115.20p	98.10p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	238.20p	221.00p	175.30p
Return before operating charges*	(3.72p)	17.58p	46.06p
Operating charges**	(0.38p)	(0.38p)	(0.36p)
Return after operating charges*	(4.10p)	17.20p	45.70p
Distributions on accumulation shares	(9.21p)	(8.90p)	(7.64p)
Retained distributions on accumulation shares	9.21p	8.90p	7.64p
Closing net asset value per share	234.10p	238.20p	221.00p
*after direct transaction costs of:***	0.17p	0.13p	0.15p
<b>Performance</b>			
Return after charges	(1.72%)	7.78%	26.07%
<b>Other information</b>			
Closing net asset value	£310,817,226	£329,556,410	£312,479,211
Closing number of shares	132,790,906	138,358,387	141,403,488
Operating charges - OCF	0.17%	0.17%	0.18%
Direct transaction costs	0.07%	0.06%	0.07%
<b>Prices</b>			
Highest share price	243.20p	238.50p	220.80p
Lowest share price	208.70p	211.50p	170.40p

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	127.20p	125.80p	N/A
Return before operating charges*	(2.24p)	6.42p	N/A
Operating charges**	(0.06p)	(0.04p)	N/A
Return after operating charges*	(2.30p)	6.38p	N/A
Distributions on income shares	(5.00p)	(4.98p)	N/A
Closing net asset value per share	119.90p	127.20p	N/A
*after direct transaction costs of:***	0.09p	0.07p	N/A
<b>Performance</b>			
Return after charges	(1.81%)	5.07%	N/A
<b>Other information</b>			
Closing net asset value	£3,150,735	£44,278	N/A
Closing number of shares	2,627,755	34,814	N/A
Operating charges - OCF	0.05%	0.06%	N/A
Direct transaction costs	0.07%	0.06%	N/A
<b>Prices</b>			
Highest share price	129.90p	130.00p	N/A
Lowest share price	109.00p	115.30p	N/A

#The Income S share class launched on 10 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation S##</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	238.30p	226.60p	N/A
Return before operating charges*	(3.79p)	11.78p	N/A
Operating charges**	(0.11p)	(0.08p)	N/A
Return after operating charges*	(3.90p)	11.70p	N/A
Distributions on accumulation shares	(9.47p)	(9.05p)	N/A
Retained distributions on accumulation shares	9.47p	9.05p	N/A
Closing net asset value per share	234.40p	238.30p	N/A
*after direct transaction costs of:***	0.17p	0.13p	N/A
<b>Performance</b>			
Return after charges	(1.64%)	5.16%	N/A
<b>Other information</b>			
Closing net asset value	£10,531,671	£974,898	N/A
Closing number of shares	4,492,949	409,085	N/A
Operating charges - OCF	0.05%	0.06%	N/A
Direct transaction costs	0.07%	0.06%	N/A
<b>Prices</b>			
Highest share price	243.30p	238.60p	N/A
Lowest share price	209.00p	211.60p	N/A
##The Accumulation S share class launched on 10 October 2017.			
**The operating charges include all costs borne by the Fund, except for direct transaction costs.			
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.			

## Statement of Total Return

for the year ended 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(41,135)		28,151
Revenue	3	31,315		30,716	
Expenses	4	(1,155)		(1,267)	
Interest payable and similar charges		-		(1)	
Net revenue before taxation		30,160		29,448	
Taxation	5	(324)		(319)	
Net revenue after taxation			29,836		29,129
Total (deficit)/return before distributions			(11,299)		57,280
Distributions	6		(29,843)		(29,135)
Change in net assets attributable to shareholders from investment activities			(41,142)		28,145

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		770,044		734,019
Amounts receivable on creation of shares	94,124		112,646	
Amounts payable on cancellation of shares	(62,027)		(124,209)	
		32,097		(11,563)
Dilution adjustment		33		266
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(41,142)		28,145
Retained distribution on accumulation shares		20,523		19,177
Closing net assets attributable to shareholders		781,555		770,044

## Balance Sheet

as at 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			770,131		767,069
Current assets					
Debtors	8	6,478		6,278	
Cash and bank balances		10,184		3,626	
Total current assets			16,662		9,904
Total assets			786,793		776,973
<b>Liabilities</b>					
Investment liabilities			(144)		(9)
Creditors					
Distribution payable on income shares		(4,867)		(5,151)	
Other creditors	9	(227)		(1,769)	
Total creditors			(5,094)		(6,920)
Total liabilities			(5,238)		(6,929)
Net assets attributable to shareholders			781,555		770,044

## Distribution Tables (pence per share)

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 November 2018				
Group 2: Shares purchased from 16 November 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	2.303487	-	2.303487	2.508577
Group 2	0.852297	1.451190	2.303487	2.508577
<b>Retail Accumulation</b>				
Group 1	4.364869	-	4.364869	4.608255
Group 2	2.832565	1.532304	4.364869	4.608255
<b>Institutional Accumulation</b>				
Group 1	4.726810	-	4.726810	4.964591
Group 2	2.550279	2.176531	4.726810	4.964591
<b>Income C</b>				
Group 1	2.357240	-	2.357240	2.582810
Group 2	1.413656	0.943584	2.357240	2.582810
<b>Accumulation C</b>				
Group 1	4.501824	-	4.501824	4.742499
Group 2	2.567925	1.933899	4.501824	4.742499
<b>Income St</b>				
Group 1	2.421148	-	2.421148	2.655259
Group 2	1.203995	1.217153	2.421148	2.655259
<b>Accumulation St</b>				
Group 1	4.633482	-	4.633482	4.865167
Group 2	2.191738	2.441744	4.633482	4.865167
†The Income S share class and the Accumulation S share class launched on 10 October 2017.				

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 November 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.19</i>	<i>Distribution paid 15.1.18</i>
<b>Retail Income</b>				
Group 1	2.420000	-	2.420000	2.150000
Group 2	1.100000	1.320000	2.420000	2.150000
<b>Retail Accumulation</b>				
Group 1	4.570000	-	4.570000	4.030000
Group 2	1.710000	2.860000	4.570000	4.030000
<b>Institutional Accumulation</b>				
Group 1	4.940000	-	4.940000	4.370000
Group 2	2.900000	2.040000	4.940000	4.370000
<b>Income C</b>				
Group 1	2.510000	-	2.510000	2.310000
Group 2	1.300000	1.210000	2.510000	2.310000
<b>Accumulation C</b>				
Group 1	4.710000	-	4.710000	4.160000
Group 2	2.160000	2.550000	4.710000	4.160000
<b>Income S†</b>				
Group 1	2.580000	-	2.580000	2.320000
Group 2	1.770000	0.810000	2.580000	2.320000
<b>Accumulation S†</b>				
Group 1	4.840000	-	4.840000	4.180000
Group 2	1.340000	3.500000	4.840000	4.180000
†The Income S share class and the Accumulation S share class launched on 10 October 2017.				



## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency gains	65	84
Transaction (charges)/rebates	(4)	34
Capital special dividends	1,946	1,483
(Losses)/gains on derivative contracts	(521)	478
Gains/(losses) on forward foreign currency contracts	25	(31)
(Losses)/gains on non-derivative securities	(42,646)	26,103
Net capital (losses)/gains	(41,135)	28,151
<b>3. Revenue</b>		
UK dividends (net)	27,237	26,146
Property investment income	306	299
Overseas dividends	3,743	4,266
Deposit interest	2	-
Bank interest	27	5
Total revenue	31,315	30,716
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	784	847
Registration fee	262	266
Safe custody fee	11	11
	1,057	1,124
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	69	69
Other expenses:		
Audit fee	6	6
Licence fee	22	67
Report and accounts fee	1	1
	29	74
Total expenses	1,155	1,267

	15.5.19 £'000	15.5.18 £'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Overseas tax	324	319
Total tax for the year (note 5b)	324	319
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	30,160	29,448
Corporation tax at 20%	6,032	5,890
Effects of:		
Revenue not subject to taxation	(6,196)	(6,082)
Current year expenses not utilised	164	192
Irrecoverable overseas tax	324	319
Current tax charge for the year (note 5a)	324	319
c) Provision for deferred taxation		
At 15 May 2019, there is a potential deferred tax asset of £11,277,762 (15.5.18: £11,114,027) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Interim dividend distribution	15,239	13,492
Final dividend distribution	15,186	15,448
	30,425	28,940
Add: Amounts deducted on cancellation of shares	425	1,318
Deduct: Amounts received on issue of shares	(1,007)	(1,123)
Net distribution for the year	29,843	29,135
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	29,836	29,129
Equalisation on conversions	7	6
Net distribution for the year	29,843	29,135
<b>8. Debtors</b>		
Amounts receivable for creation of shares	1,259	126
Accrued revenue	4,908	5,892
Overseas tax recoverable	311	260
Total debtors	6,478	6,278

	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000
<b>9. Other Creditors</b>		
Amounts payable for cancellation of shares	<b>128</b>	1,599
Accrued expenses	<b>99</b>	170
Total other creditors	<b>227</b>	1,769

**10. Reconciliation of Shares**

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Accumulation</i>
Opening shares issued at 16.5.18	13,412,743	39,363,866	38,292,533
<b>Share movements 16.5.18 to 15.5.19</b>			
Shares issued	1,126,396	2,083,539	16,389,698
Shares cancelled	(949,132)	(3,443,095)	(1,411,672)
Shares converted	(482,056)	(1,017,833)	-
Closing shares issued at 15.5.19	13,107,951	36,986,477	53,270,559

	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	186,384,635	138,358,387	34,814	409,085
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	13,624,058	15,144,129	203,386	58,937
Shares cancelled	(8,667,704)	(16,040,434)	(576,481)	(530,117)
Shares converted	(367,379)	(4,671,176)	2,966,036	4,555,044
Closing shares issued at 15.5.19	190,973,610	132,790,906	2,627,755	4,492,949

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
	%	%	%	%	%	%	%
As at 15.5.19	-	0.17	88.19	1.13	5.69	N/A	N/A
As at 15.5.18	-	0.20	87.60	0.77	5.76	N/A	N/A

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from/to the ACD (including amounts due to associates and agents) at the year end was £995,691 (15.5.18: £1,521,036), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £55,938,525 (15.5.18: £57,062,071) in Authorised Investment Funds managed by HSBC Holdings, the parent company of the ACD. During the period, transactions in Authorised Investment Funds managed by HSBC Holdings totalled £9,381,569 (15.5.18: £7,048,042).

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets/(liabilities)</i>		<i>Net assets</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	<b>769,314</b>	767,069	<b>9,901</b>	(788)	<b>779,215</b>	766,281
Euro	<b>673</b>	-	<b>368</b>	478	<b>1,041</b>	478
United States dollar	-	(9)	<b>1,299</b>	3,294	<b>1,299</b>	3,285
Total	<b>769,987</b>	767,060	<b>11,568</b>	2,984	<b>781,555</b>	770,044

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 1.30% (15.5.18: 0.47%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, a C share class and an S share class.

The annual ACD charge on the retail share class is 0.25%, nil on the institutional share class, 0.10% on the C share class and 0.04% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 18 to 21. The distribution per share class is given in the Distribution Tables on pages 23 and 24. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks.

Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts.

Details of the individual contracts are shown on the Portfolio Statement on pages 14 to 17.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

## 15. Contingent Liabilities and Commitments

At the year end the Fund had no contingent liabilities or commitments: (15.5.18: none).

## 16. Portfolio Transaction Costs

For the year ended 15 May 2019	Purchases £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total purchases costs</b>							
Equity transactions	110,695	15	0.01	400	0.36	113	0.10
Corporate actions	1,553	-	-	-	-	-	-
Total purchases before transaction costs	112,248	15		400		113	
Transaction costs	528						
Total purchases after commission, tax and fees	112,776						

	Sales £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total sales costs</b>							
Equity transactions	59,357	8	0.01	-	-	-	-
Corporate actions	7,632	-	-	-	-	-	-
Total sales before transaction costs	66,989	8		-		-	
Transaction costs	(8)						
Total sales after commission, tax and fees	66,981						

The Fund had paid £5,516 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.00%
Taxes	0.05%
Other expenses	0.02%

At the balance sheet date the portfolio dealing spread was 0.05%, being the difference between the respective bid and offer prices for the Fund's investments.

For the year ended 15 May 2018	Purchases £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total purchases costs</b>							
Equity transactions	82,516	13	0.02	339	0.41	60	0.07
Corporate actions	20	-	-	-	-	-	-
Total purchases before transaction costs	82,536	13		339		60	
Transaction costs	412						
Total purchases after commission, tax and fees	82,948						

	Sales £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total sales costs</b>							
Equity transactions	58,415	9	0.02	-	-	1	0.00
Corporate actions	856	-	-	-	-	-	-
Total sales before transaction costs	59,271	9		-		1	
Transaction costs	(10)						
Total sales after commission, tax and fees	59,261						

The Fund had paid £4,159 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.00%
Taxes	0.05%
Other expenses	0.01%

At the balance sheet date the portfolio dealing spread was 0.04%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	770,131	-	-	770,131
	770,131	-	-	770,131
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(144)	-	-	(144)
	(144)	-	-	(144)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	767,005	-	-	767,005
Derivatives	64	-	-	64
	767,069	-	-	767,069
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	-	(9)	-	(9)
	-	(9)	-	(9)

**18. Sensitivity Analysis****Price risk sensitivity:**

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £76,998,718 (15.5.18: £76,705,959).

**Currency risk sensitivity:**

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £233,917 (15.5.18: £376,255).

**Interest rate risk sensitivity:**

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

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# FTSE All-Share Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE All-Share Index.

## Investment Policy

To invest in companies that make up the FTSE All-Share Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE All Share Index. This means that the fund will seek to invest in all of the companies that make up the FTSE 350 ex Investment Trusts Index and a representative sample of the remaining constituents of the FTSE All Share Index.

As a result the Fund's investment composition may not entirely match the index in order to manage the Fund's transaction costs, to maintain the fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE All-Share index was down 2.15% during the period.

It is the aggregation of the FTSE 100, FTSE 250 and FTSE Small Cap indices, with the first two indices representing almost 97% of the total index weight. Hence the performance of the FTSE 100 and 250 explain the majority of the performance of the FTSE All Share.

The downward performance is mainly due to two sectors: Financials (driven by the FTSE 250) which was down 5.38% and which contributed to -1.31% of the total index return and Telecommunications which was down 18.37% and contributed -0.55% of the total return of the index.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 3.02% while the value of the FTSE All-Share index fell by 2.15%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.07%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	339.9p xd	598.7p	343.8p xd	624.1p
Distribution payable (on 15 July 2019) per share net	7.008442p	11.076348p	6.565776p	11.681048p
Current net estimated yield	4.12%	3.76%	3.95%	3.84%
Annual ACD charge	0.14%	0.14%	0.00%	0.00%
	Institutional A Income	Institutional A Accumulation	Income C	Accumulation C
Price	343.4p xd	612.5p	343.8p xd	602.5p
Distribution payable (on 15 July 2019) per share net	6.396619p	11.173033p	6.513829p	11.190433p
Current net estimated yield	3.84%	3.73%	3.92%	3.81%
Annual ACD charge	0.14%	0.14%	0.04%	0.04%



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>BERMUDA - 0.27% (0.23%)</b>			
<b>Basic Materials - 0.01% (0.01%)</b>			
Petra Diamonds	380,326	88	0.01
<b>Total Basic Materials</b>		<b>88</b>	<b>0.01</b>
<b>Consumer Goods - 0.01% (0.02%)</b>			
Purecircle	86,328	237	0.01
<b>Total Consumer Goods</b>		<b>237</b>	<b>0.01</b>
<b>Financials - 0.25% (0.20%)</b>			
Hiscox	197,080	3,159	0.19
Lancashire	132,793	902	0.06
<b>Total Financials</b>		<b>4,061</b>	<b>0.25</b>
<b>Total Bermuda</b>		<b>4,386</b>	<b>0.27</b>
<b>CANADA - 0.07% (0.03%)</b>			
<b>Consumer Services - 0.07% (0.03%)</b>			
Entertainment One	247,929	1,147	0.07
<b>Total Consumer Services</b>		<b>1,147</b>	<b>0.07</b>
<b>Total Canada</b>		<b>1,147</b>	<b>0.07</b>
<b>CAYMAN ISLANDS - 0.04% (0.18%)</b>			
<b>Financials - 0.04% (0.18%)</b>			
Dragon Capital Vietnam Enterprise Investments	166,011	716	0.04
<b>Total Financials</b>		<b>716</b>	<b>0.04</b>
<b>Total Cayman Islands</b>		<b>716</b>	<b>0.04</b>
<b>CHANNEL ISLANDS - 4.80% (6.91%)</b>			
<b>Oil &amp; Gas - 0.04% (0.06%)</b>			
Petrofac	171,542	721	0.04
<b>Total Oil &amp; Gas</b>		<b>721</b>	<b>0.04</b>
<b>Basic Materials - 1.48% (2.12%)</b>			
Centamin	735,949	657	0.04
Glencore	7,953,545	22,135	1.35
Polymetal International	183,154	1,466	0.09
<b>Total Basic Materials</b>		<b>24,258</b>	<b>1.48</b>
<b>Industrials - 1.01% (1.31%)</b>			
Experian Group	657,454	14,720	0.90
International Workplace Group	497,821	1,694	0.10
Stobart Group	166,850	205	0.01
<b>Total Industrials</b>		<b>16,619</b>	<b>1.01</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Healthcare - 0.00% (1.49%)</b>			
<b>Consumer Services - 0.61% (0.86%)</b>			
Tarsus	37,694	120	0.01
Wizz Air Holdings	39,636	1,328	0.08
WPP Group	886,740	8,477	0.52
<b>Total Consumer Services</b>		<b>9,925</b>	<b>0.61</b>
<b>Financials - 1.66% (1.07%)</b>			
3i Infrastructure	399,805	1,113	0.07
Aberdeen Asian Income Fund	70,134	144	0.01
Alcentra European Floating Rate Income Fund	204,202	199	0.01
Apax Global Alpha	146,876	216	0.01
BH Macro	23,347	544	0.03
City Merchants High Yield Trust	61,053	112	0.01
#Dexion Absolute	127,197	-	0.00
F&C Commercial Property Trust	350,087	419	0.03
Ferguson NewCo	163,273	9,067	0.55
Funding Circle SME Income Fund	155,576	134	0.01
GCP Infrastructure Investments	599,413	770	0.05
Genesis Emerging Markets Fund	124,206	876	0.05
HarbourVest Global Private Equity	53,527	819	0.05
Henderson Far East Income	39,653	137	0.01
Highbridge Multi-Strategy Fund	69,000	149	0.01
International Public Partnership	1,056,963	1,659	0.10
JPMorgan Global Convertibles Income Fund	111,314	97	0.01
JTC	53,708	220	0.01
NB Global Floating Rate Income Fund	599,508	537	0.03
NB Private Equity Partners	29,607	315	0.02
NextEnergy Solar Fund	98,311	118	0.01
Pershing Square Holdings	166,947	2,224	0.14
Phoenix Spree REIT	58,800	208	0.01
Picton Property Income	353,336	342	0.02
Princess Private Equity	39,035	336	0.02
Raven Russia	228,609	93	0.01
Real Estate Credit Investments	90,821	157	0.01
Regional REIT	217,802	239	0.01
Renewables Infrastructure	880,848	1,106	0.07
Ruffer	74,332	156	0.01
Sanne Group	103,590	704	0.04
Schroder Oriental Income Fund	164,757	405	0.02
Schroder Real Estate Investment Trust	370,049	215	0.01
Sequoia Economic Infrastructure Income Fund	716,788	799	0.05
Sirius Real Estate	602,523	389	0.02
Standard Life Investments Property Fund	276,365	257	0.02
Syncona	274,728	692	0.04

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Target Healthcare REIT	263,776	307	0.02
Third Point Offshore Investors	8,294	93	0.01
UK Commercial Property Trust	402,225	373	0.02
VinaCapital Vietnam Opportunity Fund	122,135	412	0.03
<b>Total Financials</b>		<b>27,152</b>	<b>1.66</b>
<b>Total Channel Islands</b>		<b>78,675</b>	<b>4.80</b>
<b>GERMANY - 0.16% (0.30%)</b>			
<b>Consumer Services - 0.16% (0.30%)</b>			
TUI AG	311,810	2,555	0.16
<b>Total Consumer Services</b>		<b>2,555</b>	<b>0.16</b>
<b>Total Germany</b>		<b>2,555</b>	<b>0.16</b>
<b>GIBRALTAR - 0.01% (0.03%)</b>			
<b>Consumer Services - 0.01% (0.03%)</b>			
888 Holdings	134,191	176	0.01
<b>Total Consumer Services</b>		<b>176</b>	<b>0.01</b>
<b>Total Gibraltar</b>		<b>176</b>	<b>0.01</b>
<b>IRELAND - 1.88% (1.95%)</b>			
<b>Industrials - 1.50% (1.52%)</b>			
CRH	585,166	14,565	0.89
DCC	68,740	4,733	0.29
Grafton Group	156,098	1,446	0.09
Smurfit Kappa Group	174,566	3,783	0.23
<b>Total Industrials</b>		<b>24,527</b>	<b>1.50</b>
<b>Consumer Goods - 0.07% (0.04%)</b>			
Greencore Group	484,519	1,109	0.07
<b>Total Consumer Goods</b>		<b>1,109</b>	<b>0.07</b>
<b>Consumer Services - 0.28% (0.35%)</b>			
Paddy Power	59,562	3,484	0.21
UDG Healthcare	175,833	1,157	0.07
<b>Total Consumer Services</b>		<b>4,641</b>	<b>0.28</b>
<b>Financials - 0.03% (0.04%)</b>			
+HSBC FTSE 250 ETF	28,690	531	0.03
<b>Total Financials</b>		<b>531</b>	<b>0.03</b>
<b>Total Ireland</b>		<b>30,808</b>	<b>1.88</b>
<b>ISLE OF MAN - 0.22% (0.32%)</b>			
<b>Oil &amp; Gas - 0.01% (0.01%)</b>			
Lamprell	147,258	96	0.01
<b>Total Oil &amp; Gas</b>		<b>96</b>	<b>0.01</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Consumer Services - 0.15% (0.20%)</b>			
GVC Holdings	414,446	2,459	0.15
<b>Total Consumer Services</b>		<b>2,459</b>	<b>0.15</b>
<b>Financials - 0.01% (0.02%)</b>			
RDI REIT	173,799	216	0.01
<b>Total Financials</b>		<b>216</b>	<b>0.01</b>
<b>Technology - 0.05% (0.09%)</b>			
Playtech	224,069	896	0.05
<b>Total Technology</b>		<b>896</b>	<b>0.05</b>
<b>Total Isle of Man</b>		<b>3,667</b>	<b>0.22</b>
<b>ISRAEL - 0.03% (0.00%)</b>			
<b>Financials - 0.03% (0.00%)</b>			
Plus500	73,773	446	0.03
<b>Total Financials</b>		<b>446</b>	<b>0.03</b>
<b>Total Israel</b>		<b>446</b>	<b>0.03</b>
<b>LUXEMBOURG - 0.19% (0.15%)</b>			
<b>Consumer Services - 0.19% (0.15%)</b>			
B&M European Value Retail	628,824	2,440	0.15
Bilfinger Berger Global Infrastructure	379,175	595	0.04
<b>Total Consumer Services</b>		<b>3,035</b>	<b>0.19</b>
<b>Total Luxembourg</b>		<b>3,035</b>	<b>0.19</b>
<b>NETHERLANDS - 0.05% (0.05%)</b>			
<b>Industrials - 0.05% (0.05%)</b>			
RHI Magnesita	16,790	797	0.05
<b>Total Industrials</b>		<b>797</b>	<b>0.05</b>
<b>Total Netherlands</b>		<b>797</b>	<b>0.05</b>
<b>SINGAPORE - 0.01% (0.02%)</b>			
<b>Industrials - 0.01% (0.02%)</b>			
XP Power	6,552	164	0.01
<b>Total Industrials</b>		<b>164</b>	<b>0.01</b>
<b>Total Singapore</b>		<b>164</b>	<b>0.01</b>
<b>SPAIN - 0.36% (0.46%)</b>			
<b>Consumer Services - 0.36% (0.46%)</b>			
International Consolidated Airlines Group	1,150,151	5,843	0.36
<b>Total Consumer Services</b>		<b>5,843</b>	<b>0.36</b>
<b>Total Spain</b>		<b>5,843</b>	<b>0.36</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SWITZERLAND - 0.24% (0.20%)</b>			
<b>Consumer Goods - 0.24% (0.20%)</b>			
Coca-Cola HBC AG	141,380	3,950	0.24
<b>Total Consumer Goods</b>		<b>3,950</b>	<b>0.24</b>
<b>Total Switzerland</b>		<b>3,950</b>	<b>0.24</b>
<b>UNITED KINGDOM - 89.75% (87.87%)</b>			
<b>Oil &amp; Gas - 14.01% (14.05%)</b>			
BP	13,991,887	75,472	4.62
Cairn Energy	390,935	620	0.04
EnQuest	610,820	120	0.01
Hunting	85,986	479	0.03
John Wood Group	470,783	2,100	0.13
Nostrum Oil & Gas	31,180	24	0.00
Ophir Energy	324,066	186	0.01
Premier oil	427,430	386	0.02
Royal Dutch Shell A	3,144,068	79,183	4.84
Royal Dutch Shell B	2,645,039	66,814	4.09
SOCO International	106,561	68	0.00
Tullow Oil	980,738	2,137	0.13
Vesuvius	189,540	1,020	0.06
VIVO Energy	229,131	276	0.02
Volution	62,386	104	0.01
<b>Total Oil &amp; Gas</b>		<b>228,989</b>	<b>14.01</b>
<b>Basic Materials - 5.98% (5.66%)</b>			
Acacia Mining	79,519	120	0.01
Anglo American	701,864	13,422	0.82
Antofagasta	243,417	2,008	0.12
BHP Group	1,477,304	25,853	1.58
Croda International	87,109	4,447	0.27
Elementis	380,811	588	0.04
Evrast Group	350,688	2,029	0.12
Ferrexpo	171,696	377	0.02
Fresnillo	125,427	934	0.06
Gem Diamonds	79,407	72	0.00
#Govett Strategic Investment Trust	65,949	-	0.00
Hochschild Mining	170,321	291	0.02
Johnson Matthey	138,770	4,344	0.27
Kaz Minerals	171,203	955	0.06
Lonmin	126,216	78	0.00
Mondi	260,713	4,334	0.27
Petropavlovsk	2,091,393	175	0.01
Rio Tinto	783,006	35,384	2.16
Sirius Minerals	3,009,596	515	0.03
#Sirius Minerals Rights	136,799	-	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Synthomer	173,928	693	0.04
Victrix	56,675	1,170	0.07
Zotefoams	39,839	240	0.01
<b>Total Basic Materials</b>		<b>98,029</b>	<b>5.98</b>
<b>Industrials - 7.88% (7.59%)</b>			
Aggreko	174,866	1,427	0.09
Ashtead Group	351,372	7,133	0.44
Avon Rubber	17,287	235	0.01
Babcock International Group	393,340	2,055	0.13
BAE Systems	2,288,740	10,640	0.65
Balfour Beatty	498,562	1,230	0.08
BBA Group	781,216	2,112	0.13
Biffa	93,087	218	0.01
Bodycote International	135,211	1,078	0.07
Bunzl	247,092	5,147	0.31
Capita	1,193,859	1,373	0.08
Chemring Group	174,516	269	0.02
Clarkson	15,097	346	0.02
Clipper Logistics	39,987	118	0.01
CMC Markets	64,624	50	0.00
Coats Group	967,665	804	0.05
Cobham	1,756,647	2,008	0.12
Connect Group	110,099	41	0.00
Costain	62,479	206	0.01
De La Rue	59,838	258	0.02
Dialight	15,207	78	0.00
Diploma	80,370	1,231	0.08
Electrocomp	330,418	2,035	0.12
Equiniti Group	202,716	448	0.03
Essentra	177,546	712	0.04
Fisher (James) & Sons	22,416	448	0.03
Forterra	138,825	396	0.02
Group 4 Securicor	1,137,161	2,454	0.15
Halma	264,883	4,714	0.29
Hays	971,527	1,416	0.09
Henry Boot	54,128	138	0.01
Hill & Smith Holdings	51,783	648	0.04
Homeserve	202,537	2,185	0.13
Howden Joinery Group	437,587	2,275	0.14
Ibstock	261,117	644	0.04
IMI	194,613	1,895	0.12
IntegraFin Holdings	130,457	519	0.03
Intertek Group	118,412	6,065	0.37
Keller	41,272	292	0.02
Kier Group	93,141	318	0.02
Low & Bonar	334,258	49	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Marshalls	129,680	851	0.05
Mears Group	51,595	120	0.01
Meggitt	553,298	2,931	0.18
Melrose Industries	3,423,317	6,230	0.38
Menzies (John)	38,102	179	0.01
Mitie Group	206,958	303	0.02
MJ Gleeson	23,488	198	0.01
Morgan Advanced Materials	195,069	510	0.03
Morgan Sindall	24,757	322	0.02
Northgate	70,438	239	0.01
Oxford Instruments	28,651	330	0.02
PageGroup	218,166	1,128	0.07
Paypoint	35,262	355	0.02
Polypipe Group	130,507	552	0.03
QinetiQ	408,965	1,228	0.08
Redrow	153,096	880	0.05
Renewi	360,389	121	0.01
Renishaw	24,799	977	0.06
Rentokil Initial	1,319,040	5,077	0.31
Ricardo	26,027	206	0.01
Robert Walters	40,589	244	0.01
Rolls-Royce	1,184,479	10,847	0.66
#Rolls-Royce Preference	84,098,009	-	0.00
Rotork	624,485	1,792	0.11
Royal Mail	668,266	1,597	0.10
RPC Group	284,256	2,246	0.14
RPS Group	131,185	253	0.02
Senior	283,548	640	0.04
Serco Group	769,542	959	0.06
Severfield	180,438	132	0.01
SIG	360,693	507	0.03
Smith (David S)	905,747	2,993	0.18
Smiths Group	290,442	4,306	0.26
Spectris	85,847	2,199	0.13
Spirax Sarco Engineering	53,973	4,599	0.28
SThree	61,138	181	0.01
Travis Perkins	179,441	2,465	0.15
Trifast	66,918	156	0.01
TT Electronics	92,877	222	0.01
Tyman	134,004	329	0.02
Ultra Electronics	48,728	788	0.05
VP	14,138	99	0.01
Weir Group	184,828	2,868	0.18
Wincanton	57,501	147	0.01
Xaar	35,101	37	0.00
<b>Total Industrials</b>		<b>129,051</b>	<b>7.88</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Consumer Goods - 13.82% (13.20%)</b>			
Associated British Foods	252,571	6,388	0.39
Aston Martin Lagonda Global Holdings	30,500	254	0.02
Bakkavor Group	211,488	264	0.02
Barr (AG)	46,568	406	0.02
Barratt Developments	714,420	4,381	0.27
Bellway	85,290	2,516	0.15
Berkeley Group	93,990	3,507	0.21
Bovis Homes Group	93,495	978	0.06
British American Tobacco	1,607,107	46,686	2.86
Britvic	189,886	1,750	0.11
Burberry Group	302,737	5,817	0.36
Countryside Properties	275,546	879	0.05
Cranswick	36,679	1,038	0.06
Crest Nicholson	161,219	595	0.04
Devro	93,946	198	0.01
DFS Furniture	157,006	395	0.02
Diageo	1,665,860	55,232	3.38
Galliford Try	67,570	377	0.02
Games Workshop	10,830	465	0.03
Headlam Group	56,690	250	0.02
Hilton Food Group	30,497	312	0.02
Imperial Brands	677,559	14,422	0.88
McBride	77,516	67	0.00
#McBride Preference	1,162,740	-	0.00
#McBride non cumulative redeemable preference	2,170,448	2	0.00
Persimmon	230,523	4,859	0.30
Photo-Me International	117,968	107	0.01
Premier Foods	326,686	116	0.01
PZ Cussons	163,961	317	0.02
Reckitt Benckiser	442,309	27,551	1.69
SSP Group	313,328	2,181	0.13
Stock Spirits Group	126,554	290	0.02
Tate & Lyle	325,062	2,565	0.16
Taylor Wimpey	2,293,324	4,048	0.25
Ted Baker	13,180	198	0.01
Unilever	775,132	36,354	2.22
<b>Total Consumer Goods</b>		<b>225,765</b>	<b>13.82</b>
<b>Healthcare - 7.89% (6.87%)</b>			
AstraZeneca	924,817	53,834	3.29
BTG	271,665	2,266	0.14
Consort Medical	40,691	363	0.02
ConvaTec Group	1,062,189	1,506	0.09
Dechra Pharmaceuticals	71,473	1,894	0.12
Genus	43,642	1,102	0.07



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
GlaxoSmithKline	3,434,039	52,651	3.22
Hikma Pharmaceuticals	101,854	1,813	0.11
Indivior	462,300	241	0.01
Mediclinic International	265,995	899	0.05
NMC Health	54,212	1,402	0.09
Oxford Biomedica	57,981	398	0.02
PureTech Health	66,261	131	0.01
Smith & Nephew	622,946	10,154	0.62
Spire Healthcare	192,175	232	0.01
Vectura Group	350,017	277	0.02
<b>Total Healthcare</b>		<b>129,163</b>	<b>7.89</b>
<b>Consumer Services - 8.97% (8.51%)</b>			
AA	376,526	255	0.02
AO World	138,907	153	0.01
Ascential	328,308	1,215	0.07
BCA Marketplace	548,350	1,039	0.06
Bloomsbury Publishing	63,550	148	0.01
Card Factory	140,512	262	0.02
Carnival (London listed)	114,149	4,567	0.28
Carpetright	176,384	41	0.00
Cineworld Group	696,747	2,084	0.13
Compass Group	1,125,391	20,009	1.22
Dignity	26,521	180	0.01
Dixons Carphone	702,620	889	0.05
Domino's Pizza	332,530	846	0.05
Dunelm	48,048	414	0.03
easyJet	180,609	1,794	0.11
Enterprise Inns	312,869	703	0.04
Euromoney Institutional Investors	74,187	1,045	0.06
Findel	51,686	102	0.01
FirstGroup	846,796	971	0.06
Fuller Smith & Turner A	21,091	219	0.01
Go-Ahead Group	23,224	432	0.03
Greene King	224,098	1,401	0.09
Greggs	69,309	1,436	0.09
Gym Group	44,760	102	0.01
Halfords Group	135,526	326	0.02
Hostelworld	52,628	124	0.01
Inchcape	302,793	1,794	0.11
Informa	888,999	6,904	0.42
InterContinental Hotels	130,472	6,501	0.40
ITE Group	460,528	345	0.02
ITV	2,699,299	3,052	0.19
JD Sports & Fashion	254,611	1,589	0.10
JPJ Group	42,852	299	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Kingfisher	1,597,139	3,721	0.23
Lookers	158,653	137	0.01
Marks & Spencer	1,162,945	3,191	0.20
Marston's	329,611	347	0.02
McColls Retail Group	59,438	49	0.00
Merlin Entertainments	513,951	1,890	0.12
Millennium & Copthorne Hotels	58,583	267	0.02
Mitchells & Butlers	117,294	284	0.02
Moneysupermarket	363,731	1,292	0.08
Morrison (Wm) Supermarkets	1,559,525	3,348	0.20
Motorpoint Group	49,776	95	0.01
N Brown Group	75,755	108	0.01
National Express	306,110	1,243	0.08
Next	98,643	5,692	0.35
Ocado Group	311,771	3,980	0.24
On The Beach Group	48,513	212	0.01
Pearson	580,258	4,659	0.28
Pendragon	916,589	215	0.01
Pets at Home Group	245,023	369	0.02
Rank Group	76,244	118	0.01
Reach	118,756	91	0.01
RELX	1,327,307	23,535	1.44
Restaurant Group	243,388	328	0.02
Saga	694,326	387	0.02
Sainsbury (J)	1,171,503	2,426	0.15
Sports Direct International	137,844	403	0.02
Stagecoach Group	217,679	295	0.02
Superdry	41,576	188	0.01
Tesco	6,884,480	16,771	1.03
Thomas Cook Group	934,411	215	0.01
Topps Tiles	87,675	64	0.00
Wetherspoon (JD)	47,056	623	0.04
Whitbread	132,401	6,034	0.37
WHSmith	78,384	1,594	0.10
William Hill	637,376	858	0.05
<b>Total Consumer Services</b>		<b>146,270</b>	<b>8.97</b>
<b>Telecommunications - 2.39% (2.95%)</b>			
BT Group	5,985,437	12,282	0.75
Inmarsat	329,823	1,766	0.11
KCOM Group	347,663	339	0.02
TalkTalk Telecom Group	382,003	474	0.03
Telecom Plus	36,303	525	0.03
Vodafone Group	18,870,780	23,770	1.45
<b>Total Telecommunications</b>		<b>39,156</b>	<b>2.39</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Utilities - 2.62% (2.62%)</b>			
Centrica	3,973,851	3,776	0.23
Contourglobal	181,536	370	0.02
Drax Group	275,236	902	0.06
National Grid	2,406,314	20,278	1.24
Pennon Group	292,044	2,121	0.13
Scottish & Southern Energy	736,207	7,969	0.49
Severn Trent	176,455	3,470	0.21
United Utilities	489,062	3,921	0.24
<b>Total Utilities</b>		<b>42,807</b>	<b>2.62</b>
<b>Financials - 24.49% (24.90%)</b>			
3i Group	690,398	7,277	0.45
Aberdeen Diversified Income and Growth Trust	213,315	246	0.02
Aberdeen New Dawn Investment Trust	62,112	148	0.01
Aberdeen New India Investment Trust	88,945	407	0.02
Aberdeen Standard Asia Focus	14,211	146	0.01
Aberforth Smaller Companies	63,556	821	0.05
Aberforth Split Level Income Trust	162,709	135	0.01
Admiral Group	144,220	2,958	0.18
AJ Bell	110,408	468	0.03
Alliance Trust	248,417	1,900	0.12
Allied Minds	134,543	87	0.01
Amigo Holdings	99,164	222	0.01
Arrow Global Group	98,575	193	0.01
Artemis Alpha Trust	45,907	132	0.01
Ashmore Group	273,921	1,271	0.08
Assura REIT	1,708,218	1,034	0.06
Aviva	2,758,985	11,494	0.70
Baillie Gifford Japan Trust	62,954	486	0.03
Baillie Gifford UK Growth Fund	211,375	397	0.02
Baillie Gifford US Growth Trust	121,281	154	0.01
Bank of Georgia	24,438	400	0.02
Bankers Investment Trust	124,492	1,107	0.07
Barclays	12,093,108	19,347	1.18
Beazley	372,455	2,017	0.12
Big Yellow Group Real Estate Investment Trust	109,535	1,157	0.07
Biotech Growth Trust	36,202	249	0.02
BlackRock Greater Europe Investment Trust	145,329	504	0.03
BlackRock Latin American Investment Trust	30,847	139	0.01
BlackRock North American Income Trust	62,614	111	0.01
BlackRock Smaller Companies	48,601	708	0.04
Blackrock World Mining Trust	97,123	336	0.02
Brewin Dolphin	189,801	575	0.04
British Empire Securities	75,319	544	0.03
British Land Company	738,469	4,135	0.25

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
C C Japan Income And Growth Trust	40,000	55	0.00
Caledonia Investments	30,132	907	0.06
Capital & Counties Properties	544,196	1,287	0.08
Capital & Regional	358,921	70	0.00
Carr's Milling Industries	63,154	93	0.01
Charles Taylor Consulting	44,088	98	0.01
Chesnara	64,067	238	0.01
City of London Investment Group	26,839	111	0.01
City Of London Investment Trust	260,426	1,077	0.07
Close Brothers	114,120	1,714	0.10
CLS Holdings	99,508	221	0.01
Countrywide	330,777	20	0.00
Custodian REIT	218,903	255	0.02
CYBG	837,407	1,654	0.10
Daejan	3,484	193	0.01
Derwent London Real Estate Investment Trust	72,302	2,403	0.15
Direct Line Insurance	965,711	3,060	0.19
Diverse Income Trust	141,177	130	0.01
Dunedin Income Growth Investment Trust	176,331	460	0.03
Edinburgh Dragon Investment Trust	113,536	439	0.03
Edinburgh Investment Trust	133,568	821	0.05
Edinburgh Worldwide Investment Trust	142,590	263	0.02
Electra Private Equity Fund	19,413	64	0.00
Empiric Student Property	389,670	360	0.02
EP Global Opportunities Trust	39,350	116	0.01
European Investment Trust	44,026	350	0.02
F&C Capital & Income Investment Trust	123,507	393	0.02
BMO Global Smaller Companies	37,463	496	0.03
Fidelity Asian Values Investment Trust	47,904	203	0.01
Fidelity China Special Situations Trust	260,226	580	0.04
Fidelity European Values Investment Trust	275,781	634	0.04
Fidelity Japanese Values Investment Trust	122,308	172	0.01
Fidelity Special Values Investment Trust	98,588	255	0.02
Finsbury Growth & Income	128,482	1,138	0.07
Foreign & Colonial Investment Trust	392,963	2,719	0.17
Foxtons Group	184,718	113	0.01
GCP Student Living	274,258	444	0.03
Georgia Capital	23,978	233	0.01
Grainger Trust	440,284	1,137	0.07
Great Portland REIT	208,434	1,578	0.10
Greencoat UK Wind	837,558	1,149	0.07
Hammerson REIT	587,246	1,725	0.11
Hansa Trust	11,989	120	0.01
Hansteen Holdings REIT	350,629	328	0.02
Hargreaves Lansdown	190,077	4,450	0.27
Harworth Group	130,738	165	0.01

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Hastings Group	149,393	276	0.02
Helical	67,570	237	0.01
Henderson Diversified Income	110,987	98	0.01
Henderson European Focus Investment Trust	33,210	385	0.02
Henderson Eurotrust	12,752	135	0.01
Henderson High Income Trust	237,096	416	0.03
Henderson International Income Trust	121,320	192	0.01
Henderson Smaller Companies Investment Trust	78,252	684	0.04
Herald Investment Trust	65,315	882	0.05
HgCapital Trust	6,000	128	0.01
+HICL Infrastructure	1,397,812	2,239	0.14
+HSBC (London Listed)	14,196,077	94,106	5.76
IG Group	270,786	1,300	0.08
Impax Environmental Markets	246,627	715	0.04
Intermediate Capital	210,336	2,471	0.15
International Personal Finance	143,950	238	0.01
Intu Properties	611,830	599	0.04
Invesco Asia Trust	45,821	129	0.01
Invesco Income Growth Investment Trust	35,336	95	0.01
Invesco Perpetual UK Smaller Companies Investment Trust	79,382	408	0.02
Investec	465,267	2,239	0.14
IP Group	674,856	605	0.04
John Laing Group	349,453	1,345	0.08
JPMorgan American Investment Trust	153,106	684	0.04
JPMorgan Asian Investment Trust	127,020	461	0.03
JPMorgan Chinese Investment Trust	112,949	320	0.02
JPMorgan Claverhouse Investment Trust	73,331	513	0.03
JPMorgan Emerging Markets Investment Trust	128,943	1,204	0.07
JPMorgan European Investment Trust	143,998	389	0.02
JPMorgan European Investment Trust Income	91,171	130	0.01
JPMorgan European Smaller Companies Investment Trust	164,514	573	0.04
JPMorgan Global Emerging Markets Fund	116,785	157	0.01
JPMorgan Global Growth & Income trust	156,067	495	0.03
JPMorgan Indian Investment Trust	96,813	682	0.04
JPMorgan Japanese Investment Trust	164,775	697	0.04
JPMorgan Mid Cap Investment Trust	26,326	287	0.02
JPMorgan Smaller Companies Investment Trust	188,770	408	0.02
Jupiter European Opportunities Trust	72,191	569	0.03
Jupiter Fund Management	310,486	1,117	0.07
Jupiter US Smaller Companies	16,169	167	0.01
Just Group	613,818	398	0.02
Keystone Investment Trust	6,845	111	0.01
Land Securities	522,991	4,615	0.28
Law Debenture	59,716	361	0.02
Legal & General	4,246,358	11,597	0.71
Lindsell Train	143	261	0.02

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Liontrust Asset Management	33,238	229	0.01
Lloyds Banking Group	50,306,233	30,672	1.88
London Stock Exchange Group	222,755	11,637	0.71
Londonmetric Property	485,249	1,001	0.06
Lowland Investment Trust	18,167	247	0.01
LSL Property Services	55,187	132	0.01
Majedie Investment Trust	39,935	103	0.01
Man Group	1,228,126	1,830	0.11
Martin Currie Asia Unconstrained Trust	36,641	136	0.01
Martin Currie Global Portfolio	54,831	149	0.01
McCarthy And Stone	208,413	278	0.02
The Mercantile Investment Trust	716,834	1,496	0.09
Merchants Trust	116,078	562	0.03
Metro Bank	59,394	347	0.02
Monks Investment Trust	186,747	1,615	0.10
Montanaro UK Smaller Companies Trust	125,589	144	0.01
Murray Income Trust	46,035	381	0.02
Murray International Trust	89,371	1,019	0.06
NewRiver REIT	241,415	559	0.03
OneSavings Bank	168,155	724	0.04
P2P Global Investments	50,989	439	0.03
Pacific Assets Trust	82,138	233	0.01
Pacific Horizon Trust	56,695	179	0.01
Pantheon International	36,968	799	0.05
Paragon Group	179,565	830	0.05
Perpetual Income & Growth Investment Trust	167,769	545	0.03
Personal Assets Trust	1,505	613	0.04
Phoenix Group Holdings	399,314	2,715	0.17
Polar Capital Global Healthcare Growth & Income Trust	68,571	139	0.01
Polar Capital Technology Trust	98,038	1,308	0.08
Primary Health Properties	956,592	1,268	0.08
Provident Financial	190,718	858	0.05
Prudential	1,821,672	29,666	1.81
Quilter	1,368,124	1,961	0.12
Rathbone Brothers	39,414	928	0.06
RIT Capital Partners	104,368	2,108	0.13
Riverstone Energy	27,759	253	0.02
Royal Bank of Scotland Group	3,213,580	7,394	0.45
RSA Insurance Group	756,044	4,169	0.25
S&U	4,198	90	0.01
Sabre Insurance	173,061	478	0.03
Safestore Holdings REIT	157,795	1,015	0.06
Savills	94,882	816	0.05
Schroders	80,759	2,479	0.15
Schroder Asia Pacific Investment Trust	105,745	464	0.03
Schroder Asian Total Return Investment Company	62,884	217	0.01

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Schroder Income Growth Investment Trust	87,374	250	0.02
Schroder Japan Growth Investment Trust	74,911	134	0.01
Schroder UK Mid Cap Fund	23,335	124	0.01
Scottish American Investment Trust	96,075	369	0.02
Scottish Investment Trust	49,202	384	0.02
Scottish Mortgage Investment Trust	1,032,378	5,358	0.33
Scottish Oriental Smaller Companies Trust	14,874	146	0.01
Securities Trust of Scotland	67,298	116	0.01
Segro Real Estate Investment Trust	772,468	5,469	0.33
Shaftesbury REIT	199,550	1,719	0.11
Smithson Investment Trust	38,221	450	0.03
St James's Place Capital	387,731	4,304	0.26
St Modwen Properties	107,019	454	0.03
Standard Chartered	1,931,640	13,089	0.80
Standard Life Aberdeen	1,734,539	4,577	0.28
Standard Life Aberdeen European REIT	104,670	101	0.01
Standard Life Equity Income	28,468	122	0.01
Standard Life UK Smaller Companies	68,653	338	0.02
TBC Bank Group	20,177	335	0.02
Temple Bar Investment Trust	45,580	589	0.04
Templeton Emerging Markets Investment Trust	225,731	1,686	0.10
The North American Income Trust	35,576	500	0.03
Town Centre Securities REIT	29,392	63	0.00
TP ICAP	426,291	1,166	0.07
TR European Growth Trust	47,952	417	0.03
TR Property Investment Trust	277,977	1,133	0.07
Triple Point Social Housing REIT	218,024	201	0.01
Tritax Big Box REIT	1,216,738	1,802	0.11
Troy Income & Growth Trust	576,462	450	0.03
TwentyFour Income	284,631	325	0.02
U & I Group	72,138	127	0.01
Unite Group	191,232	1,837	0.11
VPC Specialty Lending Investments	244,728	177	0.01
Witan Investment Trust	156,350	1,648	0.10
Witan Pacific Investment Trust	41,993	132	0.01
Woodford Patient Capital Trust	550,902	445	0.03
Workspace Group	104,546	1,001	0.06
Worldwide Healthcare Trust	47,854	1,220	0.07
Xps Pensions Group	111,911	184	0.01
<b>Total Financials</b>		<b>400,081</b>	<b>24.49</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Technology - 1.71% (1.48%)</b>			
Aptitude Software Group	32,389	131	0.01
Auto Trader Group	690,762	4,085	0.25
Avast	234,140	707	0.04
Aveva Group	47,288	1,567	0.10
Computacenter	52,181	640	0.04
Ecofin Global Utilities & Infrastructure Trust	128,215	171	0.01
FDM Group	48,943	469	0.03
GoCompare	120,027	99	0.01
Just Eat	433,383	2,909	0.18
Kainos Group	61,192	348	0.02
Micro Focus International	236,472	4,323	0.26
Nanoco Group	145,129	60	0.00
NCC Group	179,879	309	0.02
Rightmove	669,766	3,757	0.23
Sage Group	774,343	5,547	0.34
SDL	61,231	323	0.02
Softcat	114,581	1,050	0.06
Sophos Group	232,982	792	0.05
Spirent Communications	416,929	653	0.04
<b>Total Technology</b>		<b>27,940</b>	<b>1.71</b>
<b>Futures - -0.01% (0.04%)</b>			
ICF FTSE 100 Index Future June 2019	290	(153)	(0.01)
ICF FTSE 250 Index Future June 2019	403	(48)	0.00
<b>Total Futures</b>		<b>(201)</b>	<b>(0.01)</b>
<b>Total United Kingdom</b>		<b>1,467,050</b>	<b>89.75</b>
<b>Forward Foreign Exchange Contracts - 0.00% (0.00%)</b>			
#Sold \$2,499,224 for £1,938,906 settled 24/6/2019		-	0.00
#Sold \$1,419,608 for £1,100,642 settled 5/7/2019		-	0.00
<b>Total Forward Foreign Exchange Contracts</b>		<b>-</b>	<b>0.00</b>
<b>Portfolio of investments</b>		<b>1,603,415</b>	<b>98.08</b>
<b>Net other assets</b>		<b>31,376</b>	<b>1.92</b>
<b>Net assets</b>		<b>1,634,791</b>	<b>100.00</b>
+related party			
#unlisted			

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the future is HSBC.

The counterparty for the Forward Foreign Exchange Contracts is Goldman Sachs.



## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	359.20p	345.40p	285.20p
Return before operating charges*	(6.80p)	27.50p	72.32p
Operating charges**	(0.54p)	(0.55p)	(0.54p)
Return after operating charges*	(7.34p)	26.95p	71.78p
Distributions on income shares	(13.96p)	(13.15p)	(11.58p)
Closing net asset value per share	337.90p	359.20p	345.40p
*after direct transaction costs of:***	0.49p	0.19p	0.15p
<b>Performance</b>			
Return after charges	(2.04%)	7.80%	25.17%
<b>Other information</b>			
Closing net asset value	£17,993,191	£21,976,387	£38,609,632
Closing number of shares	5,324,482	6,117,529	11,178,557
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	366.70p	367.30p	351.00p
Lowest share price	306.50p	327.70p	277.30p

<b>Retail Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	608.20p	563.90p	449.70p
Return before operating charges*	(12.29p)	45.22p	115.06p
Operating charges**	(0.91p)	(0.92p)	(0.86p)
Return after operating charges*	(13.20p)	44.30p	114.20p
Distributions on accumulation shares	(22.47p)	(21.26p)	(18.32p)
Retained distributions on accumulation shares	22.47p	21.26p	18.32p
Closing net asset value per share	595.00p	608.20p	563.90p
*after direct transaction costs of:***	0.83p	0.30p	0.24p
<b>Performance</b>			
Return after charges	(2.17%)	7.86%	25.39%
<b>Other information</b>			
Closing net asset value	£59,720,818	£71,906,625	£80,678,102
Closing number of shares	10,037,301	11,822,767	14,307,469
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	620.80p	610.00p	563.70p
Lowest share price	529.50p	544.40p	437.40p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	363.30p	349.30p	288.50p
Return before operating charges*	(7.89p)	27.51p	72.95p
Operating charges**	(0.05p)	(0.07p)	(0.09p)
Return after operating charges*	(7.94p)	27.44p	72.86p
Distributions on income shares	(13.56p)	(13.44p)	(12.06p)
Closing net asset value per share	341.80p	363.30p	349.30p
*after direct transaction costs of:***	0.49p	0.19p	0.16p
<b>Performance</b>			
Return after charges	(2.19%)	7.86%	25.25%
<b>Other information</b>			
Closing net asset value	£518,464,866	£331,854,524	£282,601,496
Closing number of shares	151,710,700	91,343,660	80,898,993
Operating charges - OCF	0.02%	0.02%	0.03%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	370.80p	371.50p	355.20p
Lowest share price	309.90p	331.50p	280.50p

<b>Institutional Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	633.50p	586.70p	467.30p
Return before operating charges*	(13.10p)	46.92p	119.55p
Operating charges**	(0.10p)	(0.12p)	(0.15p)
Return after operating charges*	(13.20p)	46.80p	119.40p
Distributions on accumulation shares	(23.88p)	(22.79p)	(19.73p)
Retained distributions on accumulation shares	23.88p	22.79p	19.73p
Closing net asset value per share	620.30p	633.50p	586.70p
*after direct transaction costs of:***	0.87p	0.32p	0.25p
<b>Performance</b>			
Return after charges	(2.08%)	7.98%	25.55%
<b>Other information</b>			
Closing net asset value	£84,256,283	£76,987,174	£70,488,772
Closing number of shares	13,584,344	12,151,925	12,013,764
Operating charges - OCF	0.02%	0.02%	0.03%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	646.70p	635.50p	586.50p
Lowest share price	551.90p	567.00p	454.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional A Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	362.90p	349.00p	288.20p
Return before operating charges*	(7.79p)	27.46p	72.97p
Operating charges**	(0.54p)	(0.56p)	(0.55p)
Return after operating charges*	(8.33p)	26.90p	72.42p
Distributions on income shares	(13.17p)	(13.00p)	(11.62p)
Closing net asset value per share	341.40p	362.90p	349.00p
*after direct transaction costs of:***	0.49p	0.19p	0.15p
<b>Performance</b>			
Return after charges	(2.30%)	7.71%	25.13%
<b>Other information</b>			
Closing net asset value	£4,395,923	£4,828,183	£4,673,192
Closing number of shares	1,287,693	1,330,424	1,339,209
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	370.40p	370.90p	354.60p
Lowest share price	309.60p	331.00p	280.20p

<b>Institutional A Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	622.50p	577.20p	460.30p
Return before operating charges*	(12.86p)	46.24p	117.78p
Operating charges**	(0.94p)	(0.94p)	(0.88p)
Return after operating charges*	(13.80p)	45.30p	116.90p
Distributions on accumulation shares	(22.77p)	(21.68p)	(18.73p)
Retained distributions on accumulation shares	22.77p	21.68p	18.73p
Closing net asset value per share	608.70p	622.50p	577.20p
*after direct transaction costs of:***	0.85p	0.31p	0.25p
<b>Performance</b>			
Return after charges	(2.22%)	7.85%	25.40%
<b>Other information</b>			
Closing net asset value	£66,257,413	£73,915,325	£75,292,736
Closing number of shares	10,884,391	11,874,345	13,044,332
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	635.40p	624.30p	577.00p
Lowest share price	541.90p	557.20p	447.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	363.30p	349.30p	288.50p
Return before operating charges*	(7.97p)	27.55p	72.97p
Operating charges**	(0.19p)	(0.22p)	(0.22p)
Return after operating charges*	(8.16p)	27.33p	72.75p
Distributions on income shares	(13.44p)	(13.33p)	(11.95p)
Closing net asset value per share	341.70p	363.30p	349.30p
*after direct transaction costs of:***	0.49p	0.19p	0.15p
<b>Performance</b>			
Return after charges	(2.25%)	7.82%	25.22%
<b>Other information</b>			
Closing net asset value	£223,266,866	£212,867,226	£177,240,226
Closing number of shares	65,332,359	58,593,885	50,739,349
Operating charges - OCF	0.06%	0.06%	0.07%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	370.80p	371.40p	355.10p
Lowest share price	309.90p	331.40p	280.50p

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	611.80p	566.80p	451.60p
Return before operating charges*	(12.67p)	45.35p	115.55p
Operating charges**	(0.33p)	(0.35p)	(0.35p)
Return after operating charges*	(13.00p)	45.00p	115.20p
Distributions on accumulation shares	(22.87p)	(21.83p)	(18.89p)
Retained distributions on accumulation shares	22.87p	21.83p	18.89p
Closing net asset value per share	598.80p	611.80p	566.80p
*after direct transaction costs of:***	0.84p	0.31p	0.25p
<b>Performance</b>			
Return after charges	(2.12%)	7.94%	25.51%
<b>Other information</b>			
Closing net asset value	£660,435,162	£545,133,709	£458,447,852
Closing number of shares	110,293,954	89,102,504	80,885,318
Operating charges - OCF	0.06%	0.06%	0.07%
Direct transaction costs	0.14%	0.05%	0.05%
<b>Prices</b>			
Highest share price	624.50p	613.60p	566.60p
Lowest share price	532.90p	547.60p	439.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(84,470)		51,327
Revenue	3	59,344		48,023	
Expenses	4	(761)		(781)	
Interest payable and similar charges		(1)		(1)	
Net revenue before taxation		58,582		47,241	
Taxation	5	(521)		(432)	
Net revenue after taxation			58,061		46,809
Total (deficit)/return before distributions			(26,409)		98,136
Distributions	6		(58,061)		(46,810)
Change in net assets attributable to shareholders from investment activities			(84,470)		51,326

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

		15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			1,339,469		1,188,032
Amounts receivable on creation of shares		469,507		156,951	
Amounts payable on cancellation of shares		(123,276)		(83,953)	
			346,231		72,998
Dilution adjustment			1,434		93
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)			(84,470)		51,326
Retained distribution on accumulation shares			32,127		27,020
Closing net assets attributable to shareholders			1,634,791		1,339,469

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			1,603,616		1,322,010
Current assets					
Debtors	8	13,439		24,708	
Cash and bank balances		33,006		26,985	
Total current assets			46,445		51,693
Total assets			1,650,061		1,373,703
<b>Liabilities</b>					
Investment liabilities			(201)		(13)
Creditors					
Distribution payable on income shares		(14,672)		(11,049)	
Other creditors	9	(397)		(23,172)	
Total creditors			(15,069)		(34,221)
Total liabilities			(15,270)		(34,234)
Net assets attributable to shareholders			1,634,791		1,339,469

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 November 2018				
Group 2: Shares purchased from 16 November 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	7.008442	-	7.008442	6.933612
Group 2	2.978480	4.029962	7.008442	6.933612
<b>Retail Accumulation</b>				
Group 1	11.076348	-	11.076348	11.254696
Group 2	6.529553	4.546795	11.076348	11.254696
<b>Institutional Income</b>				
Group 1	6.565776	-	6.565776	7.051008
Group 2	4.471699	2.094077	6.565776	7.051008
<b>Institutional Accumulation</b>				
Group 1	11.681048	-	11.681048	12.052614
Group 2	4.335429	7.345619	11.681048	12.052614
<b>Institutional A Income</b>				
Group 1	6.396619	-	6.396619	6.827361
Group 2	2.714352	3.682267	6.396619	6.827361
<b>Institutional A Accumulation</b>				
Group 1	11.173033	-	11.173033	11.473656
Group 2	6.541673	4.631360	11.173033	11.473656
<b>Income C</b>				
Group 1	6.513829	-	6.513829	6.986822
Group 2	3.773945	2.739884	6.513829	6.986822
<b>Accumulation C</b>				
Group 1	11.190433	-	11.190433	11.549622
Group 2	7.080808	4.109625	11.190433	11.549622

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 November 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.19</i>	<i>Distribution paid 15.1.18</i>
<b>Retail Income</b>				
Group 1	6.950000	-	6.950000	6.220000
Group 2	3.540000	3.410000	6.950000	6.220000
<b>Retail Accumulation</b>				
Group 1	11.390000	-	11.390000	10.010000
Group 2	6.610000	4.780000	11.390000	10.010000
<b>Institutional Income</b>				
Group 1	6.990000	-	6.990000	6.390000
Group 2	4.640000	2.350000	6.990000	6.390000
<b>Institutional Accumulation</b>				
Group 1	12.200000	-	12.200000	10.740000
Group 2	6.350000	5.850000	12.200000	10.740000
<b>Institutional A Income</b>				
Group 1	6.770000	-	6.770000	6.170000
Group 2	3.700000	3.070000	6.770000	6.170000
<b>Institutional A Accumulation</b>				
Group 1	11.600000	-	11.600000	10.210000
Group 2	5.260000	6.340000	11.600000	10.210000
<b>Income C</b>				
Group 1	6.930000	-	6.930000	6.340000
Group 2	3.260000	3.670000	6.930000	6.340000
<b>Accumulation C</b>				
Group 1	11.680000	-	11.680000	10.280000
Group 2	7.720000	3.960000	11.680000	10.280000

## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency gains	13	16
Transaction (charges)/rebates	(19)	64
Capital special dividends	3,443	2,723
(Losses)/gains on derivative contracts	(1,626)	763
Gains/(losses) on forward foreign currency contracts	35	(42)
(Losses)/gains on non-derivative securities	(86,316)	47,803
Net capital (losses)/gains	(84,470)	51,327
<b>3. Revenue</b>		
UK dividends (net)	50,890	40,425
Unfranked dividends	-	41
Property investment income	1,076	747
Overseas dividends	7,317	6,797
Deposit interest	8	-
Bank interest	53	13
Total revenue	59,344	48,023
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	543	525
Safe custody fee	22	18
	565	543
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	133	111
Other expenses:		
Audit fee	5	6
Report and accounts fee	2	1
License fee	56	120
	63	127
Total expenses	761	781



	15.5.19 £'000	15.5.18 £'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Overseas tax	521	432
Total tax for the year (note 5b)	521	432
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	58,582	47,241
Corporation tax at 20%	11,716	9,448
Effects of:		
Revenue not subject to taxation	(11,635)	(9,444)
Irrecoverable overseas tax	521	432
Utilisation of excess management expenses	(80)	(4)
Tax relief on overseas tax suffered	(1)	-
Current tax charge for the year (note 5a)	521	432
c) Provision for deferred taxation		
At 15 May 2019, there is a potential deferred tax asset of £3,752,079 (15.5.18: £3,832,683) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Interim dividend distribution	29,380	22,125
Final dividend distribution	30,929	25,498
	60,309	47,623
Add: Amounts deducted on cancellation of shares	1,074	740
Deduct: Amounts received on issue of shares	(3,322)	(1,553)
Net distribution for the year	58,061	46,810
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	58,061	46,809
Equalisation on conversions	-	1
Net distribution for the year	58,061	46,810
<b>8. Debtors</b>		
Amounts receivable for creation of shares	2,913	14,980
Accrued revenue	10,065	9,376
Overseas tax recoverable	460	351
Income tax recoverable	1	1
Total debtors	13,439	24,708

	15.5.19 £'000	15.5.18 £'000
<b>9. Other creditors</b>		
Amounts payable for cancellation of shares	397	3,440
Purchases awaiting settlement	-	19,517
Accrued expenses	-	215
Total other creditors	397	23,172

**10. Reconciliation of Shares**

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Opening shares issued at 16.5.18	6,117,529	11,822,767	91,343,660	12,151,925
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	205,620	746,502	75,952,821	1,713,754
Shares cancelled	(752,104)	(2,036,753)	(9,922,867)	(3,143,707)
Shares converted	(246,563)	(495,215)	(5,662,914)	2,862,372
Closing shares issued at 15.5.19	5,324,482	10,037,301	151,710,700	13,584,344

	Institutional A Income	Institutional A Accumulation	Income C	Accumulation C
Opening shares issued at 16.5.18	1,330,424	11,874,345	58,593,885	89,102,504
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	100,266	408,236	9,451,821	26,718,719
Shares cancelled	(78,074)	(978,671)	(3,664,560)	(6,400,237)
Shares converted	(64,923)	(419,519)	951,213	872,968
Closing shares issued at 15.5.19	1,287,693	10,884,391	65,332,359	110,293,954

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation	Institutional A Income	Institutional A Accumulation	Income C	Accumulation C
	%	%	%	%	%	%	%	%
As at 15.5.19	0.76	-	45.83	73.14	-	-	0.82	1.98
As at 15.5.18	1.80	6.50	25.01	57.65	-	-	0.87	2.38

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due/from to ACD (including amounts due to associates and agents) at the year end was £2,442,812 (15.5.18: £11,460,719), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £96,876,199 (15.5.18: £81,139,987) in Authorised Investment Funds managed by HSBC and HSBC Holdings, the parent company of the ACD. During the year, transactions in Authorised Investment Funds managed by HSBC and HSBC Holdings totalled £26,689,000 (15.5.18: £6,411,181).

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets</i>		<i>Net assets</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	<b>1,601,910</b>	1,322,010	<b>27,734</b>	13,694	<b>1,629,644</b>	1,335,704
Euro	<b>1,505</b>	-	<b>644</b>	739	<b>2,149</b>	739
United States dollar	-	(13)	<b>2,998</b>	3,039	<b>2,998</b>	3,026
Total	<b>1,603,415</b>	1,321,997	<b>31,376</b>	17,472	<b>1,634,791</b>	1,339,469

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 2.02% (15.5.18: 2.01%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional A share class, an institutional share class and an C share class.

The annual ACD charge on the retail share class is 0.14%, 0.14% on the institutional A share class, nil on the institutional share class and 0.04% on the C share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 49 to 52. The distribution per share class is given in the Distribution Tables on pages 54 and 55. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The types of derivatives held at the year end were index futures and forward currency contracts. Details of the individual contracts are shown on the Portfolio Statement on pages 33 to 48, and there is no counterparty exposure at the year end.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

**15. Contingent Liabilities and Commitments**

At the year end the Fund had no contingent liabilities or commitments: (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	429,215	83	0.02	2,000	0.47	5	0.00
Corporate actions	4,805	-	-	-	-	-	-
Total purchases before transaction costs	434,020	83		2,000		5	
Transaction costs	2,088						
Total purchases after commission, tax and fees	436,108						

	<b>Sales £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	48,068	5	0.01	-	-	-	-
Corporate actions	19,457	-	-	-	-	-	-
Total sales before transaction costs	67,525	5		-		-	
Transaction costs	(5)						
Total sales after commission, tax and fees	67,520						

The Fund had paid £12,084 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions 0.01%

Taxes 0.13%

Other expenses 0.00%

At the balance sheet date the portfolio dealing spread was 0.09%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	138,158	24	0.02	92	0.07	531	0.38
Corporate actions	1,693	-	-	-	-	-	-
Total purchases before transaction costs	139,851	24		92		531	
Transaction costs	647						
Total purchases after commission, tax and fees	140,498						

	<b>Sales £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	18,279	2	0.01	-	-	-	-
Corporate actions	5,354	-	-	-	-	-	-
Total sales before transaction costs	23,633						
Transaction costs	(2)						
Total sales after commission, tax and fees	23,631						

The Fund had paid £8,055 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions 0.00%

Taxes 0.01%

Other expenses 0.04%

At the balance sheet date the portfolio dealing spread was 0.09%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
<b>Investment Assets</b>				
Equities	1,603,085	-	-	1,603,085
Pooled investment vehicles	531	-	-	531
	1,603,616	-	-	1,603,616
<b>Investment Liabilities</b>				
Derivatives	(201)	-	-	(201)
	(201)	-	-	(201)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
<b>Investment Assets</b>				
Equities	1,320,820	-	-	1,320,820
Derivatives	618	-	-	618
Pooled investment vehicles	572	-	-	572
	1,322,010	-	-	1,322,010
<b>Investment Liabilities</b>				
Derivatives	-	(13)	-	(13)
	-	(13)	-	(13)

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £160,341,476 (15.5.18: £132,199,705).

### Currency risk sensitivity:

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £514,709 (15.5.18: £377,799).

### Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

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# FTSE 250 Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE 250 Index.

## Investment Policy

To invest in companies that make up the FTSE 250 Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE 250 Index. This means that the Fund will seek to invest in all of the companies that make up the index in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE 250 index was down 4.38% during the period.

This performance was due to a few sectors such as Industrials, which was down 5.28% and contributing to -1.37% of the index total return; Financials, which was down 3.30% and contributing to -1.32% of the total return of the index; Health Care, which was down 23.83% and contributing -1.24% of the total return of the index; and Basic Materials, which was down 26.40% and contributing -0.92% of the total return of the index.

UK equities suffered in the latter part of 2018 and sharply fell at the beginning of October, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. Conversely, in the first months of 2019, UK shares rebounded and enjoyed a strong first quarter. Brexit was the main driver of performance and on the whole news flow seemed positive. January saw Prime Minister May secure MP's backing for a withdrawal agreement. Hopes of a smooth exit continued throughout February, and in March the British Government reached an agreement to delay Brexit until October, alleviating fears of a disorderly separation.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 4.77% while the value of the FTSE 250 index fell by 4.38%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.07%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

		Retail Income	Retail Accumulation	Institutional Income
Price		174.7p xd	267.3p	175.9p xd
Distribution payable (on 15 July 2019) per share net		5.171892p	7.202997p	5.159435p
Current net estimated yield		2.96%	2.69%	2.93%
Annual ACD charge		0.25%	0.25%	0.00%
	Income C	Accumulation C	Income S	Accumulation S
Price	176.0p xd	269.0p	176.0p xd	269.9p
Distribution payable (on 15 July 2019) per share net	4.949476p	7.362875p	5.088639p	7.583837p
Current net estimated yield	2.81%	2.74%	2.89%	2.81%
Annual ACD charge	0.10%	0.10%	0.05%	0.05%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>BERMUDA - 0.38% (1.41%)</b>			
<b>Consumer Goods - 0.00% (0.10%)</b>			
<b>Financials - 0.38% (1.31%)</b>			
Lancashire	610,581	4,149	0.38
<b>Total Financials</b>		<b>4,149</b>	<b>0.38</b>
<b>Total Bermuda</b>		<b>4,149</b>	<b>0.38</b>
<b>CANADA - 0.46% (0.24%)</b>			
<b>Consumer Services - 0.46% (0.24%)</b>			
Entertainment One	1,098,961	5,084	0.46
<b>Total Consumer Services</b>		<b>5,084</b>	<b>0.46</b>
<b>Total Canada</b>		<b>5,084</b>	<b>0.46</b>
<b>CAYMAN ISLANDS - 0.23% (0.98%)</b>			
<b>Financials - 0.23% (0.98%)</b>			
Dragon Capital Vietnam Enterprise Investments	596,645	2,572	0.23
<b>Total Financials</b>		<b>2,572</b>	<b>0.23</b>
<b>Total Cayman Islands</b>		<b>2,572</b>	<b>0.23</b>
<b>CHANNEL ISLANDS - 7.49% (8.32%)</b>			
<b>Oil &amp; Gas - 0.30% (0.40%)</b>			
Petrofac	786,656	3,306	0.30
<b>Total Oil &amp; Gas</b>		<b>3,306</b>	<b>0.30</b>
<b>Basic Materials - 0.91% (0.86%)</b>			
Centamin	3,287,478	2,936	0.27
Polymetal International	877,250	7,023	0.64
<b>Total Basic Materials</b>		<b>9,959</b>	<b>0.91</b>
<b>Industrials - 0.73% (0.67%)</b>			
International Workplace Group	2,042,937	6,950	0.63
Stobart Group	933,332	1,146	0.10
<b>Total Industrials</b>		<b>8,096</b>	<b>0.73</b>
<b>Consumer Services - 0.51% (1.37%)</b>			
Wizz Air Holdings	168,624	5,649	0.51
<b>Total Consumer Services</b>		<b>5,649</b>	<b>0.51</b>
<b>Financials - 5.04% (5.02%)</b>			
3I Infrastructure	1,650,792	4,597	0.42
Apax Global Alpha	787,141	1,157	0.11
F&C Commercial Property Trust	1,602,273	1,916	0.17
GCP Infrastructure Investments	2,624,086	3,369	0.31
Genesis Emerging Markets Fund	369,812	2,607	0.24
HarbourVest Global Private Equity	243,270	3,722	0.34



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
International Public Partnership	4,513,461	7,086	0.64
NB Global Floating Rate Income Fund	2,142,764	1,920	0.17
NextEnergy Solar Fund	1,758,349	2,119	0.19
Pershing Square Holdings	659,834	8,789	0.80
Renewables Infrastructure	3,988,266	5,009	0.45
Sanne Group	412,941	2,808	0.25
Sequoia Economic Infrastructure Income Fund	3,229,667	3,598	0.33
Syncona	1,239,215	3,123	0.28
UK Commercial Property REIT	1,986,939	1,842	0.17
VinaCapital Vietnam Opportunity Fund	559,816	1,889	0.17
<b>Total Financials</b>		<b>55,551</b>	<b>5.04</b>
<b>Total Channel Islands</b>		<b>82,561</b>	<b>7.49</b>
<b>GIBRALTAR - 0.45% (0.79%)</b>			
<b>Consumer Services - 0.10% (0.20%)</b>			
888 Holdings	800,959	1,052	0.10
<b>Total Consumer Services</b>		<b>1,052</b>	<b>0.10</b>
<b>Technology - 0.35% (0.59%)</b>			
Playtech	958,296	3,833	0.35
<b>Total Technology</b>		<b>3,833</b>	<b>0.35</b>
<b>Total Gibraltar</b>		<b>4,885</b>	<b>0.45</b>
<b>IRELAND - 1.29% (1.24%)</b>			
<b>Consumer Goods - 0.28% (0.28%)</b>			
Greencore Group	1,353,758	3,099	0.28
<b>Total Consumer Goods</b>		<b>3,099</b>	<b>0.28</b>
<b>Consumer Services - 0.45% (0.56%)</b>			
UDG Healthcare	757,245	4,983	0.45
<b>Total Consumer Services</b>		<b>4,983</b>	<b>0.45</b>
<b>Industrials - 0.56% (0.40%)</b>			
Grafton Group	660,819	6,119	0.56
<b>Total Industrials</b>		<b>6,119</b>	<b>0.56</b>
<b>Total Ireland</b>		<b>14,201</b>	<b>1.29</b>
<b>ISRAEL - 0.18% (0.00%)</b>			
<b>Financials - 0.18% (0.00%)</b>			
Plus500	335,281	2,028	0.18
<b>Total Financials</b>		<b>2,028</b>	<b>0.18</b>
<b>Total Israel</b>		<b>2,028</b>	<b>0.18</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>LUXEMBOURG - 1.16% (0.79%)</b>			
<b>Consumer Services - 0.91% (0.79%)</b>			
B&M European Value	2,590,883	10,053	0.91
<b>Total Consumer Services</b>		<b>10,053</b>	<b>0.91</b>
<b>Financials - 0.25% (0.00%)</b>			
Bilfinger Berger Global Infrastructure	1,764,133	2,770	0.25
<b>Total Financials</b>		<b>2,770</b>	<b>0.25</b>
<b>Total Luxembourg</b>		<b>12,823</b>	<b>1.16</b>
<b>NETHERLANDS - 0.45% (0.31%)</b>			
<b>Industrials - 0.45% (0.31%)</b>			
RHI Magnesita	104,463	4,960	0.45
<b>Total Industrials</b>		<b>4,960</b>	<b>0.45</b>
<b>Total Netherlands</b>		<b>4,960</b>	<b>0.45</b>
<b>UNITED KINGDOM - 85.61% (83.96%)</b>			
<b>Oil &amp; Gas - 2.59% (2.88%)</b>			
Cairn Energy	1,764,438	2,798	0.25
Energean Oil & Gas	219,709	1,755	0.16
Hunting	423,687	2,362	0.22
John Wood Group	2,006,111	8,947	0.81
Premier Oil	2,434,469	2,200	0.20
Tullow Oil	4,188,101	9,126	0.83
Vivo Energy	1,115,026	1,342	0.12
<b>Total Oil &amp; Gas</b>		<b>28,530</b>	<b>2.59</b>
<b>Basic Materials - 1.91% (2.55%)</b>			
Acacia Mining	443,584	667	0.06
Elementis	1,742,623	2,692	0.24
Ferrexpo	887,786	1,949	0.18
#Govett Strategic Investment Trust	21,400	-	0.00
Hochschild Mining	756,983	1,294	0.12
KAZ Minerals	671,556	3,747	0.34
Sirius Minerals	14,012,665	2,396	0.22
#Sirius Minerals Rights	636,938	-	0.00
Synthomer	809,444	3,223	0.29
Victrex	248,057	5,120	0.46
<b>Total Basic Materials</b>		<b>21,088</b>	<b>1.91</b>
<b>Industrials - 21.40% (19.56%)</b>			
Aggreko	732,133	5,973	0.54
Babcock International Group	1,530,763	7,997	0.73
Balfour Beatty	2,086,923	5,151	0.47
BBA Group	3,112,724	8,417	0.76
Bodycote International	570,407	4,549	0.41

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Capita	5,033,349	5,788	0.53
Clarkson	75,129	1,724	0.16
Coats Group	4,294,388	3,566	0.32
Cobham	7,279,578	8,321	0.75
Diploma	336,063	5,148	0.47
Electrocomp	1,346,528	8,292	0.75
Equiniti Group	986,431	2,180	0.20
Essentra	795,439	3,190	0.29
Fisher (James) & Sons	124,493	2,490	0.23
G4S	4,711,038	10,166	0.92
Hays	4,080,723	5,950	0.54
Hill & Smith	239,135	2,992	0.27
HomeServe	824,625	8,898	0.81
Howden Joinery Group	1,768,212	9,195	0.83
Ibstock	1,170,537	2,889	0.26
IMI	815,940	7,946	0.72
IntegraFin Holdings	587,519	2,336	0.21
Kier Group	473,096	1,616	0.15
Marshalls	601,598	3,949	0.36
Meggitt	2,357,110	12,488	1.13
Morgan Advanced Materials	859,887	2,246	0.20
PageGroup	944,776	4,884	0.44
Polypipe Group	572,004	2,421	0.22
QinetiQ	1,687,404	5,066	0.46
Redrow	692,623	3,983	0.36
Renishaw	104,022	4,098	0.37
Rotork	2,640,568	7,578	0.69
Royal Mail	2,788,895	6,663	0.60
RPC Group	1,218,113	9,626	0.87
Senior	1,274,686	2,876	0.26
Serco Group	3,306,856	4,120	0.37
SIG	1,801,914	2,533	0.23
Spectris	351,888	9,012	0.82
Travis Perkins	768,055	10,549	0.96
Ultra Electronics Holding	211,166	3,415	0.31
Vesuvius	647,367	3,483	0.32
Weir Group	787,760	12,222	1.11
<b>Total Industrials</b>		<b>235,986</b>	<b>21.40</b>

### Consumer Goods - 6.37% (5.16%)

Aston Martin Lagonda Global	176,368	1,467	0.13
Bakkavör Group	441,246	552	0.05
Barr (AG)	253,282	2,209	0.20
Bellway	374,589	11,050	1.00
Bovis Homes Group	408,683	4,275	0.39
Britvic	802,315	7,393	0.67

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Countryside Properties	1,347,680	4,299	0.39
Cranswick	154,279	4,366	0.40
Crest Nicholson	752,842	2,778	0.25
Galliford Try	328,405	1,831	0.17
Games Workshop Group	91,218	3,917	0.35
Hilton Food Group	194,120	1,988	0.18
PZ Cussons	573,055	1,108	0.10
SSP Group	1,327,465	9,239	0.84
Tate & Lyle	1,416,401	11,175	1.01
Ted Baker	86,953	1,307	0.12
TI Fluid Systems	687,627	1,330	0.12
<b>Total Consumer Goods</b>		<b>70,284</b>	<b>6.37</b>
<b>Healthcare - 3.10% (3.84%)</b>			
BTG	1,170,900	9,765	0.89
ConvaTec Group	4,433,291	6,286	0.57
Dechra Pharmaceuticals	301,968	8,002	0.73
Genus	197,848	4,994	0.45
Indivior	2,199,487	1,149	0.10
Mediclinic International	1,190,231	4,023	0.36
<b>Total Healthcare</b>		<b>34,219</b>	<b>3.10</b>
<b>Consumer Services - 11.42% (13.59%)</b>			
Ascential	1,194,875	4,421	0.40
BCA Marketplace	2,279,565	4,320	0.39
Card Factory	966,941	1,805	0.16
Cineworld	3,064,972	9,167	0.83
Dixons Carphone	3,047,483	3,855	0.35
Domino's Pizza	1,418,994	3,610	0.33
Dunelm	297,436	2,564	0.23
EI Group	1,358,623	3,054	0.28
Euromoney Institutional Investor	323,085	4,549	0.41
FirstGroup	3,678,576	4,219	0.38
Go-Ahead Group	131,324	2,443	0.22
Greene King	932,757	5,832	0.53
Greggs	302,534	6,268	0.57
GVC Holdings	1,749,168	10,380	0.94
Inchcape	1,256,848	7,447	0.68
JD Sports	1,097,274	6,847	0.62
Merlin Entertainments	2,143,799	7,885	0.72
Millennium & Copthorne Hotels	361,460	1,648	0.15
Mitchells & Butlers	662,442	1,603	0.15
Moneysupermarket	1,577,438	5,601	0.51
National Express	1,286,156	5,224	0.47
Pets at Home Group	1,558,788	2,344	0.21
Rank Group	519,828	806	0.07

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Restaurant Group	1,440,923	1,939	0.18
Saga	3,381,213	1,887	0.17
Sports Direct International	586,935	1,716	0.16
Stagecoach Group	1,282,608	1,735	0.16
Wetherspoon (JD)	212,323	2,811	0.25
WHSmith	316,598	6,440	0.58
William Hill	2,653,025	3,572	0.32
<b>Total Consumer Services</b>		<b>125,992</b>	<b>11.42</b>
<b>Telecommunications - 1.14% (0.79%)</b>			
Inmarsat	1,395,924	7,474	0.68
TalkTalk Telecom Group	2,038,211	2,529	0.23
Telecom Plus	174,339	2,521	0.23
<b>Total Telecommunications</b>		<b>12,524</b>	<b>1.14</b>
<b>Utilities - 1.30% (1.17%)</b>			
ContourGlobal	537,661	1,097	0.10
Drax Group	1,201,446	3,938	0.36
Pennon Group	1,274,634	9,259	0.84
<b>Total Utilities</b>		<b>14,294</b>	<b>1.30</b>
<b>Financials - 34.15% (31.34%)</b>			
Aberforth Smaller Companies Trust	275,598	3,561	0.32
AJ Bell	490,701	2,081	0.19
Alliance Trust	1,020,324	7,805	0.71
Amigo Holdings	422,147	946	0.09
Ashmore Group	1,166,296	5,412	0.49
Assura REIT	7,133,504	4,316	0.39
Baillie Gifford Japan Trust	279,624	2,159	0.20
Bank of Georgia	114,984	1,880	0.17
Bankers Investment Trust	372,746	3,314	0.30
Beazley Group	1,580,040	8,556	0.78
Big Yellow Group REIT	465,924	4,920	0.45
BlackRock Smaller Companies	145,167	2,114	0.19
BMO Global Smaller Companies	181,759	2,406	0.22
Brewin Dolphin	824,522	2,498	0.23
British Empire Securities	336,612	2,430	0.22
Caledonia Investments	98,892	2,977	0.27
Capital & Counties Properties	2,231,954	5,279	0.48
Charter Court Financial Services Group	483,461	1,707	0.15
City of London Investment Trust	1,118,289	4,624	0.42
Civitas Social Housing	1,895,737	1,670	0.15
Close Brothers	458,541	6,887	0.62
CLS Holdings	474,847	1,057	0.10
CYBG	3,738,409	7,385	0.67
Daejan	15,245	843	0.08

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Derwent London REIT	304,909	10,135	0.92
Edinburgh Investment Trust	593,838	3,652	0.33
Fidelity China Special Situations Trust	1,125,879	2,511	0.23
Fidelity European Values Investment Trust	1,264,390	2,908	0.26
Fidelity Special Values Investment Trust	568,413	1,469	0.13
Finsbury Growth & Income Investment Trust	553,081	4,900	0.44
Foreign & Colonial Investment Trust	1,650,762	11,423	1.04
Funding Circle Holdings	442,963	1,092	0.10
Grainger Trust	1,829,559	4,724	0.43
Great Portland REIT	836,368	6,331	0.57
Greencoat UK Wind	3,443,413	4,724	0.43
Hammerson REIT	2,353,081	6,911	0.63
Hastings Group Holdings	932,771	1,724	0.16
Herald Investment Trust	207,397	2,800	0.25
HgCapital Trust	104,931	2,246	0.20
+HICL Infrastructure	5,447,416	8,727	0.79
IG Group	1,101,258	5,287	0.48
Intermediate Capital Group	845,615	9,936	0.90
Intu Properties	2,696,345	2,638	0.24
Investec	1,974,654	9,502	0.86
IP Group	3,054,538	2,740	0.25
John Laing Group	1,494,951	5,756	0.52
JPMorgan American Investment Trust	667,209	2,982	0.27
JPMorgan Emerging Markets Investment Trust	376,476	3,516	0.32
JPMorgan Indian Investment Trust	319,236	2,247	0.20
JPMorgan Japanese Investment Trust	491,101	2,077	0.19
Jupiter European Opportunities Trust	322,930	2,545	0.23
Jupiter Fund Management	1,261,564	4,539	0.41
Just Group	2,837,052	1,838	0.17
Law Debenture	356,044	2,150	0.19
Londonmetric Property	1,956,038	4,033	0.37
Man Group	4,596,563	6,849	0.62
Mccarthy & Stone	1,619,277	2,160	0.20
Metro	274,175	1,601	0.14
Monks Investment Trust	656,785	5,681	0.51
Murray International Trust	377,292	4,301	0.39
NewRiver REIT	909,984	2,107	0.19
OneSavings Bank	732,738	3,154	0.29
Pantheon International	163,881	3,540	0.32
Paragon Banking Group	782,998	3,619	0.33
Perpetual Income & Growth Investment Trust	732,197	2,380	0.22
Personal Assets Trust	6,681	2,723	0.25
Polar Capital Technology Trust	406,532	5,423	0.49
Primary Health Properties REIT	3,363,806	4,460	0.40
Provident Financial	771,479	3,472	0.31
Quilter	5,663,774	8,120	0.74
Rathbone Brothers	165,396	3,895	0.35
RIT Capital Partners	385,575	7,789	0.71

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Riverstone Energy	124,517	1,133	0.10
Sabre Insurance Group	702,606	1,939	0.18
Safestore Holdings REIT	621,432	3,999	0.36
Savills	399,846	3,439	0.31
Schroder Asia Pacific Investment Trust	509,773	2,235	0.20
Scottish Investment Trust	232,806	1,816	0.16
Shaftesbury REIT	698,292	6,016	0.55
Smithson Investment Trust	253,892	2,986	0.27
St. Modwen Properties	537,848	2,280	0.21
TBC Bank Group	105,632	1,756	0.16
Temple Bar Investment Trust	203,411	2,628	0.24
Templeton Emerging Markets Investment Trust	772,850	5,773	0.52
The Mercantile Investment Trust	2,412,688	5,034	0.46
TP ICAP	1,715,978	4,693	0.43
TR Property Investment Trust	965,941	3,936	0.36
Tritax Big Box REIT	5,067,844	7,505	0.68
Unite Group	790,525	7,593	0.69
Witan Investment Trust	539,168	5,683	0.52
Woodford Patient Capital Trust	2,517,486	2,034	0.18
Workspace Group REIT	404,486	3,871	0.35
Worldwide Healthcare Trust	157,775	4,023	0.36
<b>Total Financials</b>		<b>376,536</b>	<b>34.15</b>
<b>Technology - 2.26% (3.04%)</b>			
Avast	1,190,489	3,593	0.33
Aveva Group	193,148	6,401	0.58
Computacenter	216,573	2,655	0.24
FDM Group	257,744	2,472	0.23
Softcat	375,296	3,438	0.31
Sophos Group	1,011,775	3,440	0.31
Spirent Communications	1,835,717	2,875	0.26
<b>Total Technology</b>		<b>24,874</b>	<b>2.26</b>
<b>Futures - -0.03% (0.04%)</b>			
ICF FTSE 250 June 2019	665	(342)	(0.03)
<b>Total Futures</b>		<b>(342)</b>	<b>(0.03)</b>
<b>Total United Kingdom</b>		<b>943,985</b>	<b>85.61</b>
<b>Portfolio of investments^</b>		<b>1,077,248</b>	<b>97.70</b>
<b>Net other assets</b>		<b>25,393</b>	<b>2.30</b>
<b>Net assets</b>		<b>1,102,641</b>	<b>100.00</b>

+related party

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the future is HSBC.

## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	186.80p	177.80p	150.00p
Return before operating charges*	(7.65p)	14.13p	32.65p
Operating charges**	(0.48p)	(0.51p)	(0.45p)
Return after operating charges*	(8.13p)	13.62p	32.20p
Distributions on income shares	(5.17p)	(4.62p)	(4.40p)
Closing net asset value per share	173.50p	186.80p	177.80p
*after direct transaction costs of:***	0.33p	0.27p	0.20p
<b>Performance</b>			
Return after charges	(4.35%)	7.66%	21.47%
<b>Other information</b>			
Closing net asset value	£10,927,967	£18,133,730	£28,328,618
Closing number of shares	6,296,727	9,708,321	15,929,578
Operating charges - OCF	0.27%	0.28%	0.27%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	192.10p	192.10p	183.20p
Lowest share price	157.30p	173.80p	137.50p

<b>Retail Accumulation</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	278.00p	258.40p	212.70p
Return before operating charges*	(11.79p)	20.33p	46.33p
Operating charges**	(0.71p)	(0.73p)	(0.63p)
Return after operating charges*	(12.50p)	19.60p	45.70p
Distributions on accumulation shares	(7.20p)	(6.64p)	(6.22p)
Retained distributions on accumulation shares	7.20p	6.64p	6.22p
Closing net asset value per share	265.50p	278.00p	258.40p
*after direct transaction costs of:***	0.49p	0.40p	0.28p
<b>Performance</b>			
Return after charges	(4.50%)	7.59%	21.49%
<b>Other information</b>			
Closing net asset value	£83,031,545	£95,492,645	£103,174,671
Closing number of shares	31,267,935	34,349,101	39,931,433
Operating charges - OCF	0.27%	0.28%	0.27%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	285.90p	279.00p	259.80p
Lowest share price	233.90p	252.50p	194.90p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.



## Comparative Tables

for the year ended 15 May 2019

<b>Income C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	188.10p	179.10p	151.10p
Return before operating charges*	(8.05p)	14.10p	32.86p
Operating charges**	(0.30p)	(0.33p)	(0.28p)
Return after operating charges*	(8.35p)	13.77p	32.58p
Distributions on income shares	(4.95p)	(4.77p)	(4.58p)
Closing net asset value per share	174.80p	188.10p	179.10p
*after direct transaction costs of:***	0.33p	0.28p	0.20p
<b>Performance</b>			
Return after charges	(4.44%)	7.69%	21.56%
<b>Other information</b>			
Closing net asset value	£156,610,918	£173,079,968	£126,131,367
Closing number of shares	89,570,072	91,997,820	70,413,867
Operating charges - OCF	0.17%	0.18%	0.17%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	193.50p	193.60p	184.70p
Lowest share price	158.30p	175.10p	138.50p

<b>Accumulation C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	279.70p	259.70p	213.60p
Return before operating charges*	(11.95p)	20.47p	46.50p
Operating charges**	(0.45p)	(0.47p)	(0.40p)
Return after operating charges*	(12.40p)	20.00p	46.10p
Distributions on accumulation shares	(7.36p)	(6.92p)	(6.48p)
Retained distributions on accumulation shares	7.36p	6.92p	6.48p
Closing net asset value per share	267.30p	279.70p	259.70p
*after direct transaction costs of:***	0.49p	0.40p	0.29p
<b>Performance</b>			
Return after charges	(4.43%)	7.70%	21.58%
<b>Other information</b>			
Closing net asset value	£472,614,220	£452,974,168	£418,025,918
Closing number of shares	176,819,727	161,949,658	160,947,937
Operating charges - OCF	0.17%	0.18%	0.17%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	287.60p	280.70p	261.10p
Lowest share price	235.40p	253.90p	195.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income S</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	188.10p	179.10p	151.10p
Return before operating charges*	(8.09p)	14.07p	32.85p
Operating charges**	(0.12p)	(0.14p)	(0.12p)
Return after operating charges*	(8.21p)	13.93p	32.73p
Distributions on income shares	(5.09p)	(4.93p)	(4.73p)
Closing net asset value per share	174.80p	188.10p	179.10p
*after direct transaction costs of:***	0.33p	0.28p	0.20p
<b>Performance</b>			
Return after charges	(4.36%)	7.78%	21.66%
<b>Other information</b>			
Closing net asset value	£41,146,688	£21,667,601	£10,392,657
Closing number of shares	23,533,662	11,516,951	5,802,093
Operating charges - OCF	0.07%	0.08%	0.07%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	193.50p	193.80p	184.80p
Lowest share price	158.40p	175.10p	138.70p

<b>Accumulation S</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	280.40p	260.20p	213.70p
Return before operating charges*	(12.03p)	20.41p	46.67p
Operating charges**	(0.17p)	(0.21p)	(0.17p)
Return after operating charges*	(12.20p)	20.20p	46.50p
Distributions on accumulation shares	(7.58p)	(7.16p)	(6.70p)
Retained distributions on accumulation shares	7.58p	7.16p	6.70p
Closing net asset value per share	268.20p	280.40p	260.20p
*after direct transaction costs of:***	0.49p	0.40p	0.29p
<b>Performance</b>			
Return after charges	(4.35%)	7.76%	21.76%
<b>Other information</b>			
Closing net asset value	£252,002,642	£124,688,416	£82,364,534
Closing number of shares	93,975,185	44,468,127	31,659,406
Operating charges - OCF	0.07%	0.08%	0.07%
Direct transaction costs	0.18%	0.15%	0.12%
<b>Prices</b>			
Highest share price	288.40p	281.40p	261.60p
Lowest share price	236.10p	254.40p	196.20p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	188.10p	189.60p	N/A
Return before operating charges*	(8.11p)	3.34p	N/A
Operating charges**	(0.03p)	(0.01p)	N/A
Return after operating charges*	(8.14p)	3.33p	N/A
Distributions on income shares	(5.16p)	(4.83p)	N/A
Closing net asset value per share	174.80p	188.10p	N/A
*after direct transaction costs of:***	0.33p	0.28p	N/A
<b>Performance</b>			
Return after charges	(4.33%)	1.76%	N/A
<b>Other information</b>			
Closing net asset value	£86,306,757	£58,388,290	N/A
Closing number of shares	49,380,077	31,047,061	N/A
Operating charges - OCF	0.02%	0.03%	N/A
Direct transaction costs	0.18%	0.15%	N/A
<b>Prices</b>			
Highest share price	193.40p	193.60p	N/A
Lowest share price	158.40p	177.00p	N/A
#The Institutional Income share class launched on 24 January 2018.			
**The operating charges include all costs borne by the Fund, except for direct transaction costs.			
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.			

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(71,280)		43,839
Revenue	3	29,305		22,812	
Expenses	4	(1,408)		(1,434)	
Interest payable and similar charges		-		(1)	
Net revenue before taxation		27,897		21,377	
Taxation	5	(72)		(25)	
Net revenue after taxation			27,825		21,352
Total (deficit)/return before distributions			(43,455)		65,191
Distributions	6		(27,832)		(21,367)
Change in net assets attributable to shareholders from investment activities			(71,287)		43,824

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		944,425		768,418
Amounts receivable on creation of shares	307,505		180,903	
Amounts payable on cancellation of shares	(101,209)		(65,810)	
		206,296		115,093
Dilution adjustment		809		425
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(71,287)		43,824
Retained distribution on accumulation shares		22,398		16,665
Closing net assets attributable to shareholders		1,102,641		944,425

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			1,077,590		925,925
Current assets					
Debtors	8	13,489		6,188	
Cash and bank balances		20,771		19,718	
Total current assets			34,260		25,906
Total assets			1,111,850		951,831
<b>Liabilities</b>					
Investment liabilities			(342)		-
Creditors					
Distribution payable on income shares		(8,504)		(6,904)	
Other creditors	9	(363)		(502)	
Total creditors			(8,867)		(7,406)
Total liabilities			(9,209)		(7,406)
Net assets attributable to shareholders			1,102,641		944,425

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	5.171892	-	5.171892	4.623951
Group 2	2.933333	2.238559	5.171892	4.623951
<b>Retail Accumulation</b>				
Group 1	7.202997	-	7.202997	6.644761
Group 2	4.174212	3.028785	7.202997	6.644761
<b>Income C</b>				
Group 1	4.949476	-	4.949476	4.769863
Group 2	2.600854	2.348622	4.949476	4.769863
<b>Accumulation C</b>				
Group 1	7.362875	-	7.362875	6.915747
Group 2	3.673410	3.689465	7.362875	6.915747
<b>Income S</b>				
Group 1	5.088639	-	5.088639	4.927547
Group 2	2.322590	2.766049	5.088639	4.927547
<b>Accumulation S</b>				
Group 1	7.583837	-	7.583837	7.156451
Group 2	4.125398	3.458439	7.583837	7.156451
<b>Institutional Income</b>				
Group 1	5.159435	-	5.159435	4.830116
Group 2	3.486591	1.672844	5.159435	4.830116

## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency gains	1	-
Transaction (charges)/rebates	(14)	29
Capital special dividends	654	2,925
(Losses)/gains on derivative contracts	(113)	2,016
(Losses)/gains on non-derivative securities	(71,808)	38,869
Net capital (losses)/gains	(71,280)	43,839
<b>3. Revenue</b>		
UK dividends (net)	23,232	17,913
Unfranked dividends	384	(23)
Property investment income	1,510	1,232
Overseas dividends	4,145	3,684
Deposit interest	5	-
Bank interest	29	6
Total revenue	29,305	22,812
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	961	923
Registration fee	297	286
Safe custody fee	15	12
	1,273	1,221
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	91	76
Other expenses:		
Audit fee	5	6
Report and accounts fee	1	2
Licence Fee	38	129
	44	137
Total expenses	1,408	1,434

<b>15.5.19</b>	15.5.18
<b>£'000</b>	£'000

**5. Taxation****a) Analysis of charge in year:**

Overseas tax	<b>72</b>	25
Total tax for the year (note 5b)	<b>72</b>	25

**b) Factors affecting taxation charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).

The differences are explained below:

Net revenue before taxation	<b>27,897</b>	21,377
Corporation tax at 20%	<b>5,579</b>	4,275
Effects of:		
Revenue not subject to taxation	<b>(5,446)</b>	(4,319)
Excess management expenses (utilised)/unutilised	<b>(129)</b>	44
Irrecoverable overseas tax	<b>72</b>	25
Tax relief on overseas tax suffered	<b>(4)</b>	-
Current tax charge for the year (note 5a)	<b>72</b>	25

**c) Provision for deferred taxation**

At 15 May 2019, there is a potential deferred tax asset of £1,291,470 (15.5.18: £1,420,189) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

**6. Distributions**

The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:

Final dividend distribution	<b>30,902</b>	23,569
	<b>30,902</b>	23,569
Add: Amounts deducted on cancellation of shares	<b>1,163</b>	769
Deduct: Amounts received on issue of shares	<b>(4,233)</b>	(2,971)
Net distribution for the year	<b>27,832</b>	21,367

**7. Movement Between Net Revenue and Distributions**

Net revenue after taxation	<b>27,825</b>	21,352
Equalisation on conversions	<b>7</b>	15
Net distribution for the year	<b>27,832</b>	21,367

**8. Debtors**

Amounts receivable for creation of shares	<b>6,828</b>	1,210
Accrued revenue	<b>6,609</b>	4,957
Overseas tax recoverable	<b>52</b>	21
Total debtors	<b>13,489</b>	6,188

**9. Other Creditors**

Amounts payable for cancellation of shares	<b>245</b>	313
Accrued expenses	<b>118</b>	189
Total other creditors	<b>363</b>	502

**10. Reconciliation of Shares**

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.18	9,708,321	34,349,102	91,997,820	161,949,658
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	337,917	1,463,355	11,740,533	36,903,325
Shares cancelled	(2,261,531)	(3,115,659)	(12,756,908)	(17,597,796)
Shares converted	(1,487,980)	(1,428,863)	(1,411,373)	(4,435,460)
Closing shares issued at 15.5.19	6,296,727	31,267,935	89,570,072	176,819,727

	<i>Income S</i>	<i>Accumulation S</i>	<i>Institutional Income</i>
Opening shares issued at 16.5.18	11,516,951	44,468,127	31,047,061
<b>Share movements 16.5.18 to 15.5.19</b>			
Shares issued	9,662,079	47,900,424	23,245,021
Shares cancelled	(2,214,908)	(3,206,279)	(4,759,946)
Shares converted	4,569,540	4,812,913	(152,059)
Closing shares issued at 15.5.19	23,533,662	93,975,185	49,380,077

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>	<i>Institutional Income#</i>
	%	%	%	%	%	%	%
As at 15.5.19	-	-	0.88	3.19	-	-	79.26
As at 15.5.18	-	-	0.83	3.53	-	-	N/A

#The Institutional Income share class launched on 24 January 2018.

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due to the ACD (including amounts due to associates and agents) at the year end was £6,415,533 (15.5.18: £840,991), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £8,726,760 (15.5.18: £5,972,444) in Authorised Investment Funds managed by HSBC or HSBC Holdings, the parent company of the ACD.

During the period, transactions in Authorised Investment Funds managed by HSBC and/or HSBC Holdings totalled £2,092,682 (15.5.18: £1,835,933).

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.



## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets</i>		<i>Net assets</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	<b>1,077,248</b>	925,925	<b>24,114</b>	17,661	<b>1,101,362</b>	943,586
Euro	-	-	<b>140</b>	147	<b>140</b>	147
United States dollar	-	-	<b>1,139</b>	692	<b>1,139</b>	692
Total	<b>1,077,248</b>	925,925	<b>25,393</b>	18,500	<b>1,102,641</b>	944,425

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 1.88% (15.5.18: 2.09%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, a C share class and an S share class.

The annual ACD charge on the retail share class is 0.25%, nil on the institutional share class, 0.10% on the C share class and 0.05% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 72 to 75. The distribution per share class is given in the Distribution Table on page 77. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements. The type of derivatives held at the year end were index futures.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

## 15. Contingent Liabilities and Commitments

At the year end the Fund had no contingent liabilities or commitments (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	405,096	29	0.01	1,636	0.40	131	0.03
Corporate actions	7,660	-	-	-	-	-	-
Total purchases before transaction costs	412,756	29		1,636		131	
Transaction costs	1,796						
Total purchases after commission, tax and fees	414,552						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	161,920	10	0.01	-	-	-	-
Corporate actions	28,807	-	-	-	-	-	-
Total sales before transaction costs	190,727	10		-		-	
Transaction costs	(10)						
Total sales after commission, tax and fees	190,717						

The Fund had paid £18,664 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01 %
Taxes	0.16 %
Other expenses	0.01 %

At the balance sheet date the portfolio dealing spread was 0.16%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	286,636	22	0.01	25	0.01	1,184	0.41
Corporate actions	4,219	-	-	-	-	-	-
Total purchases before transaction costs	290,855	22		25		1,184	
Transaction costs	1,231						
Total purchases after commission, tax and fees	292,086						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	143,701	13	0.01	-	-	-	-
Corporate actions	12,268	-	-	-	-	-	-
Total sales before transaction costs	155,969	13		-		-	
Transaction costs	(13)						
Total sales after commission, tax and fees	155,956						

The Fund had paid £12,995 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01 %
Taxes	0.00 %
Other expenses	0.14 %

At the balance sheet date the portfolio dealing spread was 0.15%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,077,590	-	-	1,077,590
	1,077,590	-	-	1,077,590
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(342)	-	-	(342)
	(342)	-	-	(342)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	925,564	-	-	925,564
Derivatives	361			361
	925,925	-	-	925,925

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £107,724,839 (15.5.18: £92,592,458).

### Currency risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to non-Sterling currency, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

### Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

# FTSE ALL-World Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE All-World Index.

## Investment Policy

To invest in companies that make up the FTSE All-World Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use an optimised replication approach to track the FTSE All World Index. The optimised replication strategy involves investing in a representative sample of the constituents of the index and possibly some securities that are not included in the index that are designed to help the Fund track the performance of the index.

The aim of optimised replication is to construct a portfolio that closely matches the characteristics of the index but which: a) provides flexibility to manage the Fund's transaction costs, b) provides flexibility to maintain the Fund's characteristics during different market environments and differing levels of asset availability and c) where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE All-World index was up 5.10% in GBP terms during the period.

Three sectors were the main drivers of this performance: Technology, up 9.91% and contributing 1.46% to the total return of the index; Consumer Services, up 10.69% and contributing 1.16% to the total return of the index; and Healthcare, up 9.14% and contributing 0.92% to the total return of the index in GBP terms.

Global equities suffered in the latter part of 2018, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. This sentiment quickly changed in the first few months of 2019 thanks to ongoing optimism on trade talks and thanks to the central banks taking a more flexible approach to rate hikes.

In Europe, concerns around growth continued to linger as the Eurozone economy grew by just 0.2% in Q4 2018. In UK, hopes of a smooth exit continued as the British Government reached an agreement to delay Brexit until October, alleviating fears of a disorderly separation. US equities rose in the third quarter of 2018 on the back of strong earnings results and economic data releases, fell sharply at the beginning of October and then recovered and delivered strong positive performance amid progress on the US-China trade negotiations and more dovish signals from the Fed. Japanese equities also reported aggregated gains over the period even though their advance was slightly muted compared to other developed markets due to the China slowdown.

## Investment Performance

During the year under review, the value of the shares in the Fund increased by 3.99% while the value of the FTSE All-World index rose by 5.10%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.08%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Institutional Income	Institutional Accumulation	Income C	Accumulation C
Price	155.30p xd	172.00p	155.30p xd	170.90p
Distribution payable (on 15 July 2019) per share net	3.444574p	3.731773p	3.212624p	3.462965p
Current net estimated yield	2.20%	2.15%	2.05%	2.01%
Annual ACD charge	0.00%	0.00%	0.10%	0.10%
			Income S	Accumulation S
Price			155.30p xd	171.00p
Distribution payable (on 15 July 2019) per share net			3.305433p	3.563515p
Current net estimated yield			2.11%	2.07%
Annual ACD charge			0.09%	0.09%

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>AUSTRALIA - 2.13% (2.14%)</b>			
Adelaide Brighton	30,376	58	0.00
AGL Energy	36,891	447	0.02
ALS	30,700	133	0.01
Alumina	141,971	181	0.01
Amcor	65,199	571	0.03
AMP	165,543	194	0.01
Ansell	7,595	104	0.01
APA	69,123	372	0.02
Aristocrat Leisure	35,940	494	0.03
ASX	10,900	441	0.02
Atlas Arteria	38,749	149	0.01
Aurizon Holdings	107,503	285	0.01
Ausnet Services	101,563	99	0.00
Australia and New Zealand Banking Group	147,125	2,082	0.11
Bank of Queensland	22,795	109	0.01
Bendigo Bank	27,436	154	0.01
BHP Billiton	147,335	2,949	0.15
Bluescope Steel	30,445	212	0.01
Boral	66,218	167	0.01
Brambles	89,669	587	0.03
Caltex Australia	14,782	205	0.01
Challenger	32,379	136	0.01
Cimic Group	5,514	133	0.01
Coca-Cola Amatil	29,001	139	0.01
Cochlear	3,158	332	0.02
Coles Group	63,741	433	0.02
Commonwealth Bank of Australia	94,291	3,683	0.19
Computershare	27,211	257	0.01
Crown	19,886	139	0.01
CSL	23,697	2,560	0.13
CSR	27,035	49	0.00
Dexus Property	59,580	404	0.02
Domain Holdings Australia	12,331	20	0.00
Domino's Pizza	3,473	74	0.00
Downer EDI	33,703	136	0.01
DuluxGroup	25,304	133	0.01
Evolution Mining	59,550	115	0.01
Flight Centre	3,830	82	0.00
Fortescue Metals Group	90,189	395	0.02
General Property Group	102,419	323	0.02
Goodman Group	100,233	716	0.04
Harvey Norman	37,755	78	0.00
Healthscope	98,536	130	0.01
Iluka Resources	25,651	118	0.01
Incitec Pivot	90,966	159	0.01
Insurance Australia	130,110	548	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
IOOF	22,919	69	0.00
Lend Lease	32,187	242	0.01
Macquarie Group	17,341	1,112	0.06
Magellan Financial Group	7,499	178	0.01
Medibank	155,164	238	0.01
Metcash	54,980	85	0.00
Mirvac Group	207,357	326	0.02
National Australia Bank	141,929	1,855	0.09
Newcrest Mining	43,251	609	0.03
Northern Star Resources	35,099	175	0.01
Nufarm	19,363	46	0.00
Orica	21,250	218	0.01
Origin Energy	98,799	396	0.02
Orora	68,474	115	0.01
OZ Minerals	19,709	99	0.00
Perpetual Trustees Australia	2,329	49	0.00
Platinum Asset Management	12,468	31	0.00
Qantas Airways	35,977	103	0.00
QBE Insurance Group	74,747	505	0.03
Qube Holdings	70,128	108	0.01
Ramsay Health Care	7,208	247	0.01
REA Group	2,690	119	0.01
Rio Tinto	20,908	1,107	0.06
Santos	103,943	398	0.02
Scentre Group	290,044	586	0.03
SEEK	19,641	211	0.01
Seven Group Holdings	8,602	85	0.00
Shopping Centres Australasia	36,571	49	0.00
Sims Metal Management	10,883	55	0.00
Sonic Healthcare	25,629	361	0.02
South32	289,515	538	0.03
Star Entertainment Group	46,853	109	0.01
Stockland Trust	136,363	281	0.01
Suncorp Group	73,115	530	0.03
Sydney Airport	62,205	257	0.01
Tabcorp Holdings	106,117	262	0.01
Telstra	234,529	436	0.02
TPG Telecom	21,740	74	0.00
Transurban	150,387	1,106	0.06
Treasury Wine Estates	40,781	338	0.02
Vicinity Centres REIT	186,115	256	0.01
Vocus Communications	33,842	69	0.00
Washinton H. Soul Pattinson	5,162	62	0.00
Wesfarmers	64,199	1,254	0.06
Westpac Banking	179,214	2,596	0.13
Whitehaven Coal	45,049	101	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Wisetech Global	4,408	52	0.00
Woodside Petroleum	52,589	1,025	0.05
Woolworths	74,551	1,330	0.07
Worleyparsons	19,407	140	0.01
Xero	124	4	0.00
<b>Total Australia</b>		<b>41,882</b>	<b>2.13</b>
<b>AUSTRIA - 0.07% (0.09%)</b>			
Andritz	4,014	118	0.01
Erste Bank	16,139	477	0.02
OMV	8,037	307	0.01
Raiffeisen International Bank	7,327	139	0.01
Telekom Austria	8,902	51	0.00
Verbund	3,746	151	0.01
Vienna Insurance Group	2,501	52	0.00
Voestalpine	6,505	149	0.01
<b>Total Austria</b>		<b>1,444</b>	<b>0.07</b>
<b>BAHRAIN - 0.01% (0.00%)</b>			
Ahli United Bank	262,528	162	0.01
<b>Total Bahrain</b>		<b>162</b>	<b>0.01</b>
<b>BELGIUM - 0.31% (0.34%)</b>			
Ackermans	1,260	149	0.01
Ageas (BRU)	10,542	410	0.02
Anheuser-Busch InBev	40,470	2,632	0.13
Colruyt	2,834	162	0.01
Galapagos	2,648	233	0.01
Groupe Bruxelles Lambert	4,111	297	0.01
KBC Group	15,316	803	0.04
Proximus	7,927	172	0.01
Sofina	866	133	0.01
Solvay	4,055	316	0.02
Telenet Group	2,733	110	0.01
UCB	6,767	408	0.02
Umicore	11,584	300	0.01
<b>Total Belgium</b>		<b>6,125</b>	<b>0.31</b>
<b>BERMUDA - 0.38% (0.38%)</b>			
Alibaba Health Information Technology	211,358	181	0.01
Alibaba Pictures Group	812,205	130	0.01
Axis Capital Holdings	4,644	210	0.01
Beijing Enterprises Water	288,481	119	0.01
#Brightoil Petroleum Holdings	259,337	-	0.00
Brilliance China Automotive Holdings	158,170	117	0.01
Bunge	7,909	327	0.02

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
C K Infrastructure	35,160	221	0.01
China Foods	48,000	14	0.00
Cosco Shipping	116,143	82	0.00
Credicorp (Nys)	3,822	643	0.03
Dairy Farm International Holdings (Singapore registered US\$)	19,700	115	0.01
Everest	2,273	438	0.02
Gome Retail Holdings	767,306	57	0.00
Haitong International Securities Group	157,232	39	0.00
HengTen Networks Group	1,060,000	21	0.00
Hiscox	15,636	251	0.01
Hong Kong Land (Singapore registered US\$)	66,257	350	0.02
Huabao International	47,000	16	0.00
IHS Markit	21,909	964	0.05
Invesco	22,789	365	0.02
Jardine Matheson (Singapore registered US\$)	11,916	584	0.03
Jardine Strategic (Singapore registered US\$)	10,260	292	0.02
Johnson Electric Holdings	22,865	36	0.00
Kerry Logistics Network	29,500	40	0.00
Kunlun Energy	158,990	120	0.01
Landing International Development	85,200	19	0.00
Luye Pharma Group	109,000	74	0.00
Marvell Tech Group	31,140	559	0.03
Norwegian Cruise Line Holdings	12,331	544	0.03
Renaissancere Holdings	2,249	292	0.02
Shenzhen International Holdings	50,037	80	0.00
Sihuan Pharmaceutical	219,000	39	0.00
United Energy Group	424,000	52	0.00
Veon	37,420	70	0.00
Yue Yuen Industrial Holdings	40,203	86	0.00
<b>Total Bermuda</b>		<b>7,547</b>	<b>0.38</b>

**BRAZIL - 0.86% (0.83%)**

Alpargatas Preference	10,375	34	0.00
Ambev	244,256	789	0.04
Atacadao Distribuicao Com	22,100	87	0.00
Azul Preference	12,800	86	0.00
B2W-Companhia Global Varejo	10,800	68	0.00
B3 Brasil Bolsa Balcao	111,192	701	0.04
Banco Bradesco	224,376	1,449	0.07
Banco Bradesco S.A	60,574	338	0.02
Banco BTG Pactual	11,200	87	0.00
Banco do Brasil	58,933	540	0.03
Banco Estado Rio Grande	13,100	59	0.00
Banco Santander Brasil	22,400	186	0.01
Bb Seguridade Participacoes	38,081	208	0.01
Br Malls Participacoes	44,100	101	0.01



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Bradespar	15,000	86	0.00
Braskem	11,764	88	0.01
BRF	31,560	193	0.01
CCR	63,358	148	0.01
Centrais Eletricas Brasileiras	18,000	112	0.01
Centrais Eletricas Brasileiras B Preference	14,700	95	0.01
Cia de Gas de Sao Paulo Comgas	1,000	16	0.00
Cia de Gas de Sao Paulo Comgas Rights	03	0	0.00
Cia de Transmissao de Energia	10,000	40	0.00
Cia Energetica	52,697	134	0.01
Cia Paranaense de Energi B	5,400	47	0.00
Cielo	63,215	91	0.00
Companhia Brasileira de Distribuicao	8,940	143	0.01
Companhia Energetica de Minas Gerais	5,100	16	0.00
Companhia Siderúrgica Nacional	39,200	109	0.01
Cosan Sa Industria	10,600	90	0.00
CVC Brasil Operadora E Agencia De Viagens	6,700	65	0.00
Embraer	41,437	146	0.01
Energias Do Brasil	19,200	64	0.00
Energisa	12,300	102	0.01
Engie Brasil	11,240	91	0.00
Equatorial Energia	9,651	154	0.01
Estacio Participacoes	16,000	85	0.00
Fleury	14,000	54	0.00
Gerdau Preferred	58,080	157	0.01
Grendene	13,500	18	0.00
Guararapes Confeccoes	4,000	13	0.00
Hapvida Participacoes E Investimentos	8,200	56	0.00
Hypermarcas	22,558	126	0.01
IRB Brasil Resseguros	11,000	207	0.01
Itau Unibanco Banco Preference	262,416	1,621	0.08
Itausa Investimentos Itau	247,451	541	0.03
JBS	56,100	240	0.01
Klabin	36,688	111	0.01
Kroton Educacional	83,626	153	0.01
Localiza Rent a Car	32,231	224	0.01
Lojas Americanas	11,700	28	0.00
Lojas Americanas Preference	42,102	124	0.01
Lojas Renner	44,409	350	0.02
M. Dias Branco	4,600	34	0.00
Magazine Luiza	4,200	141	0.01
MultiPlan	17,600	77	0.00
Natura Cosmeticos	11,214	113	0.01
Notre Dame Intermedica Participacoes	17,900	129	0.01
OdontoPrev	14,200	42	0.00
Petrobras Distribuidora	22,300	99	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Petroleo Brasileiro	165,802	913	0.05
Petroleo Brasileiro Preference	222,673	1,118	0.06
Porto Seguro	6,100	60	0.00
Raia Drogasil	12,873	165	0.01
Rumo	62,800	207	0.01
Sabesp	19,298	158	0.01
Sao Martinho	9,000	33	0.00
Sul America	14,343	89	0.00
Suzano Papel e Celulose	32,798	235	0.01
Taesá	14,600	71	0.00
Telef Brasil	23,452	204	0.01
Tim Participacoes	51,427	106	0.01
Ultrapar Participacoes	47,892	196	0.01
Usinas Siderurgicas	20,400	32	0.00
Vale	176,845	1,649	0.08
Via Varejo	21,900	18	0.00
Weg	41,897	147	0.01
<b>Total Brazil</b>		<b>16,907</b>	<b>0.86</b>
<b>BRITISH VIRGIN ISLAND - 0.01% (0.00%)</b>			
Capri Holdings	7,881	246	0.01
Mas Real Estate	19,846	23	0.00
<b>Total British Virgin Island</b>		<b>269</b>	<b>0.01</b>
<b>CANADA - 2.69% (2.72%)</b>			
Agnico Eagle Mines	13,114	418	0.02
Alimentation Couche-Tard	23,975	1,154	0.06
Bank of Montreal	29,599	1,768	0.09
Bank of Nova Scotia	59,951	2,463	0.13
Barrick Gold	60,387	585	0.03
Barrick Gold Corporation	38,085	341	0.02
Bausch Health	20,018	389	0.02
BCE	16,863	587	0.03
Brookfield Asset	47,636	1,759	0.09
Canadian Imperial Bank	24,999	1,590	0.08
Canadian National Railway	35,338	2,544	0.13
Canadian Natural Resources	67,397	1,453	0.07
Canadian Pacific Rail	7,975	1,378	0.07
Canadian Tire A	3,377	271	0.01
Canadian Utilities A	6,740	143	0.01
Cenovus Energy	57,816	396	0.02
CGI	13,798	767	0.04
Constellation Soft	1,129	764	0.04
Dollarama	17,969	419	0.02
Enbridge	98,512	2,804	0.14
EnCana	84,106	438	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Fairfax	1,515	539	0.03
Fortis	24,032	699	0.04
Franco Nevada	10,313	607	0.03
Great West Lifeco	15,599	282	0.01
Husky Energy	17,353	135	0.01
Hydro One	17,641	227	0.01
IGM Financial	5,536	119	0.01
Imperial Oil	13,570	296	0.01
Intact Financial	7,802	521	0.03
Inter Pipeline	21,703	259	0.01
Loblaw	10,520	419	0.02
Magna International	17,462	616	0.03
Manulife	112,494	1,525	0.08
Metro	13,494	379	0.02
National Bank of Canada	19,092	697	0.04
Nutrien	34,679	1,358	0.07
Pembina Pipeline	28,195	783	0.04
Power Corporation of Canada	22,509	371	0.02
Power Financial	13,802	242	0.01
Restaurant Brands International	13,437	695	0.04
RioCan REIT	17,213	261	0.01
Rogers Communications B	20,183	798	0.04
Royal Bank of Canada	75,346	4,555	0.23
Saputo Group	12,297	323	0.02
Shaw Communications B	24,701	381	0.02
Shopify A	5,539	1,136	0.06
Silver Wheaton	24,908	392	0.02
SNC-Lavalin Group	9,947	150	0.01
Sun Life Financial	34,219	1,054	0.05
Suncor Energy	74,937	1,863	0.09
TC Energy Corporation	52,654	1,952	0.10
Teck Resources B	28,421	465	0.02
Telus (Non-Canadian)	12,734	361	0.02
Thomson Reuters	11,203	563	0.03
Toronto Dominion Bank	95,450	4,077	0.21
Waste Connections	14,757	1,076	0.05
Weston George	4,017	235	0.01
<b>Total Canada</b>		<b>52,842</b>	<b>2.69</b>

### CAYMAN ISLANDS - 2.00% (1.81%)

3SBio	81,500	117	0.01
51 Jobs ADR	1,500	84	0.00
58.com ADR	5,448	266	0.01
AAC Technologies Holdings	39,160	178	0.01
Alibaba Group Holdings ADR	65,433	9,033	0.46
Anta Sports	68,000	353	0.02

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Autohome ADR	3,200	259	0.01
Baidu ADR	15,200	1,801	0.09
Beigene ADR	1,847	192	0.01
Bosideng International Holdings	174,000	34	0.00
Chailease Holdings	67,000	198	0.01
China Auto Rental	42,000	29	0.00
China Conch Venture	91,599	237	0.01
China Dongxiang Group	184,000	19	0.00
China Evergrande Group	122,000	273	0.01
China Hongqiao Group	147,000	83	0.00
#China Huishan Diary	1,160,434	-	0.00
China Medical System Holdings	80,000	53	0.00
China Resources Cement	126,000	87	0.01
China Resources Land	150,931	483	0.03
China Zhongwang Holdings	74,800	29	0.00
Chow Tai Fook Jewel	54,200	40	0.00
CIFI Holdings Group	216,000	103	0.01
CIMC Enric Holdings	36,000	24	0.00
CK Asset Holdings	151,964	910	0.05
CK Hutchison Holdings	151,749	1,178	0.06
Country Garden	38,058	55	0.00
Country Garden Holdings	416,710	484	0.03
Ctrip.com International ADR	21,469	650	0.03
Dali Foods Group	137,000	75	0.00
FIH Mobile	154,000	16	0.00
Fit Hon Teng	66,000	23	0.00
Fullshare Holdings	507,500	38	0.00
Future Land Development	110,000	94	0.01
GCL Poly Energy Holdings	673,534	33	0.00
GDS Holdings ADR	2,481	73	0.00
Geely Automobiles	273,989	373	0.02
Genscript Biotech Corporation	56,000	104	0.01
Greentown China Holdings	40,500	23	0.00
Haitian International Holdings	38,000	64	0.00
Health And Happiness (H&H)	8,500	37	0.00
Herbalife	6,091	220	0.01
Huazhu Group ADR	5,851	167	0.01
Hutchison Telecommunications	68,000	13	0.00
Iqiyi ADR	7,345	116	0.01
JD.com ADR	44,866	1,061	0.05
Jiayuan International Group	74,000	26	0.00
Kingboard Holdings	40,330	90	0.01
Kingsoft	56,000	107	0.01
KWG Property	67,000	55	0.00
Lee & Man Paper	98,000	53	0.00
Logan Property Holdings	66,000	74	0.00
Macau Legend Development	98,000	12	0.00
Meitu	121,000	34	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Meituan Dianping B	27,900	166	0.01
MGM China Holdings	48,800	66	0.00
Minth Group	40,000	100	0.01
Momo ADR	5,598	130	0.01
Nagacorp	86,000	78	0.00
NetEase ADR	4,105	835	0.04
New Oriental Education & Technology Group ADR	7,771	517	0.03
Nexteer Automotive Group	53,000	57	0.00
Nio	9,079	33	0.00
Pinduoduo ADR	6,087	104	0.01
Ping An Healthcare and Technology	10,100	37	0.00
Sands China	135,238	534	0.03
Semiconductor Manufacturing International	170,445	139	0.01
Shenzhen International Group	40,700	400	0.02
Shimao Property Holdings	66,500	146	0.01
Shui On Land	184,500	32	0.00
SINA	3,600	151	0.01
Sunac China Holdings	131,000	468	0.02
Sunny Optical Technology Group	36,700	326	0.02
TAL Education Group ADR	17,941	496	0.03
Tencent Holdings	312,038	11,556	0.59
Tingyi (Cayman Islands)	120,000	155	0.01
TPK	22,000	28	0.00
Uni-President China Holdings	64,000	54	0.00
Vipshop Holdings ADR	24,038	156	0.01
Want Want China	311,608	186	0.01
Weibo Corporation ADR	2,907	133	0.01
WH Group	472,000	363	0.02
Wharf Real Estate Investment Company	69,722	394	0.02
Wuxi Biologics Cayman	28,081	213	0.01
Wynn Macau	82,800	150	0.01
Xiaomi	515,813	535	0.03
Xinyi Solar Holdings	174,588	76	0.00
#Xinyi Solar Holdings NPV Rights	17,458	-	0.00
Zhongsheng Group	40,000	73	0.00
ZTO Express	18,455	270	0.01
<b>Total Cayman Islands</b>		<b>39,390</b>	<b>2.00</b>
<b>CHANNEL ISLANDS - 0.29% (0.47%)</b>			
Amdocs	8,027	377	0.02
Aptiv	14,870	867	0.04
Experian Group	51,514	1,153	0.06
Glencore	578,293	1,609	0.08
Ferguson	13,149	730	0.04
Janus Henderson Group	11,269	188	0.01
Polymetal International	16,967	136	0.01
WPP	68,994	660	0.03
<b>Total Channel Islands</b>		<b>5,720</b>	<b>0.29</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>CHILE - 0.12% (0.13%)</b>			
AES Gener	186,572	38	0.00
Aguas Andinas	183,204	81	0.00
Banco De Chile	1,573,007	174	0.01
Banco De Credito E Inversion	2,400	119	0.01
Banco Santander (Chile)	3,509,874	193	0.01
Cencosud	75,666	104	0.01
Cia Cervecerias Unidas	9,669	100	0.01
Colbun	466,205	69	0.00
ECL SA	27,859	38	0.00
Embotelladora Andina	13,577	37	0.00
Empresa Nacional De Telecomunicaciones	8,881	67	0.00
Empresas CMPC	63,201	147	0.01
Empresas Copec	27,392	236	0.01
Enel Americas	1,550,577	187	0.01
Enel Chile	1,529,568	105	0.01
Itau Corpbanca	11,122,621	70	0.00
Latam Airlines Group	17,421	122	0.01
Parque Arauco	38,303	79	0.00
Plaza	15,186	27	0.00
SACI Falabella	40,565	214	0.01
Sociedad Química Y Minera	5,377	142	0.01
<b>Total Chile</b>		<b>2,349</b>	<b>0.12</b>
<b>CHINA - 1.18% (1.26%)</b>			
Agricultural Bank of China	1,744,264	580	0.03
Air China	120,000	91	0.01
Aluminium Corporation of China	260,000	72	0.00
Angang Steel H	58,000	28	0.00
Anhui Conch Cement	66,924	302	0.02
Anhui Expressway H	22,000	11	0.00
Anhui Gujing Distillery	6,800	43	0.00
AviChina Industry & Technology	132,000	59	0.00
BAIC Motor Corporation H	96,000	45	0.00
Bank of China	4,288,557	1,482	0.08
Bank of Communications	439,000	267	0.01
BBMG	133,000	32	0.00
Beijing Capital International Airport H	115,796	77	0.00
Beijing Jingneng Clean Energy	114,000	16	0.00
Beijing North Star H	46,000	13	0.00
BOE Technology Group B	98,600	26	0.00
BYD Company	39,170	188	0.01
Central China Securities H	66,000	12	0.00
CGN Power H	633,781	129	0.01
China Machinery Engineering H	54,000	19	0.00
China Bluechemical	104,000	27	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
China Cinda Asset Management	536,000	101	0.01
China Citic Bank	465,781	215	0.01
China Coal Energy	112,000	35	0.00
China Communications Construction	250,000	177	0.01
China Communications Services	144,000	90	0.01
China Construction Bank	4,447,328	2,774	0.14
China Eastern Airlines	85,388	40	0.00
China Everbright Bank	202,000	71	0.00
China Galaxy Securities	209,500	96	0.01
China Huarong Asset Management	640,000	89	0.01
China International Capital Corporation H	52,800	81	0.00
China International Marine Containers H	23,200	21	0.00
#China International Marine Containers H Rights	225	-	0.00
China Life Insurance	419,105	793	0.04
China Longyuan Power	218,000	108	0.01
China Merchants Bank	198,500	732	0.04
China Merchants Securities	59,400	58	0.00
China Minsheng Banking	359,460	201	0.01
China Molybdenum	243,000	61	0.00
China National Buildings	220,000	140	0.01
China Oilfield Services H	120,000	90	0.01
China Pacific Insurance	152,052	443	0.02
China Petroleum & Chemical H	1,438,143	799	0.04
China Railway Construction	107,528	101	0.01
China Railway Group H	218,000	127	0.01
China Railway Signal And Communication H	107,000	58	0.00
China Reinsurance Group H	445,000	64	0.00
China Shenhua Energy	199,547	329	0.02
China Shipping Container Lines	200,000	20	0.00
China Southern Airlines	103,688	57	0.00
China Telecom	827,425	320	0.02
China Tower	1,988,000	404	0.02
China Vanke	74,100	210	0.01
Chongqing Changan Automobile	68,700	25	0.00
Chongqing Rural Commercial Bank	185,000	75	0.00
CITIC Securities H	129,500	195	0.01
Cosco Shipping Energy Transportation	70,000	30	0.00
Cosco Shipping Holdings	170,000	52	0.00
CRRC Corporation	227,551	151	0.01
CSC Financial	48,500	29	0.00
CSG Holdings	57,005	15	0.00
CSSC Offshore and Marine Engineern Group	14,000	9	0.00
Datang International Power Generation H	152,000	28	0.00
Dazhong Transportation Group	44,152	18	0.00
DFZQ H	44,000	23	0.00
Dongfang Electric	22,200	12	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
DongFeng Motor Corporation	164,000	113	0.01
Everbright Securities	11,000	7	0.00
Fuyao Glass Industry Group H	33,600	83	0.01
GF Securities H	100,000	96	0.01
Great Wall Motor Company	181,748	107	0.01
Guangdong Electric Power Development	52,000	13	0.00
Guangshen Railway H	78,400	21	0.00
Guangzhou Automobile Group	177,600	137	0.01
Guangzhou Baiyunshan Pharmaceutical	13,563	49	0.00
Guangzhou R&F Properties H	67,200	96	0.01
Guotai Junan Securities	257,112	369	0.02
Haitong Securities	193,600	168	0.01
Haitong Securities Rights	6,914	0	0.00
Huadian Fuxin Energy Corporation H	146,000	23	0.00
Huadian Power International Corporation	106,819	32	0.00
Huaneng Power International	261,490	123	0.01
Huaneng Renewables H	284,000	57	0.00
Huatai Securities H	97,600	124	0.01
Huaxin Cement B	12,700	28	0.00
Industrial & Commercial Bank of China	4,070,023	2,209	0.11
Inner Mongolia Yitai Coal	68,400	61	0.00
Jiangsu Expressway	76,117	81	0.00
Jiangxi Bank	36,500	22	0.00
Jiangxi Copper H	77,735	73	0.00
Lao Feng Xiang B	11,000	28	0.00
Legend Holdings H	25,400	47	0.00
Livzon Pharmaceutical Group H	5,915	16	0.00
Maanshan Iron & Steel H	92,000	31	0.00
Metallurgical Corporation of China	154,000	30	0.00
New China Life Insurance H	49,600	187	0.01
People's Insurance Company (Group) of China	466,199	137	0.01
PetroChina H	1,172,474	528	0.03
PICC Property & Casualty	395,847	313	0.02
Ping An Insurance H	259,485	2,283	0.12
Postal Saving Bank of China H	532,000	239	0.01
Qingdao Port International	74,000	40	0.00
Red Star Macalline Group	30,800	22	0.00
Shandong Chenming Paper	27,000	10	0.00
Shandong Chenming Paper Holdings	37,950	14	0.00
Shandong Weigao Group Medical H	112,000	79	0.00
Shanghai Baosight Software B	15,300	26	0.00
Shanghai Chlor-Alkali Chemical	26,500	14	0.00
Shanghai Electric	194,000	53	0.00
Shanghai Fosun Pharmaceutical	36,500	88	0.01
Shanghai Haixin Group B	22,200	8	0.00
Shanghai Huayi Group	15,800	11	0.00



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Shanghai Jinjiang International	10,400	17	0.00
Shanghai Jinqiao Export	18,200	17	0.00
Shanghai Lujiazui B	54,000	62	0.00
Shanghai Mechanical & Electrical Company	15,400	21	0.00
Shanghai Pharmaceuticals Holdings	54,300	85	0.01
Shanghai Shibeí Hi-Tech	30,300	12	0.00
Shanghai Waigaoqiao Free Trade Zone Group	13,100	14	0.00
Shanghai Zhenhua Port Machinery	73,680	21	0.00
Shenzhen Expressway H	50,000	46	0.00
Sichuan Expressway H	58,000	14	0.00
Sinopec Engineering	95,500	65	0.00
Sinopec Shanghai Petrochemical	230,763	80	0.00
Sinopharm Group H	57,842	172	0.01
Sinotrans	148,000	44	0.00
Travelsky Technology H	58,130	104	0.01
Tsingtao Brewery H	22,137	111	0.01
Weichai Power	111,000	135	0.01
Weifu High Technology Group	9,400	14	0.00
#Wuxi Little Swan B	5,500	28	0.00
Xinhua Winshare Publishing and Media	21,000	12	0.00
Xinjiang Goldwind Science & Technology H	35,264	29	0.00
Yantai Changyu Pioneer	11,736	19	0.00
Yanzhou Coal Mining H	129,537	99	0.01
Zhaojin Mining Industry	50,500	36	0.00
Zhejiang Expressway H	93,806	79	0.00
Zhongan Online P & C Insurance	21,900	52	0.00
Zhuzhou CRS Times Electric H	28,700	112	0.01
Zijin Mining Group H	372,000	106	0.01
Zoomlion Heavy Industry Science & Technology	85,600	39	0.00
ZTE H	50,400	114	0.01
<b>Total China</b>		<b>23,141</b>	<b>1.18</b>
<b>COLOMBIA - 0.05% (0.05%)</b>			
Almacenes Exito	10,825	37	0.00
Bancolombia	16,944	150	0.01
Bancolombia Preference	25,274	232	0.01
Corporacion Financiera Colombiana	5,222	28	0.00
Ecopetrol	268,514	192	0.01
Grupo Aval Acciones	262,889	73	0.00
Grupo De Inversiones Suramericana	14,294	111	0.01
Grupo De Inversiones Suramericana Preference	5,034	36	0.00
Interconexión Eléctrica	25,000	93	0.01
<b>Total Colombia</b>		<b>952</b>	<b>0.05</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>CZECH REPUBLIC - 0.02% (0.02%)</b>			
CEZ Group	8,946	161	0.01
Komerční Banka	4,244	123	0.01
Moneta Money Bank	34,082	84	0.00
O2 Czech Republic	2,754	23	0.00
Philip Morris	29	13	0.00
<b>Total Czech Republic</b>		<b>404</b>	<b>0.02</b>
<b>DENMARK - 0.51% (0.53%)</b>			
A P Møller - Maersk	246	212	0.01
A P Møller - Maersk A/S	365	334	0.02
Ambu	9,312	141	0.01
Carlsberg B	5,918	607	0.03
Christian Hansen Holdings	5,503	452	0.02
Coloplast B	7,455	610	0.03
Danske Bank	37,205	462	0.02
DSV	10,163	702	0.04
Genmab	3,114	402	0.02
GN Store	7,559	285	0.01
ISS A/S	10,404	260	0.01
Jyske Bank	3,627	108	0.01
Lundbeck	3,830	118	0.01
Maersk Drilling	1,222	67	0.00
Novo Nordisk B	85,509	3,115	0.16
Novozymes	11,588	434	0.02
Orsted	8,405	504	0.02
Pandora	5,744	170	0.01
Rockwool International B	423	86	0.00
Tryg	6,855	163	0.01
Vestas Wind Systems	11,224	724	0.04
William Demant Holdings	6,212	158	0.01
<b>Total Denmark</b>		<b>10,114</b>	<b>0.51</b>
<b>EGYPT - 0.02% (0.02%)</b>			
Abou Kir Fertilizers and Chemical Industries	14,599	16	0.00
Commercial International Bank (Egypt)	74,343	239	0.02
Eastern Tobacco	52,130	38	0.00
Egyptian Kuwaiti Holdings	29,889	32	0.00
El Sewedy Electric	52,880	32	0.00
Global Telecom	121,729	24	0.00
Talaat Mostafa Group	56,515	27	0.00
Telecom Egypt	22,239	13	0.00
<b>Total Egypt</b>		<b>421</b>	<b>0.02</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>FINLAND - 0.37% (0.34%)</b>			
Elisa	8,052	272	0.01
Fortum	24,285	400	0.02
Huhtamaki	5,258	155	0.01
Kesko B	3,839	154	0.01
Kone B	21,919	933	0.05
Metso	6,061	163	0.01
Neste	23,403	607	0.03
Nokia	314,746	1,159	0.06
Nokian Renkaat	7,613	171	0.01
Nordea Bank	180,440	1,054	0.05
Orion	5,772	146	0.01
Sampo	27,596	944	0.05
Stora Enso (registered)	31,522	283	0.01
UPM-Kymmene	30,032	615	0.03
Wartsila	25,606	304	0.01
<b>Total Finland</b>		<b>7,360</b>	<b>0.37</b>
<b>FRANCE - 3.05% (3.16%)</b>			
Accor	11,367	345	0.02
ADP Promesses	1,595	214	0.01
Air France-Klm	12,129	88	0.00
Air Liquide	21,705	2,173	0.11
Ald	4,439	49	0.00
Alstom	8,670	291	0.01
Amundi	3,217	168	0.01
Arkema	4,049	275	0.01
Atos	5,420	333	0.02
#Atos Rights	5,420	-	0.00
AXA	98,114	1,901	0.10
BioMerieux	2,348	149	0.01
BNP Paribas	55,823	2,201	0.11
Bollore	55,475	199	0.01
Bouygues	11,976	343	0.02
Bureau Veritas	15,493	294	0.01
Capgemini	8,750	795	0.04
Carrefour	31,410	482	0.02
Casino Guichard-Perrachon	3,106	88	0.00
CNP Assurances	9,002	157	0.01
Covivio REIT	2,504	203	0.01
#Covivio REIT Rights	2,504	-	0.00
Credit Agricole	64,093	618	0.03
Danone	30,365	1,853	0.09
Dassault Aviation	131	143	0.01
Dassault Systemes	7,416	866	0.04
Edenred	13,362	478	0.02

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Eiffage	4,234	334	0.02
Electricite de France	29,196	324	0.02
Elis	10,736	141	0.01
Engie	92,259	1,091	0.06
Essilor International	16,308	1,541	0.08
Eurazeo	2,779	153	0.01
Eurofins Scientific	630	228	0.01
Eutelsat Communications	10,491	140	0.01
Faurecia	4,156	140	0.01
Gecina	2,941	345	0.02
Getlink	25,445	312	0.02
Hermes International	1,732	922	0.05
Icade	1,819	120	0.01
Iliad	1,361	126	0.01
Imerys	2,363	86	0.00
Ingenico	3,523	222	0.01
Ipsen Promesses	1,930	183	0.01
JC Decaux	4,780	113	0.01
Kering	4,205	1,891	0.10
Klepierre	11,063	299	0.02
L'Oreal	12,631	2,635	0.13
Lagardere Groupe	6,534	127	0.01
Legrand Promesses	14,999	795	0.04
LVMH	13,313	3,908	0.20
Michelin	9,896	968	0.05
Natixis Banques Populaires	47,367	209	0.01
Orange	109,441	1,301	0.07
Orpea	2,970	260	0.01
Pernod-Ricard	11,898	1,611	0.08
Peugeot	30,601	571	0.03
Plastic Omnium	3,690	75	0.00
Publicis Groupe	11,824	522	0.03
Remy Cointreau	1,383	141	0.01
Renault	10,351	474	0.02
Rexel	17,159	163	0.01
Rubis	4,786	196	0.01
Safran	18,334	1,984	0.10
Saint Gobain Nederland	27,698	821	0.04
Sanofi	55,406	3,562	0.18
Sartorius Stedim Biotech	1,360	147	0.01
Schneider Electric	28,777	1,806	0.09
Scor Regroupe	8,818	278	0.01
Skandinaviska Enskilda Banken	1,535	205	0.01
Societe BIC	1,421	93	0.00
Societe Generale	40,959	914	0.05
Sodexo	4,866	424	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Suez Environnement	20,601	223	0.01
Teleperformance	3,216	469	0.02
Thales	5,629	491	0.02
Total	132,643	5,514	0.28
Ubi soft Entertainment	4,781	343	0.02
Unibail-Rodamco	7,582	945	0.05
Valeo	13,390	331	0.02
Veolia Environnement	28,026	490	0.02
Vinci	26,140	2,012	0.10
Vivendi	54,364	1,176	0.06
Wendel	1,606	170	0.01
Worldline	4,751	213	0.01
<b>Total France</b>		<b>59,984</b>	<b>3.05</b>

### GERMANY - 2.66% (3.10%)

Adidas	9,721	2,142	0.11
Allianz (registered)	21,633	3,797	0.19
Axel Springer	2,879	121	0.01
BASF	48,346	2,674	0.14
Bayer	48,919	2,408	0.12
Beiersdorf	5,614	490	0.02
BMW	18,207	1,112	0.06
BMW Preference	3,127	166	0.01
Brenntag	8,767	342	0.02
Carl Zeiss Meditec	2,076	156	0.01
Commerzbank	58,564	390	0.02
Continental	6,064	695	0.04
Covestro	8,934	345	0.02
Daimler	44,179	2,087	0.11
Delivery Hero	6,132	223	0.01
Deutsche Bank	114,947	685	0.03
Deutsche Boerse	10,328	1,092	0.06
Deutsche Post	55,083	1,386	0.07
Deutsche Telekom	166,831	2,160	0.11
Deutsche Wohnen	20,365	755	0.04
Drillisch	3,044	74	0.00
DWS Group	2,308	60	0.00
E.On	122,100	967	0.05
Evonik Industries	9,411	212	0.01
Fielmann	1,608	87	0.00
Fraport	2,017	128	0.01
Fresenius	22,823	973	0.05
Fresenius Medical Care	11,972	740	0.04
Fuchs Petrolub	2,237	63	0.00
Fuchs Petrolub PFD	3,944	122	0.01
GEA	9,420	196	0.01

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Grenke	1,489	114	0.01
Hannover Rueckversicherung	3,527	410	0.02
Hapag-Lloyd	1,768	39	0.00
HeidelbergCement	8,370	508	0.03
Hella Gmbh & Company	2,964	118	0.01
Henkel	5,705	399	0.02
Henkel Preference	9,809	726	0.04
Hochtief	2,643	263	0.01
Hugo Boss	3,637	183	0.01
Infineon Technologies	64,148	1,018	0.05
Innogy	7,199	252	0.01
K+S	10,861	162	0.01
KION Group	3,993	188	0.01
Knorr-Bremse	2,808	229	0.01
Lanxess	5,157	211	0.01
Leg Immobilien	3,560	345	0.02
Lufthansa	13,273	209	0.01
Merck KGaA	7,279	577	0.03
Metro	9,554	117	0.01
MTU Aero Engines	2,902	511	0.03
Muenchener Ruecker	8,452	1,581	0.08
Osram Licht	5,000	119	0.01
Porsche Preference	8,627	457	0.02
ProSiebenSat.1 Media	12,992	176	0.01
Puma	464	222	0.01
Rational	202	101	0.01
Rheinmetall	2,433	219	0.01
Rocket Internet	4,370	89	0.00
RWE	30,050	610	0.03
RWE Preference	2,540	52	0.00
SAP	52,556	5,166	0.26
Sartorius Preference	1,926	281	0.01
Scout24	6,062	234	0.01
Siemens	41,058	3,808	0.19
Siemens Healthineers	7,347	234	0.01
Suedzucker	4,161	50	0.00
Symrise	7,155	529	0.03
Talanx	2,529	79	0.00
Telefonica Deutschland Holdings	43,192	105	0.01
Thyssenkrupp	26,378	277	0.01
TUI	24,665	202	0.01
Uniper	11,000	248	0.01
United Internet	6,552	179	0.01
Volkswagen	1,794	237	0.01
Volkswagen Preference	10,388	1,355	0.07
Vonovia	29,398	1,240	0.06

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Wacker Chemie	947	58	0.00
Wirecard	6,422	774	0.04
Zalando	7,761	261	0.01
<b>Total Germany</b>		<b>52,370</b>	<b>2.66</b>
<b>GREECE - 0.04% (0.04%)</b>			
Alpha Bank	88,499	94	0.01
Eurobank Ergasias	119,367	74	0.00
#FF Group	1,842	-	0.00
Greek Organisation of Football Prognostics	14,090	103	0.01
Hellenic Petroleum	3,294	22	0.00
Hellenic Telecommunications Organization	13,702	135	0.01
Jumbo	6,897	87	0.01
Motor Oil	3,729	64	0.00
Mytilineos Holdings	6,121	48	0.00
National Bank of Greece	28,758	51	0.00
Titan Cement	2,227	33	0.00
<b>Total Greece</b>		<b>711</b>	<b>0.04</b>
<b>HONG KONG - 1.42% (1.36%)</b>			
Agile Group Holdings	90,000	96	0.01
AIA Group	633,714	4,857	0.25
Asm Pacific Technology	17,196	142	0.01
Bank of China (Hong Kong) Limited	203,587	654	0.03
Bank of East Asia	72,398	173	0.01
Beijing Enterprise Holdings	29,551	115	0.01
BYD Electronics	41,500	54	0.00
Café De Coral	22,000	42	0.00
Cathay Pacific Airways	34,674	42	0.00
China Agri-Industries Holdings	113,000	27	0.00
China Everbright	58,872	76	0.00
China Everbright International	204,472	148	0.01
China Gas Holdings	91,321	217	0.01
China Jinmao Holdings Group	326,000	149	0.01
China Literature	12,800	44	0.00
China Mengniu Dairy	157,045	455	0.02
China Merchants Holdings International	72,078	108	0.01
China Mobile (Hong Kong)	262,289	1,865	0.10
China Overseas Land & Investments	197,496	555	0.03
China Power International Development	287,666	55	0.00
China Resources Beer (Holdings)	89,772	313	0.02
China Resources Gas Group	47,274	170	0.01
China Resources Pharmaceutical Group	94,000	97	0.01
China Resources Power	115,780	121	0.01
China South City Holdings	160,000	18	0.00
China State Construction International Holdings	119,000	89	0.00

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
China Taiping Insurance Holdings	82,473	169	0.01
China Traditional Chinese Medicine Holdings	167,965	70	0.00
China Travel International	191,722	30	0.00
China Unicom	334,805	287	0.02
CITIC Pacific	276,559	294	0.02
CLP	93,074	808	0.04
CNOOC	895,632	1,185	0.06
CSPC Pharmaceutical	247,914	341	0.02
Dah Sing Banking	19,600	29	0.00
Dah Sing Finance Holdings	8,112	32	0.00
ENN Energy Holdings	42,727	302	0.02
Far East Horizon	139,000	110	0.01
First Pacific	125,213	38	0.00
Fosun International	128,000	138	0.01
Galaxy Entertainment G	120,904	621	0.03
Great Eagle Holdings	18,060	63	0.00
Guangdong Investment	166,360	245	0.01
Guotai Junan International	125,000	18	0.00
Haier Electronics Group	69,751	144	0.01
Hang Lung Group	50,000	106	0.01
Hang Lung Properties	115,045	196	0.01
Hang Seng Bank	40,894	827	0.04
Henderson Land Developments	66,715	318	0.02
Hengan	40,867	259	0.01
Hong Kong & China Gas	505,914	952	0.05
Hong Kong Exchanges & Clearing	70,767	1,736	0.09
Hopson Development	35,219	28	0.00
Hysan Development	35,000	146	0.01
Kerry Properties	38,970	123	0.01
Kingboard Laminates Holdings	67,000	49	0.00
Lenovo Group	420,357	268	0.01
Li & Fung	381,729	48	0.00
Lifestyle International Holdings	25,500	30	0.00
Li-Ning	104,000	134	0.01
Link REIT	118,801	1,121	0.06
Longfor Group Holdings	92,116	249	0.01
Melco International Development	50,162	82	0.00
MMG	152,000	43	0.00
MTR	80,297	369	0.02
New World Development	337,680	411	0.02
Nine Dragons Paper Holdings	103,000	72	0.00
NWS Holdings	80,388	127	0.01
PCCW	235,817	107	0.01
Poly Property Group	102,000	29	0.00
Power Assets Holdings	74,219	412	0.02
Sa Sa International	70,615	16	0.00



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Shanghai Industrial Holdings	24,835	42	0.00
Shangri-La Asia	72,000	76	0.00
Shenzhen Investment	210,963	60	0.00
Shougan Fushan Resources Group	258,000	45	0.00
Shun Tak	98,000	32	0.00
Sino Biopharmaceutical	364,007	276	0.01
Sino Land	175,181	227	0.01
Sinofert Holdings	114,000	10	0.00
Sino-Ocean Group Holdings	188,903	61	0.00
Sinotruk (Hong Kong)	35,500	54	0.00
SJM	123,000	111	0.01
Soho China	100,500	26	0.00
Sun Art Retail Group	145,000	93	0.01
Sun Hung Kai Properties	80,416	1,053	0.05
Swire Pacific A	28,602	271	0.01
Swire Pacific B	60,000	89	0.01
Swire Properties	59,765	186	0.01
Techtronic Industries	70,807	359	0.02
Television Broadcasts	15,532	22	0.00
Towngas China	58,000	34	0.00
Vitasoy International	46,000	183	0.01
Vtech	10,745	77	0.00
Wharf Holdings	69,722	156	0.01
Wheelock	46,466	249	0.01
Xinyi Glass	134,000	111	0.01
Yuexiu Property	404,000	70	0.00
<b>Total Hong Kong</b>		<b>27,837</b>	<b>1.42</b>
<b>HUNGARY - 0.04% (0.04%)</b>			
Magyar Telekom Telecommunications	21,050	24	0.00
Mol Hungarian Oil & Gas	23,820	205	0.01
OTP Bank	12,840	422	0.02
Richter Gedeon Nyrt	7,906	109	0.01
<b>Total Hungary</b>		<b>760</b>	<b>0.04</b>
<b>INDONESIA - 0.24% (0.19%)</b>			
Adaro Energy	679,972	45	0.00
Astra Agro Lestari	26,100	14	0.00
Astra International	1,138,024	424	0.02
Bank Danamon	1,406,200	371	0.02
Bank Negara Indonesia	416,162	184	0.01
Bank of Central Asia	541,630	795	0.04
Bank of Mandiri	1,041,262	416	0.02
Bank Rakyat Indonesia	2,975,585	622	0.03
Barito Pacific	218,600	44	0.00
Bumi Serpong Damai	379,000	25	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Charoen Pokphand Indon	413,802	99	0.01
Gudang Garam	26,289	114	0.01
Hanjaya Handala Sampoerna	495,100	90	0.00
Indah Kiat Paper & Pulp	175,200	56	0.00
Indocement Tunggal Prak	86,216	88	0.00
Indofood CBP Sukses Makmur	151,100	77	0.00
Indofood Sukses Makmur	285,601	96	0.01
Jasa Marga	116,800	33	0.00
Kalbe Farma	1,251,480	91	0.01
Matahari Department Store	124,400	24	0.00
Media Nusantara Citra	278,400	14	0.00
Perusahaan Gas Negara	598,765	64	0.00
Semen Indonesia (Persero)	164,955	94	0.01
Surya Citra Media	280,700	22	0.00
Tambang Batubara Bukit Asam	262,500	41	0.00
Telekomunikasi Indonesia	2,609,891	513	0.03
Tower Bersama Infrastructure	104,800	18	0.00
Unilever Indonesia	65,024	147	0.01
United Tractor	85,804	117	0.01
Vale Indonesia	113,200	16	0.00
XL Axiata	191,200	27	0.00
<b>Total Indonesia</b>		<b>4,781</b>	<b>0.24</b>

**IRELAND - 1.43% (1.07%)**

Accenture	34,958	4,766	0.24
AIB Group	44,485	156	0.01
Alkermes	8,702	172	0.01
Allegion	8,184	639	0.03
Allergan	19,059	2,026	0.10
Bank of Ireland	51,665	238	0.01
CRH	46,487	1,157	0.06
DCC (London listed)	5,568	383	0.02
Eaton	24,573	1,519	0.08
Glanbia	11,171	158	0.01
Ingersoll-Rand	13,767	1,298	0.07
James Hardie Industries	24,844	244	0.01
Jazz Pharmaceuticals	3,302	355	0.02
Johnson Controls International	51,959	1,578	0.08
Kerry Group A	8,206	750	0.04
Kingspan Group	8,470	329	0.02
Linde (EUR)	12,735	1,797	0.09
Linde (USD)	17,012	2,392	0.12
Medtronic	73,759	5,058	0.26
Nvent Electric	18,468	361	0.02
Paddy Power	4,433	259	0.01
Pentair	14,776	422	0.02

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Perrigo	7,226	278	0.01
Seagate Technology	16,026	568	0.03
Smurfit Kappa Group	13,364	290	0.01
Willis Towers Watson	7,292	995	0.05
<b>Total Ireland</b>		<b>28,188</b>	<b>1.43</b>
<b>ISLE OF MAN - 0.02% (0.02%)</b>			
GVC Holdings	32,585	193	0.01
NEPI Rockcastle	20,020	130	0.01
<b>Total Isle of Man</b>		<b>323</b>	<b>0.02</b>
<b>ISRAEL - 0.18% (0.19%)</b>			
Airport City	4,711	59	0.00
Alony Hetz Properties & Investments	6,744	63	0.00
Amot Investments	6,355	29	0.00
Azrieli Group	2,438	104	0.01
Bank Hapoalim	61,103	348	0.02
Bank Leumi Le Israel	83,804	438	0.02
Bezeq Israeli Telecom	122,737	73	0.00
Check Point Software Technologies	6,684	607	0.03
Delek Group	345	45	0.00
First International Bank	2,780	53	0.00
Gazit-Globe	5,139	31	0.00
Harel Insurance Investments	6,301	37	0.00
Israel Chemicals	38,822	163	0.01
Israel Corporation	197	37	0.00
Israel Discount Bank	66,052	195	0.01
Melison	759	28	0.00
Migdal Insurance And Financial Holdings	21,088	18	0.00
Mizrahi Tefahot Bank	7,307	120	0.01
Nice Systems	3,475	357	0.02
Oil Refineries	80,017	32	0.00
Paz Oil	676	75	0.01
Phoenix Holdings	8,044	38	0.00
Shufersal	7,358	39	0.00
Strauss	2,175	45	0.00
Teva Pharmaceutical	55,513	491	0.03
Tower Semiconductor	6,567	93	0.01
<b>Total Israel</b>		<b>3,618</b>	<b>0.18</b>
<b>ITALY - 0.65% (0.81%)</b>			
A2A	87,543	115	0.01
Atlantia	29,932	597	0.03
Banca Mediolanum	16,227	87	0.00
Banche Popolari Unite	51,747	113	0.01
Banco BPM	85,714	128	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Buzzi Unicem	4,745	78	0.00
Buzzi Unicem Non Convertible	1,930	22	0.00
Davide Campari Milano	32,120	254	0.01
Diasorin	1,478	123	0.01
Enel	396,507	1,925	0.10
ENI	140,846	1,781	0.09
Finecobank Banco Fineco	32,126	271	0.01
Finmeccanica	21,944	188	0.01
Fondiaria Sai	37,691	80	0.00
Generali	72,953	1,080	0.05
Hera	45,386	130	0.01
Intesa Sanpaolo	850,018	1,578	0.08
Italgas	27,758	137	0.01
Mediaset	18,472	46	0.00
Mediobanca	41,249	313	0.02
Moncler	9,699	303	0.02
Pirelli & C	24,474	125	0.01
Poste Italiane	26,166	208	0.01
Prada	34,095	80	0.00
Prysmian	14,742	219	0.01
Recordati	5,373	165	0.01
Saipem	31,896	115	0.01
Salvatore Ferragamo	4,368	81	0.00
Snam SpA	127,639	501	0.02
Telecom Italia	605,743	235	0.01
Telecom Italia RNC	342,049	126	0.01
Terna	79,440	383	0.02
UniCredit SpA	126,102	1,168	0.06
<b>Total Italy</b>		<b>12,755</b>	<b>0.65</b>
<b>JAPAN - 7.80% (8.39%)</b>			
ABC-Mart	1,640	77	0.00
Acom	22,530	58	0.00
Advantest	10,949	238	0.01
Aeon	39,281	549	0.03
Aeon Financial Service	7,571	101	0.01
Aeon Mall	7,800	91	0.00
Aica Kogyo	3,500	91	0.00
Aiful	15,600	24	0.00
AIN Holdings	1,800	110	0.01
Air Water	10,000	120	0.01
Aisin Seiki	9,722	260	0.01
Ajinomoto	27,512	371	0.02
Alfresa Holdings	9,786	201	0.01
Alps Electric	12,140	175	0.01
Amada	18,267	147	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
ANA Holdings	6,300	165	0.01
Aoyama Trading	2,939	46	0.00
Aozora Bank	7,300	133	0.01
Ariake Japan	1,200	60	0.00
Asahi Breweries	21,552	730	0.04
Asahi Glass	10,400	265	0.01
Asahi Intecc	5,600	216	0.01
Asahi Kasei	70,057	578	0.03
Asics Corporation	11,454	107	0.01
Askul	1,800	37	0.00
Astellas Pharma	108,591	1,122	0.06
Autobacs Seven	3,329	40	0.00
Awa Bank	2,200	40	0.00
Azbil	7,700	139	0.01
Bandai Namco Holdings	11,005	409	0.02
Bank of Kyoto	4,100	126	0.01
Benefit One	3,400	52	0.00
Benesse	4,604	80	0.00
Bic Camera	10,000	81	0.00
Bridgestone	34,906	1,009	0.05
Brother Industries	13,397	182	0.01
Calbee	4,971	104	0.01
Canon	58,480	1,277	0.07
Canon Marketing Japan	2,400	39	0.00
Capcom	6,100	92	0.01
Casio Computer	12,319	110	0.01
Central Japan Railway	9,998	1,573	0.08
Century Tokyo Leasing	2,809	92	0.00
Chiba Bank	35,788	133	0.01
Chubu Electric Power	39,400	428	0.02
Chugai Pharmaceuticals	12,218	605	0.03
Chugoku Bank	10,385	73	0.00
Chugoku Electric Power	16,357	156	0.01
Citizen Watch	17,999	66	0.00
Coca-Cola West Japan	7,969	152	0.01
Comsys Holdings	6,500	121	0.01
Concordia Financial Group	65,500	186	0.01
Cosmo Energy Holdings	4,300	74	0.00
Cosmos Pharmaceutical	600	76	0.00
Credit Saison	9,096	79	0.00
CyberAgent	5,500	177	0.01
Dai Nippon Printing	16,600	295	0.02
Daicel Corporation	16,157	112	0.01
Daido Steel	2,300	66	0.00
Daifuku	5,500	225	0.01
Dai-ichi Mutual Life Insurance	62,744	686	0.04

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Daiichi Sankyo	35,772	1,404	0.07
Daiichikoshu	2,700	99	0.01
Daikin Industries	15,010	1,441	0.07
Daishi Hokuetsu	2,800	55	0.00
Daito Trust Construction	3,906	361	0.02
Daiwa House Industry	36,683	813	0.04
Daiwa Securities Group	88,448	303	0.02
Dena	7,330	106	0.01
Denka	5,000	114	0.01
Denso	25,777	801	0.04
Dentsu	12,371	382	0.02
DIC	5,300	105	0.01
Disco	1,529	189	0.01
DMG Mori	6,557	68	0.00
Pan Pacific International Holdings	7,195	348	0.02
Dowa Mining	3,000	72	0.00
East Japan Railway	20,069	1,423	0.07
Ebara	5,700	120	0.01
Eisai	14,922	657	0.03
Electric Power Development	9,400	152	0.01
Exedy	1,600	26	0.00
Ezaki Glico	3,418	131	0.01
Familymart	13,000	247	0.01
Fancl	3,900	86	0.00
Fanuc	10,763	1,469	0.08
Fast Retailing	2,943	1,335	0.07
FP	1,400	62	0.00
Fuji Electric	7,100	187	0.01
Subaru Corporation	31,712	580	0.03
Fuji Media Holdings	2,600	26	0.00
Fuji Oil	2,900	73	0.00
Fuji Seal	2,400	66	0.00
Fujifilm Holdings	19,605	713	0.04
Fujikura	17,806	51	0.00
Fujitsu	10,900	574	0.03
Fujitsu General	2,700	28	0.00
Fukuoka Financial	8,300	118	0.01
Fukuyama Transport	2,200	60	0.00
Furukawa Electric	3,800	75	0.00
Fuyo General Lease	1,300	49	0.00
Glory	3,849	71	0.00
GMO Internet	4,100	49	0.00
GMO Payment Gateway	2,400	133	0.01
Goldwin	1,000	105	0.01
GS Yuasa	5,000	68	0.00
GungHo Online Entertainment	20,000	52	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Gunma Bank	24,991	68	0.00
H.I.S	2,377	59	0.00
H2O Retailing Group	5,575	46	0.00
Hachijuni Bank	30,179	94	0.00
Hakuhodo DY Holdings	13,479	157	0.01
Hamamatsu Photonics	7,241	210	0.01
Hankyu	12,600	359	0.02
Haseko	15,787	128	0.01
Heiwa	3,500	56	0.00
Hikari Tsushin	1,135	160	0.01
Hino Motors	16,832	110	0.01
Hirose Electric	2,129	191	0.01
Hiroshima Bank	16,700	65	0.00
Hisamitsu Pharmaceutical	4,103	128	0.01
Hitachi	52,200	1,415	0.07
Hitachi Capital	2,860	48	0.00
Hitachi Chemical	6,649	142	0.01
Hitachi Construction Machinery	6,056	109	0.01
Hitachi High-Technologies	3,814	133	0.01
Hitachi Metals	13,073	103	0.01
Hitachi Transport System	2,800	62	0.00
Hokkaido Electric Power	10,580	44	0.00
Hokuhoku Financial Group	7,600	62	0.00
Hokuriku Electric Power	11,328	60	0.00
Honda Motor	95,251	1,895	0.10
Horiba	2,500	98	0.01
Hoshizaki Electric	2,966	158	0.01
House Foods	4,250	133	0.01
Hoya	20,841	1,168	0.06
Hulic	20,201	131	0.01
Ibiden	6,983	93	0.01
Ichigo Group Holdings	11,600	28	0.00
Idemitsu Kosan	12,675	300	0.02
IHI Corporation	7,400	125	0.01
IIDA Group Holdings	9,100	115	0.01
Inpex	51,400	367	0.02
Isetan Mitsukoshi Holdings	20,305	132	0.01
Isuzu Motors	28,720	240	0.01
IT Holdings	4,600	164	0.01
Ito En	3,300	125	0.01
Itochu	79,483	1,130	0.06
ITOCHU Techno-Solutions	6,400	119	0.01
Itoham Yonekyu	6,600	32	0.00
Iyo Bank	18,100	75	0.00
Izumi	2,496	84	0.00
J Front Retailing	14,000	121	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Japan Airlines	6,600	168	0.01
Japan Airport Terminal	3,131	97	0.01
Japan Aviation Electronic	2,995	35	0.00
Japan Exchange Group	30,200	381	0.02
Japan Petroleum Exploration	1,700	29	0.00
Japan Post Bank	23,200	193	0.01
Japan Post Holdings	69,026	589	0.03
Japan Post Insurance	16,255	236	0.01
Japan Steel Works	3,693	45	0.00
Japan Tobacco	68,115	1,218	0.06
JFE Holdings	24,189	287	0.01
JGC	12,298	131	0.01
JSR	10,509	116	0.01
JTEKT	12,893	113	0.01
JX Holdings	164,700	640	0.03
Kagome	5,100	96	0.01
Kajima	25,800	279	0.01
Kakaku.com	7,500	119	0.01
Kaken Pharmaceutical	2,255	77	0.00
Kamigumi	5,900	104	0.01
Kandenko	7,700	49	0.00
Kaneka	3,400	94	0.00
Kansai Electric Power	40,971	374	0.02
Kansai Mirai Financial	12,000	57	0.00
Kansai Paint	11,004	145	0.01
Kao	26,809	1,642	0.08
Kawasaki Heavy Industries	8,300	145	0.01
Kawasaki Kisen Kaisha	4,900	47	0.00
KDDI	86,816	1,652	0.08
Keihan Electric Railway	5,500	188	0.01
Keikyu Corporation	11,500	141	0.01
Keio	6,500	337	0.02
Keisei Electric Railway	7,900	219	0.01
Kewpie	6,179	111	0.01
Keyence	4,300	2,020	0.10
Kikkoman	8,941	324	0.02
Kinden	8,674	104	0.01
Kintetsu	7,900	287	0.01
Kirin Holdings	45,359	718	0.04
Kissei Pharmaceutical	1,700	30	0.00
Kobayashi Pharmaceutical	3,000	185	0.01
Kobe Steel	19,600	97	0.00
Koito Manufacturing	6,482	266	0.01
Kokuyo	4,700	47	0.00
Komatsu	51,426	871	0.04
Komeri	1,500	23	0.00



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Konami	5,401	186	0.01
Konica Minolta	21,547	149	0.01
Kose	1,632	215	0.01
K's Holdings	12,400	93	0.00
Kubota	62,633	734	0.04
Kuraray	19,789	175	0.01
Kurita Water Industries	6,236	115	0.01
Kusuri No Aoki	800	41	0.00
Kyocera	17,363	847	0.04
Kyorin	2,400	33	0.00
Kyoritsu Maintenance	1,600	63	0.00
Kyowa Exeo	6,000	111	0.01
Kyowa Hakko Kogyo	12,244	173	0.01
Kyudenko	2,400	56	0.00
Kyushu Electric Power	26,082	188	0.01
Kyushu Financial Group	25,500	78	0.00
Kyushu Railway Company	9,100	214	0.01
Lawson	2,780	98	0.01
Line	3,500	90	0.00
Lintec	3,100	50	0.00
Lion	12,347	179	0.01
LIXIL Group	14,922	143	0.01
Mabuchi Motor	3,212	85	0.00
Maeda	8,900	59	0.00
Maeda Road Construction	3,800	58	0.00
Makita	13,800	370	0.02
Marubeni	88,023	441	0.02
Maruha Nichiro	2,400	56	0.00
Marui	11,833	191	0.01
Maruichi Steel Tube	4,069	81	0.00
Matsui Securities	5,500	39	0.00
Matsumotokiyoshi	4,400	108	0.01
Mazda Motor	32,100	277	0.01
Mebuki Financial Group	57,648	110	0.01
Medipal Holdings	8,732	148	0.01
Megmilk Snow Brand	2,800	44	0.00
Meiji Holdings	7,573	429	0.02
Minebea	23,649	299	0.02
Miraca Holdings	3,132	51	0.00
Misumi	15,648	288	0.02
Mitsubishi	63,104	1,297	0.07
Mitsubishi Chemical Holdings	71,628	372	0.02
Mitsubishi Electric	111,205	1,142	0.06
Mitsubishi Estate	66,569	960	0.05
Mitsubishi Gas Chemical	10,500	104	0.01
Mitsubishi Heavy Industries	16,100	539	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Mitsubishi Logistics	4,400	93	0.00
Mitsubishi Materials	7,100	136	0.01
Mitsubishi Motors	35,524	125	0.01
Mitsubishi Shokuhin	800	16	0.00
Mitsubishi Tanabe Pharma	12,578	113	0.01
Mitsubishi UFJ Financial Group	636,590	2,319	0.12
Mitsubishi UFJ Lease & Finance	26,712	97	0.00
Mitsui & Company	95,700	1,127	0.06
Mitsui Chemicals	10,000	177	0.01
Mitsui Fudosan	53,206	961	0.05
Mitsui Mining & Smelting	3,600	67	0.00
Mitsui OSK Lines	7,200	131	0.01
Miura	6,400	123	0.01
Mizuho Financial Group	1,260,454	1,469	0.07
Mochida Pharmaceutical	1,400	49	0.00
Monotaro	6,700	109	0.01
Morinaga	2,600	84	0.00
Morinaga Milk Industry	2,300	66	0.00
MS & AD Insurance Group	27,721	653	0.03
Murata Manufacturing	32,100	1,167	0.06
Nabtesco	6,700	134	0.01
Nagase & Company	7,300	85	0.00
Nagoya Railroad	10,700	227	0.01
Nankai Electric Railway	6,200	124	0.01
NEC	14,500	388	0.02
Nexon	23,100	272	0.01
NGK Insulators	15,058	166	0.01
NGK Spark Plug	9,477	130	0.01
NH Foods	5,800	180	0.01
NHK Spring	9,182	54	0.00
Nichirei	6,900	130	0.01
Nidec	11,288	1,174	0.06
Nifco	5,400	109	0.01
Nihon Kohden	4,552	94	0.00
Nihon M&A Center	7,300	150	0.01
Nihon Unisys	4,300	102	0.01
Nikon	17,344	174	0.01
Nintendo	5,971	1,584	0.08
Nippo Corporation	3,000	46	0.00
Nippon Electric Glass	5,300	103	0.01
Nippon Express	4,100	170	0.01
Nippon Gas	2,600	51	0.00
Nippon Kayaku	11,161	100	0.01
Nippon Paint	7,767	219	0.01
Nippon Paper Industries	6,300	88	0.00
Nippon Shinyaku	2,986	167	0.01

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Nippon Shokubai	2,126	99	0.01
Nippon Steel Corporation	45,642	595	0.03
Nippon Telegraph & Telephone	36,681	1,263	0.06
Nippon Television Network	2,700	30	0.00
Nippon Yusen KK	9,100	110	0.01
Nipro	6,745	59	0.00
Nishi-Nippon Financial Holdings	10,200	60	0.00
Nishi-Nippon Railroad	5,000	84	0.00
Nissan Chemical Industries	7,799	257	0.01
Nissan Motor	100,887	562	0.03
Nissan Shatai	3,327	22	0.00
Nisshin Seifun	14,416	257	0.01
Nisshinbo Industries	8,027	45	0.00
Nissin Food Products	3,896	187	0.01
Nitori	4,191	392	0.02
Nitto Denko	8,822	324	0.02
Noevir Holdings	900	37	0.00
NOF	3,900	107	0.01
NOK	6,876	76	0.00
Nomura Holdings	186,903	490	0.02
Nomura Real Estate Holdings	7,600	122	0.01
Nomura Research Institute	4,700	177	0.01
North Pacific Bank	15,000	26	0.00
NSK	24,965	167	0.01
NTN	27,342	61	0.00
NTT Data	35,500	307	0.02
NTT DoCoMo	66,304	1,146	0.06
Obayashi	37,863	277	0.01
Obic	3,829	334	0.02
Obic Business Consultants	1,000	31	0.00
Odakyu Electric Railway	17,200	328	0.02
Oji Holdings Corporation	43,364	185	0.01
Okuma	1,900	79	0.00
Olympus Optical	54,600	492	0.03
Omron	10,783	423	0.02
Ono Pharmaceutical	24,847	336	0.02
Open House	1,700	44	0.00
Oracle Japan	1,871	100	0.01
Orient	30,400	25	0.00
Oriental Land	10,701	962	0.05
Orix	72,212	788	0.04
Osaka Gas	22,300	305	0.02
OSG	5,196	76	0.00
Otsuka	5,800	174	0.01
Otsuka Holdings	23,597	651	0.03
Paltac	2,100	88	0.00

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Panasonic	119,988	766	0.04
Park24	6,890	105	0.01
Penta-Ocean Construction	16,400	61	0.00
Peptidream	4,800	189	0.01
Pigeon Corporation	6,138	195	0.01
Pilot	1,400	39	0.00
Pola Orbis Holdings	4,900	109	0.01
Rakuten	44,276	349	0.02
Recruit Holdings	58,000	1,345	0.07
Relo Holdings	5,900	119	0.01
Renesas Electronics	39,247	167	0.01
Rengo	12,600	89	0.00
Resona	122,590	402	0.02
Resort Trust	3,508	38	0.00
Ricoh	38,307	281	0.01
Rinnai	2,331	119	0.01
Rohm	5,060	264	0.01
Rohto Pharmaceutical	5,528	118	0.01
Ryohin Keikaku	1,308	184	0.01
San-in Godo Bank	10,389	51	0.00
Sankyo	3,400	101	0.01
Sankyu	3,200	124	0.01
Sanrio	3,900	69	0.00
Santen Pharmaceuticals	20,407	233	0.01
Sanwa Holdings	11,296	98	0.00
Sapporo Breweries	4,200	66	0.00
Sawai Pharmaceutical	2,466	92	0.00
SBI Holdings	12,651	227	0.01
Screen Holdings	2,300	82	0.00
SCSK	2,850	98	0.01
Secom	10,955	696	0.04
Sega Sammy Holdings	12,800	124	0.01
Seibu Holdings	12,100	156	0.01
Seiko Epson	15,600	182	0.01
Seino Holdings	10,063	100	0.01
Sekisui Chemical	19,922	233	0.01
Sekisui House	32,700	406	0.02
Seven & I Holdings	42,327	1,112	0.06
Seven Bank	43,700	87	0.00
Seventy Seven Bank	4,500	47	0.00
SG Holdings	12,000	253	0.01
Sharp	9,300	71	0.00
Shiga Bank	3,300	59	0.00
Shikoku Electric Power	10,216	73	0.00
Shima Seiki Manufacturing	1,700	37	0.00
Shimachu	2,465	44	0.00

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Shimadzu	15,114	300	0.02
Shimamura	1,378	75	0.00
Shimano	4,432	505	0.03
Shimizu	31,920	216	0.01
Shin-Etsu Chemical	22,600	1,540	0.08
Shinnittetsu Sumikin Solutions	1,800	40	0.00
Shinsei Bank	10,300	112	0.01
Shionogi	15,965	716	0.04
Shiseido	22,003	1,347	0.07
Shizuoka Bank	28,897	178	0.01
Sho-Bond Holdings	1,300	69	0.00
Shochiku Film	600	55	0.00
Showa Denko KK	8,100	180	0.01
Sky Perfect JSAT	6,900	20	0.00
Skylark	10,800	135	0.01
SMC	3,261	926	0.05
Softbank	44,229	3,237	0.16
Softbank Corporation	90,338	906	0.05
Sohgo Securities Services	3,896	141	0.01
Sojitz Holdings	70,987	179	0.01
Sompo Japan Nipponkoa Holdings	19,500	582	0.03
So-Net M3	22,700	328	0.02
Sony	64,023	2,485	0.13
Sony Financial Holdings	9,900	160	0.01
Sotetsu Holdings	4,900	106	0.01
Square Enix	5,098	132	0.01
Stanley Electric	7,071	137	0.01
Start Today	9,900	148	0.01
Sugi Holdings	2,357	88	0.00
Sumco	13,300	128	0.01
Sumitomo	63,026	710	0.04
Sumitomo Bakelite	2,200	63	0.00
Sumitomo Chemical	88,133	321	0.02
Sumitomo Dainippon Pharma	9,410	153	0.01
Sumitomo Electric Industries	42,397	416	0.02
Sumitomo Forestry	8,901	82	0.00
Sumitomo Heavy Industries	6,400	158	0.01
Sumitomo Metal Mining	10,300	210	0.01
Sumitomo Mitsui Financial Group	67,119	1,824	0.09
Sumitomo Mitsui Trust Holdings	20,900	551	0.03
Sumitomo Osaka Cement	2,300	66	0.00
Sumitomo Realty & Development	22,458	637	0.03
Sumitomo Rubber Industries	11,919	105	0.01
Sundrug	3,900	78	0.00
Suntory Beverage & Food	6,300	208	0.01
Suzuken	3,753	171	0.01

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Suzuki Motor	24,308	874	0.04
Sysmex	10,726	568	0.03
T&D Holdings	31,426	263	0.01
Tadano	8,186	64	0.00
Taiheiyo Cement	6,900	157	0.01
Taisei	11,800	371	0.02
Taisho Pharmaceuticals	2,400	159	0.01
Taiyo Nippon Sanso	9,507	139	0.01
Taiyo Yuden	7,228	118	0.01
Takara Bio	3,100	51	0.00
Takara Holdings	11,575	103	0.01
Takashimaya	9,800	83	0.00
Takeda Pharmaceutical	78,751	2,217	0.11
TDK	6,800	438	0.02
Technopro	2,400	108	0.01
Tecmo Koei	3,800	52	0.00
Teijin	11,700	150	0.01
Persol Holdings	9,600	134	0.01
Terumo	34,500	738	0.04
THK	6,936	125	0.01
Tobu Railway	11,600	259	0.01
Toda	13,129	59	0.00
Toho	6,510	214	0.01
Toho Gas	4,200	127	0.01
Tohoku Electric Power	26,547	215	0.01
Tokai Carbon	11,100	93	0.00
Tokai Rika	2,809	35	0.00
Tokai Tokyo Securities	12,240	30	0.00
Tokio Marine Holdings	36,745	1,432	0.07
Tokuyama	3,900	74	0.00
Tokyo Broadcasting Systems	2,000	24	0.00
Tokyo Electric Power	87,577	363	0.02
Tokyo Electron	8,840	1,047	0.05
Tokyo Gas	24,400	464	0.02
Tokyo Tatemono	11,670	100	0.01
Tokyu	27,800	378	0.02
Tokyu Fudosan	38,000	173	0.01
Topcon	5,954	55	0.00
Toppan Printing	14,800	190	0.01
Toray Industries	85,200	459	0.02
Toshiba	30,900	794	0.04
Toshiba Plant Systems & Services	2,700	36	0.00
Tosoh	13,500	145	0.01
TOTO	8,126	221	0.01
Toyo Seikan Group	8,697	137	0.01
Toyo Suisan Kaisha	5,184	158	0.01

## Portfolio Statement

as at 15 May 2019

Security	Holding	Bid value £'000	Total net assets %
Toyo Tire & Rubber	6,663	64	0.00
Toyobo	5,800	53	0.00
Toyoda Gosei	5,057	73	0.00
Toyota Boshoku	3,522	36	0.00
Toyota Industries	7,200	292	0.02
Toyota Motor	132,441	6,172	0.31
Toyota Tsusho	12,578	297	0.02
Trend Micro	5,730	210	0.01
TS Tech	3,429	70	0.00
Tsumura	4,373	96	0.00
Tsuruha Holdings	2,100	134	0.01
TV Asahi Corporation	1,200	15	0.00
Ube Industries	5,800	90	0.00
Ulvac	3,200	84	0.00
Uni-Charm	21,816	519	0.03
Ushio	7,915	82	0.00
USS	12,187	173	0.01
Wacoal	3,800	71	0.00
Welcia	3,300	91	0.00
West Japan Railway	10,318	615	0.03
Yahoo Japan	132,364	291	0.02
Yakult Honsha	6,921	335	0.02
Yamada Denki	41,017	146	0.01
Yamaguchi Financial Group	14,000	83	0.00
Yamaha	9,175	347	0.02
Yamaha Motor	15,758	213	0.01
Yamato Holdings	20,032	328	0.02
Yamato Kogyo	1,900	40	0.00
Yamazaki Baking	8,122	98	0.00
Yaoko	1,400	54	0.00
Yaskawa Electric	14,768	396	0.02
Yokogawa Electric	13,699	203	0.01
Yokohama Rubber	6,621	92	0.00
Zenkoku Hosho	3,300	89	0.00
Zensho Holdings	5,100	84	0.00
Zeon	9,700	74	0.00
<b>Total Japan</b>		<b>153,372</b>	<b>7.80</b>
<b>KOREA - 1.40% (1.68%)</b>			
Amorepacific	1,786	233	0.02
AmorePacific Group	1,861	86	0.00
Amorepacific Preference	586	42	0.00
BGF	890	4	0.00
BGF Retail	404	53	0.00
BNK Financial Group	18,538	85	0.00
Celltrion	4,462	572	0.03
Celltrion Healthcare	2,930	131	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Cheil Communications	4,593	77	0.00
CJ Cheil Jedang	482	90	0.01
CJ Corporation	798	56	0.00
#CJ Corporation Preference	119	-	0.00
CJ ENM	546	69	0.00
CJ Logistics Corporation	546	55	0.00
Woongjin Coway	3,168	158	0.01
Daelim Industrial	1,765	117	0.01
Daewoo Engineering & Construction	9,450	30	0.00
POSCO International	2,624	30	0.00
Daewoo Shipbuilding & Marine Engineering	2,692	49	0.00
Kakao Corporation	2,827	243	0.01
DGB Financial Group	10,191	56	0.00
DB Insurance	2,876	116	0.01
Dongsuh Companies	1,650	22	0.00
Doosan	371	25	0.00
Doosan Bobcat	1,357	29	0.00
Doosan Heavy Industries & Construction	5,574	23	0.00
Doosan Infracore	7,076	31	0.00
E-Mart	1,137	115	0.01
Fila Korea	2,948	150	0.01
GS Engineering & Construction	3,377	87	0.01
GS Holdings	3,283	106	0.01
GS Retail	1,414	33	0.00
Hana Financial	16,634	398	0.02
Hankook Tire	4,217	102	0.01
Hanmi Pharmaceutical	398	107	0.01
Hanmi Science	864	40	0.00
Hanon Systems	10,684	80	0.00
Hanssem	639	37	0.00
Hanwha Chemical	4,793	67	0.00
Hanwha Life Insurance	15,486	36	0.00
Hanwha Techwin	1,937	38	0.00
HDC Holdings	2,413	25	0.00
HDC Hyundai Development	2,183	61	0.00
Helixmith	770	120	0.01
Hitejinro	1,708	24	0.00
HLB	1,992	101	0.01
Hotel Shilla	1,748	115	0.01
Hyosung TNC	167	17	0.00
Hyundai Construction Equipment	608	17	0.00
Hyundai Department Store	1,002	59	0.00
Hyundai Engineering & Construction	4,107	132	0.01
Hyundai Glovis	1,197	119	0.01
Hyundai Heavy Industries	589	120	0.01
Hyundai Heavy Industries Holdings	2,361	171	0.01



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Hyundai Marine & Fire Insurance	4,012	83	0.00
Hyundai Mipo Dockyard	1,082	36	0.00
Hyundai Mobis	3,662	509	0.03
Hyundai Motor	8,024	669	0.03
Hyundai Motor PFD Series 2	2,035	106	0.01
Hyundai Motor Preference	1,476	70	0.00
Hyundai Steel	4,233	118	0.01
Hyundai Wia Corporation	841	24	0.00
Industrial Bank of Korea	14,935	136	0.01
Kangwon Land	6,003	124	0.01
KB Financial Group	22,037	664	0.03
KCC	336	59	0.00
Kepco Plant Service & Engineering	1,041	22	0.00
Kia Motors	14,538	398	0.02
Korea Aerospace Industries	4,191	87	0.01
Korea Electric Power	14,305	246	0.01
Korea Gas	1,754	48	0.00
Korea Investment	2,454	111	0.01
Korea Zinc	656	187	0.01
Korean Airlines	3,162	69	0.00
KT&G	6,203	406	0.02
Kumho Petrochemical	1,161	69	0.00
LG Chemicals	2,578	574	0.03
LG Chemicals Preference	465	57	0.00
LG Corporation	5,048	236	0.01
LG Display	12,605	146	0.01
LG Electronics	6,044	286	0.02
LG Electronics Preference	972	19	0.00
LG Household & Healthcare	492	419	0.02
LG Household & Healthcare Preference	140	67	0.00
LG Uplus	11,899	121	0.01
Lotte Chemical Corporation	831	144	0.01
Lotte Chilsung Beverages	190	20	0.00
Lotte Confectionery	1,634	49	0.00
Lotte Shopping	719	78	0.00
LS Cable	1,329	40	0.00
Mando Corporation	2,135	43	0.00
Medy-Tox	231	78	0.00
Mirae Asset Daewoo	24,620	119	0.01
Mirae Asset Daewoo Preference	9,338	23	0.00
NAVER Corporation	7,583	595	0.03
NCsoft	998	325	0.02
Netmarble Games	1,159	89	0.01
NH Investments & Securities	8,416	73	0.00
NHN Entertainment	785	40	0.00
Nong Shim	157	28	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
OCI	1,063	62	0.00
Orion Corporation	1,348	84	0.00
Ottogi	69	32	0.00
Paradise	2,554	29	0.00
POSCO	3,827	599	0.03
Posco Chemtech	1,173	41	0.00
S1 Corporation	1,254	79	0.00
Samsung BioLogics	754	153	0.01
Samsung C&T	4,904	320	0.02
Samsung Card	1,561	36	0.00
Samsung Electro-Mechanics	3,121	206	0.01
Samsung Electronics	252,840	7,035	0.36
Samsung Electronics Preference	33,491	757	0.04
Samsung Engineering	9,410	102	0.01
Samsung Fine Chemicals	985	30	0.00
Samsung Fire & Marine Insurance	1,853	335	0.02
Samsung Fire & Marine Insurance Preference	152	19	0.00
Samsung Heavy Industries	24,672	128	0.01
Samsung Life Insurance	3,562	189	0.01
Samsung SDI	2,949	426	0.02
Samsung SDS	1,788	241	0.01
Samsung Securities	3,696	83	0.00
Shinhan Financial	25,528	750	0.04
Shinsegae	458	91	0.01
SillaJen	2,972	109	0.01
SK Holdings	1,936	318	0.02
SK Hynix	25,191	1,226	0.06
SK Innovation	3,267	363	0.02
SK Networks	8,100	28	0.00
SK Telecommunications	1,279	215	0.01
SKC Company	1,070	23	0.00
S-Oil Corporation	2,314	129	0.01
Ssangyong Cement Industrial	5,816	22	0.00
Woori Financial Group	31,525	284	0.02
Yuhan	540	83	0.00
<b>Total Korea</b>		<b>27,496</b>	<b>1.40</b>
<b>KUWAIT - 0.09% (0.00%)</b>			
Agility	59,112	109	0.01
Boubyan Bank	54,904	80	0.01
Boubyan Petrochemicals	25,000	60	0.00
Gulf Bank of Kuwait	98,829	75	0.00
Human Soft Holdings	6,328	55	0.00
Kuwait Finance House	203,500	338	0.02
Mobile Telephone System	118,945	147	0.01
National Bank of Kuwait	344,780	816	0.04
<b>Total Kuwait</b>		<b>1,680</b>	<b>0.09</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>LUXEMBOURG - 0.09% (0.10%)</b>			
ArcelorMittal	34,001	453	0.02
Aroundtown	37,480	244	0.01
B&M European Value Retail	48,265	187	0.01
L'Occitane International	24,533	34	0.00
RTL Group	2,551	104	0.01
Samsonite International	73,200	139	0.01
SES Global FDR	19,752	261	0.01
Subsea	14,583	140	0.01
Tenaris	26,307	275	0.01
<b>Total Luxembourg</b>		<b>1,837</b>	<b>0.09</b>
<b>MALAYSIA - 0.31% (0.30%)</b>			
Airasia Berhad	98,000	47	0.00
Alliance Financial Group	62,195	43	0.00
AMMB Holdings	108,488	88	0.01
Astro Malaysia Holdings	99,800	25	0.00
Axiata Group	251,656	207	0.01
British American Tobacco	8,898	56	0.00
CIMB	388,076	371	0.02
Dialog Group	259,200	158	0.01
DiGi.com	207,532	182	0.01
Felda Global Ventures	99,300	22	0.00
Gamuda	126,200	78	0.00
Genting	129,334	157	0.01
Genting Malaysia	158,834	92	0.01
Hap Seng Consolidated Berhad	42,300	77	0.00
Hartalega Holdings	97,200	94	0.01
Hong Leong Bank	35,599	129	0.01
Hong Leong Credit	12,240	43	0.00
IHH Healthcare (Malaysia)	168,400	173	0.01
IJM	207,000	81	0.00
IOI	179,529	143	0.01
IOI Properties Group	111,300	26	0.00
KLCC Property Holdings	23,700	34	0.00
Kuala Lumpur Kepong	26,344	120	0.01
Malayan Banking	328,531	551	0.03
Malaysia Airports Holdings	57,746	79	0.00
Maxis	155,300	154	0.01
MISC Berhad	92,646	113	0.01
Nestle(Malaysia) Berhad	3,500	95	0.01
Petronas Chemical Group	159,200	262	0.01
Petronas Dagangan	18,534	84	0.00
Petronas Gas	44,005	136	0.01
PPB Group Berhad	38,060	132	0.01
Press Metal Berhad	120,900	97	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Public Bank	173,156	725	0.04
QL Resources Berhad	40,700	51	0.00
RHB Capital	72,824	78	0.00
#RHB Capital	79,300	-	0.00
Sime Darby	212,661	87	0.00
Sime Darby Plantation	202,261	177	0.01
Sime Darby Property	212,661	39	0.00
Telekom Malaysia	55,500	28	0.00
Tenaga Nasional	222,452	487	0.02
Top Glove	95,600	88	0.01
UEM Sunrise	105,500	17	0.00
Westports Holdings	56,600	38	0.00
YTL Corporation	265,167	53	0.00
YTL Power	151,062	24	0.00
<b>Total Malaysia</b>		<b>6,041</b>	<b>0.31</b>
<b>MALTA - 0.00% (0.00%)</b>			
Brait	21,919	27	0.00
<b>Total Malta</b>		<b>27</b>	<b>0.00</b>
<b>MAURITIUS- 0.00% (0.00%)</b>			
Golden Agri-Resources	409,708	64	0.00
<b>Total Mauritius</b>		<b>64</b>	<b>0.00</b>
<b>MEXICO - 0.35% (0.32%)</b>			
Alfa A	172,167	127	0.01
Alpek Sa De	20,900	20	0.00
Alsea	34,890	59	0.00
America Movil	1,542,900	847	0.04
Arca Continental	22,031	97	0.01
Banco Del Bajio	46,000	74	0.00
Banco Santander Mexico B	96,298	116	0.01
Becle	36,600	48	0.00
Bimbo A	135,641	232	0.01
Cemex	848,852	290	0.02
Coca-Cola Femsa	29,223	143	0.01
Concentradora Fibra REIT	15,200	16	0.00
El Puerto De Liverpool	12,683	60	0.00
Fibra Uno Administration	170,055	173	0.01
Fomento Econ Mexicano	118,075	907	0.05
GMexico Transportes	28,100	27	0.00
Gruma B	11,505	91	0.00
Grupo Aeroport B	20,006	153	0.01
Grupo Aeroportuario Del Centro Norte	21,583	101	0.01
Grupo Aeroportuario del Sureste B	11,484	143	0.01
Grupo Carso	31,334	91	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Grupo Comercial Chedraui	17,000	24	0.00
Grupo Elektra	3,666	167	0.01
Grupo Fin Banorte	158,420	717	0.04
Grupo Financiero Inbursa	127,481	137	0.01
Grupo Lala	30,000	30	0.00
Grupo Mexico B	210,489	429	0.02
Grupo Televisa	149,891	219	0.01
Industrias Bachoco B	8,600	30	0.00
Industrias Peñoles	8,183	73	0.00
Infraestructura Energetica Nova	33,880	112	0.01
Kimberly - Clark de Mexico	54,259	77	0.00
Megacable	20,016	67	0.00
Mexichem	64,836	113	0.01
Promotora Y Op De Infra	14,268	111	0.01
Regional Sab	15,102	62	0.00
Telesites Sab	89,793	48	0.00
Tenedora Nemark Sa De CV	38,700	15	0.00
Wal-Mart de Mexico	290,196	628	0.03
<b>Total Mexico</b>		<b>6,874</b>	<b>0.35</b>

**NETHERLANDS - 1.48% (1.51%)**

Aalberts Industries	5,451	150	0.01
ABN AMRO Group GDR	23,303	394	0.02
Adyen	758	442	0.02
Aegon	98,640	362	0.02
Aercap Holdings	13,223	515	0.03
Airbus Group	29,066	3,059	0.16
Akzo Nobel	12,917	852	0.04
ASML Holdings	21,224	3,312	0.17
ASR Nederland	7,482	235	0.01
Boskalis Westminster	5,207	100	0.01
CNH Industrial	55,899	402	0.02
Exor Holdings	6,009	298	0.01
Ferrari New	7,068	788	0.04
Fiat Chrysler Automobiles	61,844	706	0.04
Gemalto	4,680	209	0.01
GrandVision	3,180	52	0.00
Heineken	13,274	1,120	0.06
Heineken Holdings	5,948	468	0.02
ING Groep	219,193	1,926	0.10
Koninklijke Ahold Delhaize	61,531	1,113	0.06
Koninklijke DSM	9,870	869	0.04
Koninklijke Philips	52,183	1,636	0.08
KPN Koninklijke	186,188	430	0.02
Lyondell Basell Industries	17,665	1,109	0.06
NN Group	19,304	618	0.03
NXP Semiconductors	19,342	1,506	0.08

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
OCI	5,449	109	0.00
Qiagen	12,420	361	0.02
Randstad	6,182	259	0.01
Signify	5,823	130	0.01
STMicroelectronics	35,700	486	0.02
Unilever	80,953	3,757	0.19
Vopak	3,756	122	0.01
Wolters Kluwer certificates	14,932	791	0.04
Yandex	14,810	418	0.02
<b>Total Netherlands</b>		<b>29,104</b>	<b>1.48</b>
<b>NEW ZEALAND - 0.10% (0.07%)</b>			
A2 Milk	41,012	339	0.02
Air New Zealand	27,180	38	0.00
Auckland International Airport	53,724	227	0.01
Contact Energy	40,645	151	0.01
Fisher & Paykel Healthcare	31,959	265	0.01
Fletcher Building	48,263	125	0.01
Kiwi Property Group	94,704	74	0.00
Meridian Energy	69,810	151	0.01
Mercury	43,722	86	0.00
Ryman Healthcare	23,266	136	0.01
Sky City Entertainment Group	44,317	87	0.00
Spark New Zealand	103,952	199	0.01
#Xero (New Zealand listing)	5,118	89	0.01
<b>Total New Zealand</b>		<b>1,967</b>	<b>0.10</b>
<b>NORWAY - 0.22% (0.22%)</b>			
Adevinta	4,828	36	0.00
Adevinta B	5,544	41	0.00
Aker A	1,600	75	0.00
Aker BP ASA	6,130	143	0.01
Den Norske Bank	59,521	809	0.04
Equinor	55,416	901	0.05
Gjensidige Forsikring	9,416	143	0.01
Leroy Seafood Group	14,530	76	0.00
Marine Harvest	24,107	430	0.02
Norsk Hydro	75,661	216	0.01
Orkla	43,276	290	0.01
Salmar	2,938	106	0.01
Schibsted	4,828	95	0.00
Schibsted B	5,544	101	0.01
Telenor	37,506	575	0.03
Yara International	10,221	326	0.02
<b>Total Norway</b>		<b>4,363</b>	<b>0.22</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>PAKISTAN - 0.01% (0.01%)</b>			
Fauji Fertilizer	36,500	19	0.00
Habib Bank	37,400	25	0.00
National Bank Of Pakistan	28,500	6	0.00
Oil & Gas Development	35,700	27	0.00
Pakistan Petroleum	31,510	29	0.01
<b>Total Pakistan</b>		<b>106</b>	<b>0.01</b>
<b>PAPUA NEW GUINEA - 0.06% (0.05%)</b>			
Oil Search	74,713	299	0.01
Royal Caribbean Cruises	9,357	900	0.05
<b>Total Papua New Guinea</b>		<b>1,199</b>	<b>0.06</b>
<b>PERU - 0.01% (0.01%)</b>			
Buenaventura ADR	13,195	160	0.01
<b>Total Peru</b>		<b>160</b>	<b>0.01</b>
<b>PHILIPPINES - 0.14% (0.12%)</b>			
AboitizPower	101,200	52	0.00
Alliance Global	232,441	47	0.00
Ayala	13,864	181	0.01
Ayala Land	389,996	272	0.01
Bank of the Philippines	101,027	121	0.01
BDO Unibank	110,087	215	0.01
Bloomberry Resorts	184,100	30	0.00
DMCI Holdings	230,740	34	0.00
Globe Telecom	1,560	46	0.00
GT Capital Holdings	5,976	71	0.00
International Container Terminal Services	61,210	128	0.01
JG Summit Holdings	162,580	141	0.01
Jollibee Foods	23,094	100	0.01
LT Group	148,939	37	0.00
Manila Electric	17,100	91	0.01
Megaworld	622,475	50	0.00
Metro Pacific Investment	802,000	50	0.00
Metropolitan Bank & Trust	90,343	95	0.00
Philippine Long Distance	6,623	120	0.01
San Miguel Corporation	20,580	57	0.00
San Miguel Food	37,670	61	0.00
Semirara Mining & Power	66,400	22	0.00
SM Investments	27,151	359	0.02
SM Prime Holdings	508,027	283	0.02
Universal Robina	50,034	116	0.01
<b>Total Philippines</b>		<b>2,779</b>	<b>0.14</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>POLAND - 0.11% (0.12%)</b>			
CD Projekt	3,545	150	0.01
Cyfrowy Polsat	17,805	92	0.01
Dino Polska	2,718	72	0.00
Grupa Lotos	5,580	84	0.00
KGHM	7,741	146	0.01
LPP	56	89	0.00
mBank	724	57	0.00
Pekao	8,877	183	0.01
PKO Bank Polski	47,960	361	0.02
Polish Oil & Gas	98,368	114	0.01
Polska Grupa Energetyczna	48,144	89	0.00
Polski Koncern Naftowy	17,466	309	0.02
PZU Group	31,531	250	0.01
Santander Bank Polska	1,680	124	0.01
<b>Total Poland</b>		<b>2,120</b>	<b>0.11</b>
<b>PORTUGAL - 0.04% (0.05%)</b>			
Energias de Portugal	128,482	353	0.02
Galp Energia SGPS B	28,963	353	0.02
Jeronimo Martins	13,815	164	0.00
<b>Total Portugal</b>		<b>870</b>	<b>0.04</b>
<b>QATAR - 0.13% (0.07%)</b>			
Al Meera Consumer Goods	326	10	0.00
Barwa Real Estate	12,717	89	0.01
Commercial Bank of Qatar	13,093	124	0.01
Doha Bank	8,758	42	0.00
Ezdan Real Estate	10,367	19	0.00
Gulf International	6,074	23	0.00
Industries of Qatar	11,262	266	0.01
Masraf Al Rayan	20,854	153	0.01
Mesaieed Petrochemical Holdings	24,595	131	0.01
Ooredoo QSC	5,232	69	0.00
Qatar Aluminum Manufacturing	17,301	38	0.00
Qatar Electricity and Water	2,858	98	0.01
Qatar Fuel	2,765	127	0.01
Qatar Gas Transport	17,683	78	0.00
Qatar Insurance	8,867	67	0.00
Qatar International Islamic Bank	2,141	31	0.00
Qatar Islamic Bank	6,523	214	0.01
Qatar National Bank	25,195	946	0.05
Qatar Navigation	4,177	57	0.00
United Development	8,336	25	0.00
Vodafone Qatar	17,681	28	0.00
<b>Total Qatar</b>		<b>2,635</b>	<b>0.13</b>



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>RUSSIA - 0.46% (0.41%)</b>			
Aeroflot	35,815	39	0.00
Alrosa	138,970	155	0.01
Bashneft OAO	1,081	22	0.00
Federal Grid	13,830,000	27	0.00
Gazprom	216,690	512	0.03
Inter RAO	2,348,956	117	0.01
Lukoil ADR	27,636	1,667	0.08
Magnit	4,100	184	0.01
Magnitogorsk Iron and Steel	117,000	61	0.00
MMC Norilsk ADR	25,856	429	0.02
Mobile Telesystems ADR	27,183	165	0.01
Moscow Exchange Micex	93,296	96	0.01
Mosenergo	285,407	8	0.00
Novatek OAO GDR	6,032	861	0.04
Novolipetsk Steel	57,213	110	0.01
OAO Gazprom ADR	187,695	880	0.04
PhosAgro	2,335	64	0.00
Polyus Gold	1,238	74	0.00
Rosneft Oil Company	68,310	341	0.02
Rosseti	1,640,000	21	0.00
Rostelecom	44,983	42	0.00
RusHydro	7,223,353	46	0.00
Russneft	2,943	21	0.00
Sberbank of Russia ADR	145,579	1,645	0.08
Severstal	10,579	125	0.01
Sistema	157,600	16	0.00
Surgutneftegaz	405,508	118	0.01
Surgutneftegaz Preference	437,100	204	0.01
Tatneft ADR	14,010	704	0.04
Tatneft Preference	7,910	56	0.00
Transneft	88	165	0.01
Unipro	580,000	18	0.00
VTB Bank	283,751,043	120	0.01
<b>Total Russia</b>		<b>9,113</b>	<b>0.46</b>
<b>SAUDI ARABIA - 0.06% (0.00%)</b>			
Al Rajhi Bank	17,161	243	0.01
Alinma Bank	10,297	53	0.00
Almarai	6,811	77	0.00
National Commercial Bank	15,090	171	0.01
Riyad Bank	18,601	96	0.01
Samba Financial Group	13,729	98	0.01
Saudi Arabia Fertilizer	2,311	36	0.00
Saudi Arabian Mining	5,729	64	0.00
Saudi Basic Industries	10,507	243	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Saudi Electricity	11,090	36	0.00
Saudi Telecom	4,763	97	0.01
Yanbu National Petro	2,994	40	0.00
<b>Total Saudi Arabia</b>		<b>1,254</b>	<b>0.06</b>
<b>SINGAPORE - 0.47% (0.45%)</b>			
Ascendas REIT	143,189	236	0.01
BOC Aviation	13,600	87	0.00
Capitaland	142,510	269	0.02
CapitaLand Commercial REIT	138,267	149	0.01
CapitaLand Mall REIT	135,931	188	0.01
City Developments	26,707	130	0.01
ComfortDelGro	116,179	166	0.01
DBS	102,205	1,525	0.08
Flex	54,461	449	0.02
Frasers Property	18,100	19	0.00
Genting Singapore	325,485	165	0.01
Hutchison Port	328,900	59	0.00
Jardine Cycle & Carriage	6,505	122	0.01
Keppel	81,096	295	0.01
Keppel REIT	111,300	77	0.00
Mapletree Commercial Trust	108,100	117	0.01
Mapletree Industrial Trust	74,500	87	0.00
Mapletree Logistics REIT	136,300	114	0.01
Mapletree North Asia Commercial Trust	118,400	89	0.00
Overseas-Chinese Banking	188,860	1,200	0.06
SATS	41,300	122	0.01
Sembcorp Industries	60,613	87	0.00
Sembcorp Marine	43,578	38	0.00
SIA Engineering	16,700	23	0.00
Singapore Airlines	28,850	154	0.01
Singapore Exchange	46,555	195	0.01
Singapore Post	97,900	53	0.00
Singapore Press Holdings	90,481	122	0.01
Singapore Technologies Engineering	86,500	192	0.01
Singapore Telecommunications	421,723	749	0.04
Starhub	28,900	25	0.00
Suntec REIT	110,600	113	0.01
United Overseas Bank	72,100	1,028	0.05
UOL Group	31,750	128	0.01
Venture	14,693	132	0.01
Wilmar International	110,236	218	0.01
Wing Tai Holdings	21,100	24	0.00
Yangzijiang Shipbuilding	138,400	114	0.01
Yanlord Land	35,100	29	0.00
<b>Total Singapore</b>		<b>9,089</b>	<b>0.47</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SOUTH AFRICA - 0.76% (0.77%)</b>			
Absa Group	39,800	367	0.02
African Rainbow Minerals	5,466	48	0.00
Anglo American Platinum	3,425	133	0.01
Anglogold	22,784	211	0.01
Aspen Pharmacare	21,086	117	0.01
Assore	1,788	35	0.00
Attacq	33,521	26	0.00
AVI	21,018	108	0.01
Barloworld Limited	13,807	96	0.01
Bid Corporation	18,802	301	0.02
Bidvest Group	19,045	218	0.01
Capitec Bank Holdings	3,007	220	0.01
Clicks Group	15,759	171	0.01
Coronation Fund Managers	14,015	40	0.00
Dis-Chem Pharmacies	26,137	39	0.00
Discovery Holdings	19,448	157	0.01
Exxaro Resources	14,235	121	0.01
FirstRand	178,679	663	0.03
Fortress REIT A	75,890	82	0.00
Fortress REIT B	47,709	26	0.00
Gold Fields	45,667	135	0.01
Growthpoint Properties	162,752	217	0.01
Harmony Gold Mining	28,419	36	0.00
Hyprop Investments Limited	15,897	60	0.00
Impala Platinum	38,150	117	0.01
Imperial Holdings	10,379	35	0.00
Investec	18,312	89	0.00
JSE	4,559	36	0.00
KAP Industrial Holdings Limited	125,661	51	0.00
Kumba Iron Ore	2,780	61	0.00
Liberty	7,644	42	0.00
Life Healthcare	78,414	108	0.01
Massmart	5,473	25	0.00
MMI Holdings	68,690	68	0.00
Mondi	6,694	112	0.01
Motus Holdings	10,379	49	0.00
Mr. Price Group	14,093	158	0.01
MTN Group	101,249	550	0.03
MultiChoice Group	22,848	159	0.01
Naspers Limited N	22,999	4,166	0.21
Nedbank	22,390	328	0.02
Network Healthcare	82,803	94	0.01
Northam Platinum	23,137	70	0.00
Old Mutual	259,063	322	0.02
Old Mutual (ZA)	24,346	30	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Pepkor Holdings	46,535	46	0.00
Pick n Pay Stores	22,990	89	0.00
Pioneer Foods	9,496	44	0.00
PSG Group Limited	9,234	126	0.01
Rand Merchant Investment	44,590	84	0.00
Redefine Properties Reit	340,267	183	0.01
Remgro	29,165	306	0.02
Resilient Property Income REIT	19,420	59	0.00
Reunert	8,835	36	0.00
RMB Holdings	42,457	195	0.01
Sanlam	97,886	413	0.02
Santam	2,694	47	0.00
Sappi	31,524	100	0.01
Sasol	31,263	741	0.04
Shoprite Holdings	26,520	256	0.01
Sibanye Gold Limited	117,383	76	0.00
Spar Group	10,922	118	0.01
Standard Bank	71,700	780	0.04
Super Group	26,880	52	0.00
Telkom	18,407	86	0.00
The Foschini Group	14,428	145	0.01
Tiger Brands	9,129	127	0.01
Truworths International	24,257	95	0.01
Tsogo Sun	35,162	42	0.00
Vodacom Group	35,711	225	0.01
Vukile Property Reit	43,164	48	0.00
Woolworths Holdings	54,175	140	0.01
<b>Total South Africa</b>		<b>14,956</b>	<b>0.76</b>
<b>SPAIN - 0.94% (1.07%)</b>			
Acciona (registered)	1,175	100	0.01
Acerinox (registered)	11,507	89	0.00
Actividades de Construcción y Servicios	14,072	455	0.02
Aena	3,592	522	0.03
Amadeus IT	23,503	1,406	0.07
Banco de Sabadell	316,126	286	0.02
Banco Santander	855,050	3,059	0.16
Bankia	68,473	137	0.01
Bankinter (registered)	38,552	225	0.01
BBV Argentaria	374,700	1,662	0.08
Caixabank	202,080	480	0.02
Cellnex Telecom	11,828	298	0.02
Corporacion Financiera Alba	1,352	56	0.00
Corporacion Mapfre (registered)	56,028	129	0.01
EDP Renovaveis	10,123	76	0.00
Enagas	12,762	279	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Endesa	17,836	351	0.02
Ferrovial	27,467	488	0.02
Ferrovial Rights	27,467	7	0.00
Fomento de Construcciones Y Contratas	4,772	48	0.00
Fomento de Construcciones Y Contratas Rights	4,772	2	0.00
Gamesa	12,696	162	0.01
Grifols A	18,621	378	0.02
Grifols B	14,835	210	0.01
Iberdrola	316,446	2,253	0.12
Industria de Diseno Textil	59,639	1,314	0.07
Inmobiliaria Colonial	17,925	153	0.01
International Consolidated Airlines Group	47,828	243	0.01
Merlin Properties REIT	18,910	198	0.01
Naturgy Energy	18,084	417	0.02
Red Electrica de Espana	23,650	398	0.02
Repsol	76,812	970	0.05
Telefonica	255,470	1,591	0.08
Zardoya Otis	10,062	59	0.00
<b>Total Spain</b>		<b>18,501</b>	<b>0.94</b>

**SWEDEN - 0.81% (0.85%)**

Alfa Laval	17,654	298	0.02
Assa Abloy B	51,524	815	0.04
Atlas Copco A	35,619	787	0.04
Atlas Copco B	21,248	430	0.02
Biovitrum	10,763	148	0.01
Boliden	15,514	292	0.01
Castellum AB	15,276	220	0.01
Electrolux B	13,452	241	0.01
Elektro B	20,165	175	0.01
Epiroc	21,396	154	0.01
Epiroc A	35,387	265	0.01
Ericsson (L.M.) Telefonatkie A	1,884	13	0.00
Ericsson (L.M.) Telefonatkie B	168,270	1,200	0.06
Essity Aktiebolag B	34,198	780	0.04
Fastighets Balder B	5,494	138	0.01
Hennes & Mauritz B Free	49,325	630	0.03
Hexagon	14,060	539	0.03
Husqvarna B	22,988	158	0.01
ICA Gruppen	4,849	146	0.01
Industivarden A	11,784	198	0.01
Industivarden C	9,478	155	0.01
Investment AB Kinnevik B	13,458	285	0.01
Investor A	7,470	260	0.01
Investor B Free	25,526	892	0.05
Latour Investment B	7,818	83	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Lundbergs B	4,863	124	0.01
Lundin Petroleum AB	9,757	231	0.01
Nibe Industrier	16,977	174	0.01
Saab B	5,257	121	0.01
Sandvik	60,496	788	0.04
SCA B	33,427	208	0.01
Securitas B	17,515	233	0.01
Skandinaviska Enskilda Banken A	81,410	587	0.03
Skandinaviska Enskilda Banken	971	7	0.00
Skanska B	19,973	261	0.01
SKF B	21,419	274	0.01
Svenska Handelsbanken AB	82,624	676	0.03
Svenska Handelsbanken B	1,890	15	0.00
Swedbank A	56,690	661	0.03
Swedish Match	9,729	362	0.02
Tele2 B	29,953	303	0.02
Teliasonera (Stockholm listed)	150,935	492	0.03
Trelleborg B	13,765	155	0.01
Volvo B	84,128	961	0.05
<b>Total Sweden</b>		<b>15,935</b>	<b>0.81</b>

**SWITZERLAND - 2.89% (2.68%)**

ABB (registered)	100,329	1,476	0.07
Adecco	8,700	377	0.02
Alcon	24,118	1,144	0.06
Baloise Holdings (registered)	2,630	335	0.02
Banque Cantonale Vaudoise	159	91	0.00
Barry Callebaut	108	154	0.01
Chocoladefabriken Lindt & Sprüngli	06	351	0.02
Chubb	24,171	2,700	0.14
CIE Financiere Richemont A	28,695	1,549	0.08
Clariant (registered)	11,349	165	0.01
Coca-Cola HBC	11,088	310	0.01
Credit Suisse	144,946	1,344	0.07
DKSH Holdings	1,744	82	0.00
Dufry Group	1,702	114	0.01
EMS Chemie	402	183	0.01
Flughafen Zuerich	1,074	137	0.01
Garmin	6,397	393	0.02
Geberit	2,037	706	0.04
Georg Fischer (registered)	232	158	0.01
Givaudan (registered)	523	1,034	0.05
Helvetia Holdings	1,845	171	0.01
Julius Baer Group	12,711	437	0.02
Kuehne & Nagel	2,840	291	0.01
LafargeHolcim	26,649	1,096	0.06

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Lindt & Spruengli	60	311	0.02
Logitech R	8,132	242	0.01
Lonza Group	4,169	1,006	0.05
Nestle (registered)	165,208	12,552	0.64
Novartis (registered)	117,411	7,440	0.38
OC Oerlikon	10,971	97	0.00
Pargesa B	2,136	123	0.01
Partners Group	933	526	0.03
PSP Swiss Property	2,224	186	0.01
Roche Holdings	37,432	7,450	0.38
Roche Holdings - Bearer	1,507	300	0.01
Schindler Holdings (registered)	1,073	167	0.01
Schindler participation certificates	2,381	380	0.02
SGS Surveillance	289	563	0.03
Sika AG	7,807	937	0.05
Sonova	2,854	454	0.02
Straumann Holdings	564	357	0.02
Sulzer (registered)	1,142	88	0.00
Swiss Life Holdings	1,918	670	0.03
Swiss Prime Site	4,228	268	0.01
Swiss Reinsurance (registered)	17,208	1,211	0.06
Swisscom (registered)	1,432	522	0.03
TE Connectivity	19,122	1,336	0.07
Temenos Group	3,311	429	0.02
The Swatch Group (registered)	2,548	104	0.00
The Swatch Group B	1,653	353	0.02
UBS (registered)	195,674	1,800	0.09
Vifor Pharma	2,497	267	0.01
Zurich Insurance Group	7,640	1,890	0.10
<b>Total Switzerland</b>		<b>56,827</b>	<b>2.89</b>

**TAIWAN - 1.30% (1.25%)**

Acer	189,000	89	0.00
Advantech	21,298	131	0.01
ASE Industrial Holdings	190,074	323	0.02
Asia Cement	132,000	135	0.01
Asustek Computer	40,794	219	0.01
AU Optronics	499,518	126	0.01
Capital Securities	120,910	28	0.00
Catcher Technology	41,961	233	0.01
Cathay Financial	444,306	455	0.02
Chang Hwa Commercial Bank	348,136	157	0.01
Cheng Shin Rubber Industry	104,481	102	0.01
Chicony Electronics	39,151	71	0.00
China Airlines	147,047	35	0.00
China Development Financial	788,450	182	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
China Life Insurance	147,579	89	0.00
China Motor Corporation	36,000	25	0.00
China Steel	696,451	418	0.02
Chunghwa Telecom	214,901	594	0.03
Compal Electronics	264,670	125	0.01
CTBC Financial Holdings	1,022,473	532	0.03
Delta Electronic Industry	121,928	450	0.02
E.SUN Financial Holdings	579,169	364	0.02
Eclat Textile	12,958	130	0.01
Epistar	49,000	30	0.00
Eternal Materials	53,500	34	0.00
Eva Airways	149,040	56	0.00
Evergreen Marine	175,023	54	0.00
Far Eastern International Bank	112,981	32	0.00
Far Eastern New Century Corporation	223,359	176	0.01
Far EastOne Telecommunications	91,295	174	0.01
Feng Hsin Iron & Steel	25,000	39	0.00
Feng Tay Enterprises	19,695	124	0.01
First Financial	547,653	294	0.02
Formosa Chemicals & Fibre	193,040	511	0.03
Formosa Petrochemical	77,919	212	0.01
Formosa Plastics	275,773	751	0.04
Formosa Taffeta	68,000	63	0.00
Foxconn Technology	73,161	115	0.01
Fubon Financial	413,812	447	0.02
Giant Manufacturing	17,800	101	0.01
GlobalWafers	13,000	108	0.01
Hon Hai Precision Industry	674,423	1,312	0.07
Hotai Motor Company	18,000	199	0.01
HTC	47,000	43	0.00
Hua Nan Financial	484,808	242	0.01
Innolux Corporation	489,000	105	0.01
Inventec	196,257	112	0.01
Largan Precision	6,075	648	0.03
Lite-On Technology	120,679	131	0.01
MediaTek	83,350	603	0.03
Mega Financial Holdings	613,461	455	0.02
Nan Ya Plastics	318,000	610	0.03
Nanya Technology	51,000	79	0.00
Novatek Microelectronics	32,887	165	0.01
OBI Pharma	6,462	23	0.00
#OBI Pharma Rights	419	-	0.00
Oriental Union Chemical	41,000	25	0.00
Pegatron	114,000	145	0.01
Pou Chen	150,984	133	0.01
President Chain Store	31,671	237	0.01



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Quanta Computer	150,544	216	0.01
Realtek Semiconductor	26,824	151	0.01
Shin Kong Financial	617,229	131	0.01
SinoPac	595,641	175	0.01
Synnex Technology International	87,877	80	0.00
Taishin Financial	561,425	193	0.01
Taiwan Business Bank	274,730	85	0.00
Taiwan Cement	254,514	266	0.01
Taiwan Cooperative Financials	509,987	254	0.01
Taiwan Fertilizer	48,000	55	0.00
Taiwan Glass Industrial	87,000	26	0.00
Taiwan High Speed Rail	119,000	123	0.01
Taiwan Mobile	90,138	258	0.01
Taiwan Secom	15,000	33	0.00
Taiwan Semiconductor Manufacturing	1,296,650	8,070	0.41
Teco Electric & Machinery	118,661	65	0.00
Transcend Information	15,000	26	0.00
U-Ming Marine Transport	30,000	23	0.00
Unimcron Technology	70,000	66	0.00
Uni-President Enterprises	270,795	526	0.03
United Microelectronics	661,007	213	0.01
Vanguard International Semiconductor	58,461	94	0.01
Walsin Lihwa	199,000	76	0.00
Walsin Technology	28,000	119	0.01
Wan Hai Lines	52,000	22	0.00
Wistron	185,767	109	0.01
Yageo Corporation	22,000	142	0.01
Yuanta Financial	631,000	274	0.01
Yulon Motor	49,696	25	0.00
Yulon Nissan Motor	2,000	13	0.00
<b>Total Taiwan</b>		<b>25,510</b>	<b>1.30</b>

**THAILAND - 0.37% (0.35%)**

Advanced Info	62,891	288	0.01
Airports of Thailand	241,551	401	0.02
Bangkok Bank	27,092	137	0.01
Bangkok Dusit Medical Services	494,364	291	0.01
Bangkok Expressway and Metro	451,099	124	0.01
Bangkok Life Assurance	27,700	18	0.00
Banpu	281,428	100	0.01
Berli Jucker	66,126	79	0.00
BTS Group Holdings	430,236	121	0.01
BTS Group Holdings Warrants 29/11/2019	55,581	1	0.00
Bumrungrad Hospital Foreign	21,305	85	0.00
Central Pattana	139,159	246	0.01
Charoen Pokphand Foods	205,783	133	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
CP All	293,604	551	0.03
Digital Telecommunication Infrastructure	268,000	109	0.01
Electricity Generating	17,568	123	0.01
Energy Absolute	94,200	119	0.01
Glow Energy	26,800	59	0.00
Gulf Energy Development	43,800	110	0.01
Home Product Center	318,682	124	0.01
Indorama Ventures	113,412	130	0.01
Intouch Holdings	107,400	154	0.01
IRPC	645,638	78	0.00
Kasikornbank	46,700	215	0.01
Kasikornbank NVDR	66,061	306	0.01
Krung Thai Bank	350,154	162	0.01
Land and Houses	431,869	110	0.01
Minor International	201,900	182	0.01
#Minor International Warrants	10,095	-	0.00
PTT Exploration & Production	77,687	245	0.01
PTT Global Chemical	115,203	183	0.01
PTT Public Company	804,700	930	0.05
Ratch Group	51,753	80	0.00
Siam Cement	47,400	536	0.03
Siam City Cement	4,800	25	0.00
Siam Commercial Bank	135,540	402	0.02
Thai Airways International	61,700	18	0.00
Thai Oil	57,913	92	0.00
Thai Union Group	159,196	72	0.00
TMB Bank	1,464,610	70	0.00
Total Access Communications	36,000	46	0.00
True Corporation	707,385	86	0.00
<b>Total Thailand</b>		<b>7,341</b>	<b>0.37</b>

**TURKEY - 0.07% (0.08%)**

Akbank	150,489	112	0.01
Anadolu Efes Biracilik	13,309	31	0.00
Arcelik	9,835	20	0.00
Aselsan Elektronik Sanayi	16,690	38	0.00
Bim Birlesik Magazalar	12,611	120	0.01
Coca-Cola Icecek	3,496	12	0.00
Emlak Konut Gayrimenku	95,421	15	0.00
Enerjisa Enerji	15,387	10	0.00
Enka Insaat	33,276	22	0.00
Eregli Demir Celik Fabrik	89,266	88	0.01
Ford Otomotiv Sanayi	3,372	23	0.00
Garanti Bankasi	118,283	117	0.01
KOC Holdings	48,268	96	0.01
Koza Altin Isletmeleri	3,763	22	0.00

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Petkim Petrokimya	52,664	32	0.00
Sabancı Holdings	50,283	47	0.00
Soda Sanayii	22,148	22	0.00
Tav Havalimanlari	12,421	37	0.00
Tekfen Holdings	9,433	29	0.00
Tofas Turk Otomobil Fabrikasi	6,540	14	0.00
Tupras-Turkiye Petrol Rafine	6,962	110	0.01
Turk Hava Yollari	36,445	57	0.00
Turk Telekomunikasyon	28,154	16	0.00
Turkcell Iletisim Hizmetleri	60,982	89	0.01
Turkiye Halk Bankasi	36,101	23	0.00
Turkiye Is Bankasi C	92,636	60	0.00
Turkiye Sise Ve Cam Fabrikalari	32,434	23	0.00
Turkiye Vakiflar Bankasi	71,013	33	0.00
Ulker Biskuvi Sanayi	8,134	19	0.00
Yapi Ve Kredi Bankasi	82,418	21	0.00
<b>Total Turkey</b>		<b>1,358</b>	<b>0.07</b>
<b>UNITED ARAB EMIRATES - 0.09% (0.08%)</b>			
Abu Dhabi Commercial Bank	109,761	203	0.01
Abu Dhabi National Oil Company	72,403	41	0.00
Air Arabia	122,628	26	0.00
Aldar Properties	256,962	91	0.01
Arabtec Holdings	41,582	15	0.00
DAMAC Properties	83,408	16	0.00
Dana Gas	173,465	33	0.00
DP World	9,208	122	0.01
Dubai Financial Market	86,616	13	0.00
Dubai Investment	138,962	36	0.00
Dubai Islamic Bank	93,289	99	0.01
Emaar Development	45,259	35	0.00
Emaar Malls Group	130,550	50	0.00
Emaar Properties	199,078	180	0.01
Emirates Telecommunications	98,700	326	0.02
National Bank of Abu Dhabi	152,954	453	0.02
<b>Total United Arab Emirates</b>		<b>1,739</b>	<b>0.09</b>
<b>UNITED KINGDOM - 5.10% (5.54%)</b>			
+HSBC Holdings (London listed)	1,078,277	7,148	0.36
3i Group	53,602	565	0.03
Admiral Group	11,450	235	0.01
Anglo American	55,969	1,070	0.05
Antofagasta	19,623	162	0.01
AON	12,200	1,697	0.09
Ashmore Group	25,279	117	0.01
Ashtead Group	26,946	547	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Associated British Foods	19,569	495	0.02
AstraZeneca	68,494	3,987	0.20
Atlassian Corporation	6,260	613	0.03
Auto Trader Group	52,177	309	0.02
Aveva Group	3,598	119	0.01
Aviva	220,611	919	0.05
Babcock International Group	16,221	85	0.00
BAE Systems	179,667	835	0.04
Barclays	966,909	1,547	0.08
Barratt Developments	57,058	350	0.02
Bellway	6,978	206	0.01
Berkeley Group Holdings	6,749	252	0.01
BHP Group	106,811	1,869	0.09
BP	1,067,454	5,758	0.29
British American Tobacco	115,640	3,359	0.17
British Land REIT	54,495	305	0.02
BT Group	472,938	970	0.05
Bunzl	18,899	394	0.02
Burberry Group	22,961	441	0.02
Capital & Counties Properties	44,650	106	0.01
Carnival (London listed)	9,250	370	0.02
Centrica	315,666	300	0.01
Cineworld Group	57,097	171	0.01
Cobham	135,610	155	0.01
Coca-Cola European Partners	10,265	444	0.02
Compass Group	89,691	1,595	0.08
ConvaTec Group	82,587	117	0.01
Croda International	7,032	359	0.02
CYBG	69,643	130	0.01
Derwent London REIT	5,680	189	0.01
Diageo	122,128	4,049	0.20
Direct Line Insurance	77,469	246	0.01
EasyJet	12,397	123	0.01
Evrast Group	28,729	166	0.01
Fresnillo	12,164	91	0.00
G4S	87,761	189	0.01
GlaxoSmithKline	250,396	3,839	0.19
Halma	21,478	382	0.02
Hammerson REIT	43,835	129	0.01
Hargreaves Lansdown	14,791	346	0.02
Hikma Pharmaceuticals	7,930	141	0.01
Howden Joinery Group	32,940	171	0.01
IMI	15,200	148	0.01
Imperial Brands	54,084	1,151	0.06
Inchcape	23,414	139	0.01
Informa	70,095	544	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Intercontinental Hotels	10,189	508	0.03
Intertek Group	9,083	465	0.02
Investec	36,786	177	0.01
ITV	209,720	237	0.01
JD Sports Fashion	20,441	128	0.01
John Wood Group	37,372	167	0.01
Johnson Matthey	10,691	335	0.02
Just Eat	32,597	219	0.01
KAZ Minerals	13,465	75	0.00
Kingfisher	121,026	282	0.01
Land Securities	41,702	368	0.02
Legal & General	333,135	910	0.05
Liberty Global	11,334	223	0.01
Lloyds Banking Group	3,692,518	2,251	0.11
London Stock Exchange Group	17,521	915	0.05
Marks & Spencer	91,480	251	0.01
Mediclinic International	25,284	85	0.00
Meggitt	43,598	231	0.01
Melrose Industries	270,832	493	0.02
Merlin Entertainments	39,937	147	0.01
Micro Focus International	19,018	348	0.02
Micro Focus International ADR	166	3	0.00
Mondi	21,524	358	0.02
Morrison (Wm) Supermarkets	122,323	263	0.01
National Grid	192,574	1,623	0.08
Next	7,484	432	0.02
Nielsen Holdings	20,034	371	0.02
NMC Health	4,878	126	0.01
Ocado Group	25,276	323	0.02
Pearson	43,836	352	0.02
Pennon Group	23,745	172	0.01
Persimmon	18,464	389	0.02
Phoenix Group	29,819	203	0.01
Prudential	134,273	2,187	0.11
Quilter	105,510	151	0.01
Reckitt Benckiser	32,215	2,007	0.10
RELX	85,281	1,512	0.08
RELX EUR	21,288	378	0.02
Renishaw	2,224	88	0.00
Rentokil Initial	108,344	417	0.02
Rightmove	50,013	281	0.01
Rio Tinto	58,316	2,635	0.13
Rolls-Royce	94,715	867	0.04
#Rolls Royce Holdings	6,724,765	-	0.00
Royal Bank of Scotland	254,325	585	0.03
Royal Dutch Shell A	236,268	5,950	0.30

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Royal Dutch Shell B	196,203	4,956	0.25
Royal Mail	51,954	124	0.01
RPC Group	22,692	179	0.01
RSA Insurance Group	57,687	318	0.02
Sage Group	61,013	437	0.02
Sainsbury (J)	90,992	188	0.01
Schroders	6,331	194	0.01
Scottish & Southern Energy	58,220	630	0.03
Segro REIT	61,166	433	0.02
Sensata Technologies Holdings	14,280	517	0.03
Severn Trent	13,328	262	0.01
Smith & Nephew	49,609	809	0.04
Smith (DS)	71,529	236	0.01
Smiths Group	22,287	330	0.02
Spirax-Sarco Engineering	4,131	352	0.02
St. James's Place Capital	29,368	326	0.02
Standard Chartered	153,317	1,039	0.05
Standard Life Aberdeen	142,116	375	0.02
Tate & Lyle	26,386	208	0.01
Taylor Wimpey	183,065	323	0.02
TechnipFMC	25,798	454	0.02
Tesco	547,901	1,335	0.07
Travis Perkins	14,308	197	0.01
Unilever	57,171	2,681	0.14
United Utilities	38,405	308	0.02
Vodafone Group	1,360,824	1,714	0.09
Weir Group	14,571	226	0.01
Whitbread	10,323	470	0.02
<b>Total United Kingdom</b>		<b>100,253</b>	<b>5.10</b>

**UNITED STATES - 51.78% (48.37%)**

3M	30,232	4,092	0.21
Abbott Laboratories	93,581	5,567	0.28
AbbVie	82,564	5,056	0.26
Abiomed	2,398	484	0.02
Activision	42,308	1,522	0.08
Acuity Brands	4,193	446	0.02
Adobe	26,922	5,793	0.29
Advance Auto Parts	3,925	475	0.02
Advanced Micro Devices	52,633	1,128	0.06
AES	37,148	468	0.02
Affiliated Managers Group	2,971	211	0.01
Aflac	42,226	1,684	0.09
Agilent Technologies	17,913	942	0.05
AGNC Investment REIT	30,310	412	0.02
Air Products & Chemicals	12,435	1,982	0.10

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Akamai Technologies	8,896	530	0.03
Alaska Air Group	2,040	98	0.00
Albemarle Corporation	5,936	321	0.02
Alcoa Upstream Corporation	10,572	205	0.01
Alexandria Real Estate Equities	6,307	714	0.04
Alexion Pharmaceuticals	12,118	1,209	0.06
Align Technology	4,454	1,127	0.06
Alleghany Corporation	808	426	0.02
Alliance Data Systems	4,159	470	0.02
Alliant Energy	13,259	487	0.03
Allstate	18,778	1,394	0.07
Ally Financial	22,958	520	0.03
Alnylam Pharmaceuticals	5,336	282	0.01
Alphabet A	16,490	14,997	0.76
Alphabet C	16,815	15,214	0.77
Altria Group	102,426	4,150	0.21
Amazon.com	22,633	32,912	1.67
Ameren	13,666	783	0.04
American Airlines Group	6,533	163	0.01
American Electric Power	28,086	1,857	0.09
American Express	34,646	3,169	0.16
American International Group	50,207	2,024	0.10
American Tower	23,531	3,667	0.19
American Water Works	10,152	870	0.04
Ameriprise Financial	7,827	865	0.04
AmerisourceBergen	8,854	536	0.03
Ameritrade Holdings	15,835	634	0.03
Ametek	12,831	855	0.04
Amgen	34,223	4,519	0.23
Amphenol Corporation A	16,586	1,202	0.06
Anadarko Petroleum	28,347	1,606	0.08
Analog Devices	20,991	1,760	0.09
Annaly Mortgage Management	78,280	580	0.03
Ansys	4,681	680	0.03
Anthem	13,782	2,772	0.14
Apache	21,474	520	0.03
Apple	261,394	38,785	1.97
Applied Materials	53,999	1,742	0.09
Aramark	13,727	340	0.02
Arch Capital Group	21,756	576	0.03
Archer Daniels Midland	31,392	999	0.05
Arconic	37,738	645	0.03
Arista	3,240	626	0.03
Arrow Electronics	4,886	262	0.01
Ashland Global Holdings	3,526	202	0.01
Assurant	2,931	218	0.01

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
AT&T	394,740	9,595	0.49
Atmos Energy	6,482	508	0.03
Autodesk	12,348	1,663	0.08
Autoliv	4,904	273	0.01
Automatic Data Processing	23,176	2,871	0.15
Autozone	1,432	1,089	0.06
AvalonBay Communities	7,760	1,211	0.06
Avangrid	3,174	124	0.01
Avery Dennison	4,853	389	0.02
Avnet	11,992	410	0.02
Axa Equitable Holdings	11,193	186	0.01
Baker Hughes	28,867	510	0.03
Ball	18,767	912	0.05
Bank of America	493,174	10,845	0.55
Bank of New York Mellon	50,323	1,819	0.09
Baxter International	28,270	1,669	0.09
BB&T Financial	43,732	1,617	0.08
Becton Dickinson	13,867	2,430	0.12
Berkshire Hathaway A	24	5,701	0.29
Berkshire Hathaway B	71,291	11,253	0.57
Best Buy	13,238	698	0.04
Biogen IDEC	11,132	1,995	0.10
BioMarin Pharmaceutical	9,917	672	0.03
BlackRock	6,821	2,356	0.12
Boeing	29,653	7,970	0.41
Booking Holdings	2,481	3,451	0.18
BorgWarner	11,750	338	0.02
Boston Properties	8,681	903	0.05
Boston Scientific	71,114	2,050	0.10
Bristol Myers Squibb	87,198	3,161	0.16
Broadcom Corporation	22,140	5,238	0.27
Broadridge Financial Solutions	9,044	848	0.04
Brown & Brown	13,134	324	0.02
Brown-Forman B	17,241	691	0.04
Burlington Store	3,773	472	0.02
Cabot Oil & Gas	24,472	501	0.03
Cadence Design System	15,689	838	0.04
Campbell Soup	10,028	304	0.02
Capital One Financial	26,390	1,833	0.09
Cardinal Health	16,750	601	0.03
Carmax	9,785	577	0.03
Carnival (London listed)	22,478	940	0.05
Caterpillar	30,502	3,018	0.15
CBOE Holdings	6,281	507	0.03
CBRE Group	17,854	663	0.03
CBS	18,266	679	0.03



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
CDK Global	7,275	290	0.02
CDW	8,227	666	0.03
Celanese A	7,241	569	0.03
Celgene	37,029	2,733	0.14
Centene	22,808	965	0.05
CenterPoint Energy	28,176	645	0.03
CenturyLink	53,746	457	0.02
Cerner	17,814	950	0.05
CF Industries	13,050	425	0.02
CH Robinson Worldwide	10,515	669	0.03
Charter Communications A	8,927	2,616	0.13
Cheniere Energy	12,969	676	0.03
Chevron	103,578	9,844	0.50
Chicago Mercantile Exchange	17,676	2,497	0.13
Chipotle Mexican Grill	1,369	751	0.04
Church & Dwight	13,735	786	0.04
Cigna Corporation	19,489	2,352	0.12
Cimarex Energy	5,611	297	0.02
Cincinnati Financial	8,630	646	0.03
Cintas	4,906	845	0.04
Cisco Systems	247,604	10,089	0.51
CIT Group	5,710	225	0.01
Citigroup	130,484	6,582	0.33
Citizens Financial Group	26,303	699	0.04
Citrix Systems	7,602	567	0.03
Clorox	7,214	832	0.04
CME Group	931	132	0.01
CMS Energy	15,828	687	0.04
CNA Financial	1,878	66	0.00
Coca-Cola	211,328	8,080	0.41
Cognizant Technology Solutions	32,555	1,483	0.08
Colgate-Palmolive	44,685	2,478	0.13
Comcast	248,623	8,209	0.42
Comerica	9,057	514	0.03
Commerce Bancshares	5,636	259	0.01
ConAgra Foods	27,103	611	0.03
Concho Resources	10,934	963	0.05
ConocoPhillips	60,657	2,925	0.15
Consolidation Edison (New York registered)	17,504	1,163	0.06
Constellation Brands A	8,724	1,390	0.07
Continental Resources	4,945	161	0.01
Copart	11,386	587	0.03
Corning	44,300	1,042	0.05
Costar Group	2,009	798	0.04
Costco Wholesale	23,699	4,507	0.23
Coty	26,354	272	0.01

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Covetrus	3,884	88	0.00
Crown Castle International REIT	23,287	2,303	0.12
CSX	40,668	2,446	0.12
Cummins	8,364	1,049	0.05
CVS Health	68,117	2,795	0.14
D.R.Horton	19,369	663	0.03
Danaher	33,611	3,425	0.17
Darden Restaurants	6,963	655	0.03
DaVita	7,282	284	0.01
Deere & Company	16,554	1,864	0.10
Dell Technologies	8,411	444	0.02
Delta Airlines	9,738	417	0.02
Dentsply Sirona	12,286	525	0.03
Devon Energy	26,268	631	0.03
Dexcom	4,941	467	0.02
Diamondback Energy	8,829	748	0.04
Digital Realty Trust	11,554	1,057	0.05
Discover Financial Services	18,848	1,131	0.06
Discovery Communications A	8,703	188	0.01
Discovery Communications C	19,389	395	0.02
Dish Network A	12,562	341	0.02
Dollar General	14,946	1,372	0.07
Dollar Tree Stores	13,191	1,027	0.05
Dominion Energy	39,538	2,283	0.12
Domino's Pizza	2,329	501	0.03
Dover	8,137	609	0.03
Dow	42,874	1,765	0.09
DowDuPont	120,326	2,815	0.14
DTE Energy	10,165	993	0.05
Duke Energy	37,436	2,526	0.13
Duke Realty	20,041	476	0.02
DXC Technology	15,174	677	0.03
E*Trade Financial	14,306	530	0.03
Eastman Chemicals	7,925	446	0.02
eBay	48,752	1,403	0.07
Ecolab	14,432	2,018	0.10
Edison International	17,860	833	0.04
Edwards Lifesciences	11,885	1,637	0.08
Elanco Animal Health	18,356	467	0.02
Electronic Arts	16,676	1,254	0.06
Eli Lilly and Company	48,497	4,359	0.22
Emerson Electric	34,672	1,767	0.09
Entergy	10,162	761	0.04
EOG Resources	32,517	2,385	0.12
EQT	14,366	241	0.01
Equifax	6,717	620	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Equinix REIT	4,686	1,772	0.09
Equitrans Midstream	11,993	199	0.01
Equity Residential	20,172	1,195	0.06
Essex Property REIT	3,694	816	0.04
Estee Lauder	12,026	1,589	0.08
Evergy	14,781	669	0.03
Eversource Energy	17,797	1,004	0.05
Exelon	54,252	2,056	0.10
Expedia	6,772	627	0.03
Expeditors International Washington	9,666	551	0.03
Extra Space Storage	6,854	568	0.03
Exxon Mobil	233,543	13,864	0.70
F5 Networks	3,434	382	0.02
Facebook	130,514	18,894	0.96
Fastenal	16,148	807	0.04
Federal Realty Investment Trust	4,092	414	0.02
Fedex	13,825	1,856	0.09
Fidelity National Information	18,343	1,671	0.09
Fifth Third Bancorp	36,840	773	0.04
First Republic Bank	9,185	710	0.04
FirstEnergy	27,322	888	0.05
Fiserv	22,404	1,495	0.08
Fleetcor Technologies	4,825	991	0.05
Flowserve	13,141	508	0.03
Fluor New	14,730	340	0.02
FMC	7,532	443	0.02
FNFV Group	14,836	451	0.02
Foot Locker	6,351	276	0.01
Ford Motor	219,484	1,766	0.09
Fortinet	7,975	502	0.03
Fortive	16,503	1,044	0.05
Fortune Brands Home & Security	8,029	332	0.02
Franklin Resources	16,899	438	0.02
Freeport-McMoRan Copper & Gold B	81,338	686	0.04
Gallagher (Arthur J)	10,137	652	0.03
Gap	12,223	213	0.01
Gartner	4,975	590	0.03
General Dynamics	14,268	1,860	0.09
General Electric	463,051	3,693	0.19
General Mills	33,331	1,358	0.07
General Motors	73,663	2,140	0.11
Gentex	14,852	255	0.01
Genuine Parts	8,035	602	0.03
Gilead Sciences	68,419	3,472	0.18
Global Payments	8,927	1,028	0.05
GoDaddy	9,546	560	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Goldman Sachs	18,472	2,820	0.14
Goodyear Tire & Rubber	13,177	172	0.01
Grainger (W.W.)	2,553	520	0.03
H&R Block	11,631	248	0.01
Halliburton	49,093	977	0.05
Hanesbrands	20,149	257	0.01
Harley-Davidson	9,220	251	0.01
Harris	6,663	950	0.05
Hartford Financial Services	20,094	827	0.04
Hasbro	6,523	494	0.03
HCA Holdings	15,527	1,487	0.08
HCP	26,428	641	0.03
Helmerich & Payne	6,005	270	0.01
Henry Schein	8,526	441	0.02
Hershey	7,886	783	0.04
Hess	14,702	743	0.04
Hewlett-Packard	79,173	887	0.05
Hilton Worldwide Holdings	15,690	1,142	0.06
Hollyfrontier	8,929	303	0.02
Hologic	15,246	532	0.03
Home Depot	61,399	9,152	0.47
Honeywell International	39,713	5,229	0.27
Hormel Foods	15,263	469	0.02
Hospitality Properties	9,205	188	0.01
Host Marriott	41,152	617	0.03
HP	88,062	1,282	0.07
Humana	7,673	1,454	0.07
Huntingdon Bancshares	59,309	598	0.03
Huntington Ingalls Industries	3,647	581	0.03
IDEXX Laboratories	4,825	936	0.05
Illinois Tool Works	18,661	2,191	0.11
Illumina	8,249	1,966	0.10
Incyte Genomics	9,857	582	0.03
Ingredion Incorporated	3,749	246	0.01
Intel	245,047	8,688	0.44
InterActiveCorp	4,185	746	0.04
Intercontinental Exchange Group	31,809	1,993	0.10
International Business Machines	50,158	5,240	0.27
International Flavors & Fragrances	5,670	597	0.03
International Paper	22,980	800	0.04
Interpublic Group of Companies	21,579	379	0.02
Intuit	12,944	2,446	0.12
Intuitive Surgical	5,912	2,248	0.11
Invitation Homes Reit	16,899	328	0.02
IPG Photonics Corporation	3,708	420	0.02
IQVIA	9,816	1,032	0.05

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Iron Mountain	15,955	396	0.02
J.B. Hunt Transport Services	7,308	543	0.03
Jabil Circuit	17,702	392	0.02
Jacobs Engineering Group	7,423	443	0.02
Jefferies Financial	15,577	229	0.01
JM Smucker	6,183	613	0.03
Johnson & Johnson	146,491	15,590	0.79
JPMorgan Chase & Company	182,733	15,616	0.79
Juniper Networks	19,171	383	0.02
Kansas City Southern	5,751	535	0.03
Kellogg	13,955	622	0.03
Keurig Dr Pepper	10,274	236	0.01
KeyCorp	57,865	745	0.04
Keysight Technologies	10,517	690	0.04
Kimberly-Clark	19,453	1,945	0.10
Kimco Realty	22,839	322	0.02
Kinder Morgan	110,261	1,725	0.09
KLA Tencor	9,203	789	0.04
Kohl's	9,391	469	0.02
Kraft Heinz Company	33,890	853	0.04
Kroger	44,596	874	0.04
L3 Communications	4,398	811	0.04
Laboratory Corporation of America	5,655	727	0.04
LAM Research	8,719	1,325	0.07
Lamb Weston Holdings	8,229	429	0.02
Las Vegas Sands	20,081	983	0.05
Lear Corporation	3,600	381	0.02
Leggett & Platt	7,412	217	0.01
Lennar	16,115	663	0.03
Liberty Broadband A	1,443	111	0.01
Liberty Broadband C	5,847	449	0.02
Liberty Global C	29,252	563	0.03
Liberty Property Trust	8,342	311	0.02
Liberty Siriusxm Group	4,767	141	0.01
Liberty Siriusxm Group C	9,348	278	0.01
Limited Brands	12,954	226	0.01
Lincoln National	11,985	594	0.03
Live Nation	7,803	390	0.02
LKQ Corporation	17,808	375	0.02
Loews	15,636	623	0.03
Lowe's Companies	43,099	3,606	0.18
Lululemon Athletica	5,366	721	0.04
M&T Bank	7,873	987	0.05
Macerich	7,694	254	0.01
Macy's	17,190	290	0.02
Manpower Group	6,600	472	0.02

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Marathon Oil Corporation	46,602	559	0.03
Marathon Petroleum	37,965	1,511	0.08
Markel Corporation	763	620	0.03
Marriott International New A	15,899	1,629	0.08
Marsh & McLennan	28,526	2,100	0.11
Martin Marietta Materials	4,802	811	0.04
Masco	17,110	503	0.03
Mastercard	49,407	9,575	0.49
Maxim Integrated Products	15,639	666	0.03
McCormick & Co.	6,830	823	0.04
McDonald's	42,705	6,608	0.34
McKesson HBOC	10,971	1,077	0.06
MDU Resources Group	20,540	404	0.02
MercadoLibre	2,308	1,027	0.05
Merck & Co.	144,026	8,683	0.44
Metlife	46,114	1,690	0.09
Mettler Toledo	1,379	770	0.04
MGM Resorts International	27,636	561	0.03
Microchip Technology	12,928	862	0.04
Micron Technology	63,663	1,900	0.10
Microsoft	417,048	40,849	2.08
Mid-America Apartment Communities	6,371	558	0.03
Mohawk Industries	3,497	369	0.02
Molson Coors Brewing B	9,751	442	0.02
Mondelez International	75,914	3,058	0.16
Monster Beverage	22,438	1,100	0.06
Moody's	9,368	1,359	0.07
Morgan Stanley	68,055	2,322	0.12
Motorola Solutions	9,040	1,020	0.05
MSCI	4,669	802	0.04
Murphy Oil	9,280	203	0.01
Mylan	28,851	449	0.02
Nasdaq OMX Group	6,491	458	0.02
National-Oilwell	21,469	412	0.02
NetApp	14,284	752	0.04
Netflix	22,877	6,312	0.32
New York Community Bancorp	26,018	216	0.01
Newell Brands	24,364	296	0.02
Newmont Mining	29,962	715	0.04
News Corporation A	21,614	194	0.01
News Corporation B	8,064	74	0.00
NextEra Energy	25,687	3,891	0.20
Nike B	66,668	4,353	0.22
Nisource	20,367	444	0.02
Noble Energy	26,969	506	0.03
Nordstrom	6,659	194	0.01

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Norfolk Southern	13,870	2,164	0.11
Northern Trust	11,471	840	0.04
NRG Energy	16,273	455	0.02
Nucor	17,646	753	0.04
Nvidia	31,469	3,903	0.20
NVR	178	458	0.02
O'Reilly Automotive	4,442	1,220	0.06
Occidental Petroleum	42,494	1,792	0.09
Old Dominion Freight Line	5,427	612	0.03
Old Republic	16,022	278	0.01
Omnicom	12,505	769	0.04
ONEOK	23,037	1,204	0.06
Oracle	131,993	5,599	0.29
Paccar	19,295	1,037	0.05
Packaging Corporation of America	7,834	591	0.03
Palo Alto Networks	5,113	873	0.04
Park Hotels & Resorts	11,369	272	0.01
Parker-Hannifin	7,304	960	0.05
Paychex	18,042	1,192	0.06
PayPal	64,164	5,561	0.28
Peoples United Financial	20,948	263	0.01
PepsiCo	78,232	7,865	0.40
Pfizer	311,900	9,976	0.51
PG&E	29,269	410	0.02
Philip Morris International	84,977	5,637	0.29
Phillips 66	23,309	1,582	0.08
Pinnacle West Capital	6,273	464	0.02
Pioneer Natural Resources	9,520	1,121	0.06
PNC Financial Services Group	23,926	2,393	0.12
Polaris Industries	3,317	229	0.01
PPG Industries	13,603	1,184	0.06
PPL	40,565	966	0.05
Principal Financial Group	15,708	669	0.03
Procter & Gamble	136,038	11,284	0.57
Progressive	32,832	1,978	0.10
Prologis	35,455	2,095	0.11
Prudential Financial	23,433	1,789	0.09
PTC	6,560	444	0.02
Public Service Enterprise Group	28,359	1,308	0.07
Public Storage	8,343	1,482	0.08
PulteGroup	14,243	353	0.02
PVH Corporation	4,302	371	0.02
Qorvo	7,007	399	0.02
Qualcomm	65,687	4,404	0.22
Quest Diagnostics	7,625	577	0.03
Qurate Retail Group	23,312	231	0.01

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Ralph Lauren	2,959	266	0.01
Raymond James Financial	7,374	478	0.02
Realty Income	16,587	893	0.05
Red Hat	9,952	1,433	0.07
Regency Centers	8,534	443	0.02
Regeneron Pharmaceuticals	4,572	1,087	0.06
Regions Financial	58,085	647	0.03
Republic Services	12,227	799	0.04
Resideo Technologies	19,360	340	0.02
ResMed	7,900	693	0.04
Robert Half International	10,528	459	0.02
Rockwell Automation	6,760	852	0.04
Rollins	8,201	232	0.01
Roper Technologies	5,694	1,567	0.08
Ross Stores	20,503	1,506	0.08
S&P Global	12,932	2,129	0.11
Salesforce.com	39,545	4,766	0.24
Santander Consumer USA	6,537	106	0.01
SBA Communications Corporation	6,297	1,030	0.05
Schlumberger	72,037	2,202	0.11
Schwab (Charles)	62,440	2,075	0.11
Sealed Air	14,483	473	0.02
SEI Investments Company	6,846	273	0.01
Sempra Energy	15,386	1,553	0.08
ServiceNow	9,132	1,945	0.10
Sherwin-Williams	4,704	1,576	0.08
Simon Property Group	15,985	2,200	0.11
Sirius XM Holdings	93,799	409	0.02
Skyworks Solutions	10,039	614	0.03
SL Green Realty	4,629	308	0.02
Snap-on	3,152	400	0.02
Southern Company	53,519	2,231	0.11
Southern Copper	4,662	127	0.01
Southwest Airlines	7,920	320	0.02
Splunk	8,232	862	0.04
Sprint Corporation	37,042	175	0.01
Square A	16,437	833	0.04
SS&C Technologies	12,174	555	0.03
Stanley Black & Decker	8,501	893	0.05
Starbucks	65,152	3,938	0.20
State Street	21,109	1,014	0.05
Steel Dynamics	12,366	299	0.02
Stryker	17,976	2,594	0.13
SunTrust Banks	25,236	1,205	0.06
SVB Financial Group	2,971	530	0.03
Symantec	35,742	542	0.03



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Synchrony Financial	40,753	1,104	0.06
Synopsys	8,315	777	0.04
Sysco	26,782	1,538	0.08
T Rowe Price Group	13,271	1,072	0.05
Take Two Interactive	6,345	530	0.03
Tapestry	16,192	391	0.02
Targa Resources Corporation	12,691	414	0.02
Target	29,914	1,645	0.08
Teleflex	2,560	588	0.03
Tesla Motors	7,704	1,389	0.07
Texas Instruments	52,171	4,472	0.23
The Cooper Companies	2,718	614	0.03
The Mosaic Company	19,727	349	0.02
Thermo Fisher Scientific	21,763	4,451	0.23
Tiffany & Co.	6,835	523	0.03
TJX Companies	65,351	2,658	0.14
T-Mobile US	17,268	1,001	0.05
Toll Brothers	7,653	230	0.01
Torchmark	5,817	392	0.02
Total Systems Services	10,114	779	0.04
Tractor Supply Company	6,854	529	0.03
Transdigm Group	2,724	958	0.05
TransUnion	14,213	709	0.04
Travelers	14,878	1,694	0.09
Trimble Navigation	20,528	646	0.03
TripAdvisor	5,849	215	0.01
Twitter	40,228	1,186	0.06
Tyson Foods	16,345	1,045	0.05
UDR	15,461	536	0.03
Ulta Beauty	3,178	841	0.04
Under Armour A	10,507	174	0.01
Under Armour C	10,741	158	0.01
Union Pacific	39,512	5,338	0.27
United Continental Holdings	3,840	246	0.01
United Parcel Services	36,573	2,889	0.15
United Rentals	4,550	455	0.02
United Technologies	44,036	4,586	0.23
UnitedHealth Group	51,941	9,531	0.48
Universal Health Services B	4,698	445	0.02
Unum	11,640	315	0.02
US Bancorp	80,781	3,190	0.16
Vail Resorts	2,253	386	0.02
Valero Energy	23,894	1,549	0.08
Varian Medical Systems	5,139	520	0.03
Veeva Systems	7,061	783	0.04
Ventas	20,008	998	0.05

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Vereit	54,473	365	0.02
VeriSign	5,915	891	0.05
Verisk Analytics	9,014	986	0.05
Verizon Communications	225,132	9,942	0.51
Vertex Pharmaceuticals	14,343	1,860	0.10
VF	18,186	1,282	0.07
Viacom	19,850	436	0.02
Visa A	96,534	12,214	0.62
Vistra Energy	22,210	423	0.02
Vmware	3,989	624	0.03
Vornado Realty Trust	9,686	503	0.03
Voya Financial	8,730	358	0.02
Vulcan Materials	7,387	745	0.04
W. R. Berkley	8,005	383	0.02
W.P. Carey Reit	8,996	559	0.03
Wabtec Corporation	7,484	398	0.02
Walgreens Boots Alliance	45,552	1,867	0.10
Wal-Mart Stores	76,966	5,975	0.30
Walt Disney	96,525	10,109	0.51
Waste Management	24,140	2,013	0.10
Waters	4,226	682	0.04
WEC Energy Group	17,739	1,098	0.06
Wellcare Group	2,799	594	0.03
Wells Fargo & Co.	228,536	8,143	0.41
Welltower	20,923	1,280	0.07
Western Digital	16,292	576	0.03
Western Union	25,131	380	0.02
Westlake Chemical	2,340	111	0.01
Westrock Company	14,219	414	0.02
Weyerhaeuser	42,127	817	0.04
Whirlpool	3,510	357	0.02
Williams Companies	67,495	1,454	0.07
Workday A	8,159	1,299	0.07
Worldpay	2,434	223	0.01
Worldpay A	14,511	1,341	0.07
Wyndham Hotels & Resorts	5,538	236	0.01
Wynn Resorts	5,778	563	0.03
Xcel Energy	28,595	1,272	0.07
Xerox	19,492	485	0.03
Xilinx	14,315	1,273	0.07
XPO Logistics	12,148	551	0.03
Xylem	10,070	598	0.03
Yum China Holdings	19,616	646	0.03
Yum! Brands	17,343	1,353	0.07
YY ADR	2,367	125	0.01
Zillow Group A	3,698	110	0.01

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Zillow Group C	6,870	206	0.01
Zimmer Biomet Holdings	11,446	1,055	0.05
Zions Bancorporation	10,655	374	0.02
Zoetis	27,241	2,156	0.11
<b>Total United States</b>		<b>1,018,399</b>	<b>51.78</b>
<b>FUTURES - -0.07% ((0.04%))</b>			
CME S&P 500 E-Mini Index Future June 2019	101	(239)	(0.01)
ICF MSCI India Future June 2019	456	(1,214)	(0.06)
NYF Mini MSCI EAFE Future June 2019	60	41	0.00
NYF Mini MSCI Emerging Market Future June 2019	20	3	0.00
<b>Total Futures</b>		<b>(1,409)</b>	<b>(0.07)</b>
<b>Portfolio of investments</b>		<b>1,929,916</b>	<b>98.12</b>
<b>Net other assets</b>		<b>37,034</b>	<b>1.88</b>
<b>Net assets</b>		<b>1,966,950</b>	<b>100.00</b>

+related party

#unlisted

Figures in brackets denote the comparative percentage Holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for futures is HSBC Bank.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	150.40p	140.50p	107.90p
Return before operating charges*	7.79p	13.06p	35.57p
Operating charges**	(0.05p)	(0.07p)	(0.06p)
Return after operating charges*	7.74p	12.99p	35.51p
Distributions on income shares	(3.44p)	(3.09p)	(2.91p)
Closing net asset value per share	154.70p	150.40p	140.50p
*after direct transaction costs of:***	0.03p	0.05p	0.04p
<b>Performance</b>			
Return after charges	5.15%	9.25%	32.91%
<b>Other information</b>			
Closing net asset value	£109,105,733	£304,892,731	£164,910,020
Closing number of shares	70,538,209	202,733,615	117,405,085
Operating charges - OCF	0.03%	0.04%	0.05%
Direct transaction costs	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest share price	162.40p	155.80p	147.30p
Lowest share price	139.80p	137.50p	105.60p

<b>Institutional Accumulation</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	162.90p	149.10p	112.20p
Return before operating charges*	8.45p	13.87p	36.96p
Operating charges**	(0.05p)	(0.07p)	(0.06p)
Return after operating charges*	8.40p	13.80p	36.90p
Distributions on accumulation shares	(3.73p)	(3.28p)	(3.03p)
Retained distributions on accumulation shares	3.73p	3.28p	3.03p
Closing net asset value per share	171.30p	162.90p	149.10p
*after direct transaction costs of:***	0.03p	0.05p	0.04p
<b>Performance</b>			
Return after charges	5.16%	9.32%	32.89%
<b>Other information</b>			
Closing net asset value	£1,778,942,788	£1,907,354,590	£1,439,733,934
Closing number of shares	1,038,562,142	1,170,574,264	965,623,029
Operating charges - OCF	0.03%	0.04%	0.04%
Direct transaction costs	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest share price	176.00p	165.40p	153.10p
Lowest share price	151.50p	146.00p	109.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	150.40p	140.50p	107.90p
Return before operating charges*	7.79p	13.05p	35.55p
Operating charges**	(0.28p)	(0.28p)	(0.24p)
Return after operating charges*	7.51p	12.77p	35.31p
Distributions on income shares	(3.21p)	(2.87p)	(2.71p)
Closing net asset value per share	154.70p	150.40p	140.50p
*after direct transaction costs of:***	0.03p	0.05p	0.03p
<b>Performance</b>			
Return after charges	4.99%	9.09%	32.72%
<b>Other information</b>			
Closing net asset value	£13,680,526	£9,997,015	£11,064,789
Closing number of shares	8,845,274	6,647,069	7,877,915
Operating charges - OCF	0.18%	0.19%	0.20%
Direct transaction costs	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest share price	162.20p	155.70p	147.10p
Lowest share price	139.70p	137.50p	105.70p

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	162.10p	148.60p	111.90p
Return before operating charges*	8.40p	13.81p	36.96p
Operating charges**	(0.30p)	(0.31p)	(0.26p)
Return after operating charges*	8.10p	13.50p	36.70p
Distributions on accumulation shares	(3.46p)	(3.04p)	(2.82p)
Retained distributions on accumulation shares	3.46p	3.04p	2.82p
Closing net asset value per share	170.20p	162.10p	148.60p
*after direct transaction costs of:***	0.03p	0.05p	0.04p
<b>Performance</b>			
Return after charges	5.00%	9.08%	32.80%
<b>Other information</b>			
Closing net asset value	£65,135,339	£33,892,565	£8,721,893
Closing number of shares	38,279,005	20,909,825	5,871,269
Operating charges - OCF	0.18%	0.20%	0.19%
Direct transaction costs	0.02%	0.03%	0.03%
<b>Prices</b>			
Highest share price	174.80p	164.70p	152.60p
Lowest share price	150.50p	145.50p	109.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	150.40p	147.70p	N/A
Return before operating charges*	7.79p	5.74p	N/A
Operating charges**	(0.18p)	(0.12p)	N/A
Return after operating charges*	7.61p	5.62p	N/A
Distributions on income shares	(3.31p)	(2.92p)	N/A
Closing net asset value per share	154.70p	150.40p	N/A
*after direct transaction costs of:***	0.03p	0.05p	N/A
<b>Performance</b>			
Return after charges	5.06%	3.81%	N/A
<b>Other information</b>			
Closing net asset value	£41,937	£40,733	N/A
Closing number of shares	27,113	27,082	N/A
Operating charges - OCF	0.12%	0.14%	N/A
Direct transaction costs	0.02%	0.03%	N/A
<b>Prices</b>			
Highest share price	162.30p	155.70p	N/A
Lowest share price	139.70p	140.50p	N/A

<b>Accumulation S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	162.20p	156.20p	N/A
Return before operating charges*	8.30p	6.13p	N/A
Operating charges**	(0.20p)	(0.13p)	N/A
Return after operating charges*	8.10p	6.00p	N/A
Distributions on accumulation shares	(3.56p)	(3.09p)	N/A
Retained distributions on accumulation shares	3.56p	3.09p	N/A
Closing net asset value per share	170.30p	162.20p	N/A
*after direct transaction costs of:***	0.03p	0.05p	N/A
<b>Performance</b>			
Return after charges	4.99%	3.84%	N/A
<b>Other information</b>			
Closing net asset value	£43,661	£41,524	N/A
Closing number of shares	25,636	25,608	N/A
Operating charges - OCF	0.12%	0.14%	N/A
Direct transaction costs	0.02%	0.03%	N/A
<b>Prices</b>			
Highest share price	175.00p	164.70p	N/A
Lowest share price	150.60p	148.60p	N/A

#The Income S and Accumulation S share classes launched on 10 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains	2		54,834		138,883
Revenue	3	54,919		44,265	
Expenses	4	(577)		(715)	
Interest payable and similar charges		(3)		(13)	
Net revenue before taxation		54,339		43,537	
Taxation	5	(5,600)		(4,405)	
Net revenue after taxation			48,739		39,132
Total return before distributions			103,573		178,015
Distributions	6		(48,808)		(39,131)
Change in net assets attributable to shareholders from investment activities			54,765		138,884

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

		15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			2,256,219		1,624,431
Amounts receivable on creation of shares		459,544		858,585	
Amounts payable on cancellation of shares		(845,077)		(406,028)	
			(385,533)		452,557
Dilution adjustment			1,416		1,300
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)			54,765		138,884
Retained distribution on accumulation shares			40,083		39,047
Closing net assets attributable to shareholders			1,966,950		2,256,219

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			1,931,369		2,166,581
Current assets					
Debtors	8	41,231		61,364	
Cash and bank balances		27,776		36,085	
Total current assets			69,007		97,449
Total assets			2,000,376		2,264,030
<b>Liabilities</b>					
Investment liabilities			(1,453)		(872)
Creditors					
Bank overdrafts		(54)		-	
Distribution payable on income shares		(2,715)		(6,458)	
Other creditors	9	(29,204)		(481)	
Total creditors			(31,973)		(6,939)
Total liabilities			(33,426)		(7,811)
Net assets attributable to shareholders			1,966,950		2,256,219

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Institutional Income</b>				
Group 1	3.444574	-	3.444574	3.091036
Group 2	2.617721	0.826853	3.444574	3.091036
<b>Institutional Accumulation</b>				
Group 1	3.731773	-	3.731773	3.281417
Group 2	2.030538	1.701235	3.731773	3.281417
<b>Income C</b>				
Group 1	3.212624	-	3.212624	2.868198
Group 2	1.480927	1.731697	3.212624	2.868198
<b>Accumulation C</b>				
Group 1	3.462965	-	3.462965	3.035104
Group 2	1.464817	1.998148	3.462965	3.035104
<b>Income S</b>				
Group 1	3.305433	-	3.305433	2.922391
Group 2	0.461488	2.843945	3.305433	2.922391
<b>Accumulation S</b>				
Group 1	3.563515	-	3.563515	3.090924
Group 2	0.500669	3.062846	3.563515	3.090924



## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital Gains</b>		
The net capital gains during the year comprise:		
Currency gains/(losses)	3,703	(2,882)
Transaction (charges)/rebates	(162)	21
Capital special dividends	1,048	916
Capital US REIT income	136	71
Gains on derivative contracts	2,332	3,247
Gains on non-derivative securities	47,777	137,510
Net capital gains	54,834	138,883
<b>3. Revenue</b>		
UK dividends (net)	4,605	4,062
Property investment income	64	55
Overseas dividends	49,640	39,856
Deposit interest	240	99
Bank interest	287	129
Stock dividends	83	64
Total revenue	54,919	44,265
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	51	24
Registration fee	26	12
Safe custody fee	206	168
	283	204
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	192	164
<b>Other expenses:</b>		
Audit fee	5	6
Dividend collection expenses	16	14
Licence fee	59	309
Legal fee	14	15
Professional fee	4	4
Report and accounts fee	4	(1)
	102	347
Total expenses	577	715

	15.5.19 £'000	15.5.18 £'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Corporation tax	528	331
Overseas tax	5,341	4,175
Swiss tax reclaims written off	65	168
Double tax relief	(334)	(269)
Total current tax charge for the year (note 5b)	5,600	4,405
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	54,339	43,537
Corporation tax at 20%	10,868	8,707
Effects of:		
Revenue not subject to taxation	(10,340)	(8,376)
Overseas tax	5,272	4,175
Overseas tax on special dividends in capital	69	-
Swiss tax reclaims written off	65	168
Double tax relief	(334)	(269)
Current tax charge for the year (note 5a)	5,600	4,405
c) Provision for deferred taxation		
At 15 May 2019, there is no potential deferred tax asset (15.5.18: £nil) in relation to surplus management expenses.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Final dividend distribution	42,798	45,505
	42,798	45,505
Add: Amounts deducted on cancellation of shares	10,991	4,318
Deduct: Amounts received on issue of shares	(4,981)	(10,692)
Net distribution for the year	48,808	39,131
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	48,739	39,132
Equalisation on conversions	-	(1)
Overseas tax on special dividends in capital	69	-
Net distribution for the year	48,808	39,131
<b>8. Debtors</b>		
Amounts receivable for creation of shares	7,127	54,831
Sales awaiting settlement	27,510	51
Accrued revenue	4,836	5,259
Overseas tax recoverable	1,758	1,223
Total debtors	41,231	61,364
<b>9. Other Creditors</b>		
Amounts payable for cancellation of shares	29,035	173
Purchases awaiting settlement	-	25
Accrued expenses	8	219
Corporation tax payable	159	62
Tax payable	2	2
Total other creditors	29,204	481

## 10. Reconciliation of Shares

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.18	202,733,615	1,170,574,264	6,647,069	20,909,825
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	11,802,768	235,697,673	3,585,362	33,950,890
Shares cancelled	(117,836,873)	(391,565,390)	(1,702,469)	(16,581,710)
Shares converted	(26,161,301)	23,855,595	315,312	-
Closing shares issued at 15.5.19	70,538,209	1,038,562,142	8,845,274	38,279,005

  

	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	27,082	25,608
<b>Share movements 16.5.18 to 15.5.19</b>		
Shares issued	31	28
Shares cancelled	-	-
Shares converted	-	-
Closing shares issued at 15.5.19	27,113	25,636

## 11. Ultimate Controlling Party and Transactions

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
	%	%	%	%	%	%
As at 15.5.19	88.98	96.83	0.71	-	-	-
As at 15.5.18	85.58	96.40	9.09	-	-	-

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due to/from the ACD (including amounts due to associates and agents) at the year end was £21,974,897 (15.5.18: £54,609,604), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £7,147,898 (15.5.18: £9,579,047) in Authorised Investment Funds managed by HSBC and/or HSBC Holdings, the parent company of the ACD. During the period, transactions in Authorised Investment Funds managed by HSBC or HSBC Holdings totalled £3,159,892 (15.5.18: £4,745,710).

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets/(liabilities)</i>		<i>Net assets</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	<b>104,075</b>	133,413	<b>(17,046)</b>	51,662	<b>87,029</b>	185,075
Australian dollar	<b>42,553</b>	49,239	<b>389</b>	243	<b>42,942</b>	49,482
Brazilian real	<b>16,910</b>	18,644	<b>553</b>	50	<b>17,463</b>	18,694
Canadian dollar	<b>52,502</b>	61,354	<b>1,488</b>	179	<b>53,990</b>	61,533
Chinese yuan	-	-	<b>11</b>	22	<b>11</b>	22
Chilean peso	<b>2,350</b>	2,908	<b>13</b>	12	<b>2,363</b>	2,920
Columbian peso	<b>953</b>	1,044	-	-	<b>953</b>	1,044
Czech koruna	<b>404</b>	396	<b>16</b>	21	<b>420</b>	417
Danish krone	<b>10,115</b>	11,980	<b>300</b>	92	<b>10,415</b>	12,072
Egyptian pound	<b>390</b>	408	<b>13</b>	3	<b>403</b>	411
Euro	<b>190,822</b>	235,301	<b>2,522</b>	1,447	<b>193,344</b>	236,748
Hong Kong dollar	<b>74,922</b>	87,217	<b>752</b>	246	<b>75,674</b>	87,463
Hungarian forint	<b>760</b>	812	<b>43</b>	13	<b>803</b>	825
Indonesian rupiah	<b>4,780</b>	4,293	<b>20</b>	42	<b>4,800</b>	4,335
Israeli shekel	<b>3,011</b>	3,681	<b>2</b>	9	<b>3,013</b>	3,690
Japanese yen	<b>153,365</b>	189,296	<b>2,568</b>	1,779	<b>155,933</b>	191,075
Korean won	<b>27,502</b>	37,917	<b>649</b>	66	<b>28,151</b>	37,983
Kuwaiti Dinar	<b>1,840</b>	-	-	-	<b>1,840</b>	-
Malaysian ringgit	<b>6,038</b>	6,884	<b>25</b>	1	<b>6,063</b>	6,885
Mexican peso	<b>6,873</b>	7,315	<b>25</b>	18	<b>6,898</b>	7,333
New Taiwanese dollar	<b>25,735</b>	28,187	<b>339</b>	104	<b>26,074</b>	28,291
New Zealand dollar	<b>1,965</b>	1,520	<b>16</b>	1	<b>1,981</b>	1,521
Norwegian krone	<b>4,502</b>	4,887	<b>65</b>	50	<b>4,567</b>	4,937
Pakistani rupee	<b>105</b>	147	<b>1</b>	2	<b>106</b>	149
Peruvian sol	-	39	<b>4</b>	4	<b>4</b>	43
Philippine peso	<b>2,779</b>	2,729	<b>5</b>	5	<b>2,784</b>	2,734
Polish zloty	<b>2,119</b>	2,868	<b>20</b>	21	<b>2,139</b>	2,889
Qatari rial	<b>2,634</b>	1,510	-	4	<b>2,634</b>	1,514
Russian roubles	<b>2,763</b>	2,598	<b>35</b>	22	<b>2,798</b>	2,620
Saudi Riyal	<b>1,254</b>	-	-	-	<b>1,254</b>	-
Singapore dollar	<b>8,559</b>	9,971	<b>155</b>	94	<b>8,714</b>	10,065
South African rand	<b>14,815</b>	17,697	<b>43</b>	56	<b>14,858</b>	17,753
Swedish krona	<b>15,933</b>	19,283	<b>42</b>	79	<b>15,975</b>	19,362
Swiss franc	<b>52,088</b>	55,586	<b>1,559</b>	826	<b>53,647</b>	56,412
Thai baht	<b>7,343</b>	7,848	<b>20</b>	25	<b>7,363</b>	7,873
Turkish lira	<b>1,357</b>	1,863	<b>6</b>	17	<b>1,363</b>	1,880
UAE dirham	<b>1,614</b>	1,574	<b>28</b>	25	<b>1,642</b>	1,599
United States dollar	<b>1,084,186</b>	1,155,300	<b>42,353</b>	33,270	<b>1,126,539</b>	1,188,570
<b>Total</b>	<b>1,929,916</b>	2,165,709	<b>37,034</b>	90,510	<b>1,966,950</b>	2,256,219

\*No currency risk as base currency.

**Interest Rate Risk**

At the year end, 1.42% (15.5.18: 1.59%) of the Fund's assets by value were interest-bearing. Interest rates are based upon LIBOR (London Interbank Offered Rate).

**13. Shareholders' Funds**

This Fund has an institutional share class, C share class and an S share class.

The annual ACD charge is nil on the institutional share class, 0.10% on the C share class and 0.09% on the S share class. The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 156 to 158. The distribution per share class is given in the Distribution Table on page 160. All share classes within the OEIC have the same rights on winding up.

**14. Financial Derivatives**

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements. The type of derivatives held at the year end were index futures. Details of the individual contracts are shown on the Portfolio Statement on pages 85 to 155.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

**15. Contingent Liabilities and Commitments**

At the year end the Fund had no contingent liabilities or commitments: (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	319,197	73	0.02	111	0.03	38	0.01
Corporate actions	2,213	-	-	-	-	-	-
Total purchases before transaction costs	321,410	73		111		38	
Transaction costs	222						
Total purchases after commission, tax and fees	321,632						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	594,047	130	0.02	51	0.01	25	-
Corporate actions	10,427	-	-	-	-	-	-
Total sales before transaction costs	604,474	130		51		25	
Transaction costs	(206)						
Total sales after commission, tax and fees	604,268						

The Fund had paid £37,199 as commission on purchases and sales derivative transactions for the year ended 15.5.19.  
Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.01%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.10%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	715,935	159	0.02	-	-	345	0.05
Corporate actions	1,465	-	-	-	-	-	-
Total purchases before transaction costs	717,400	159		-		345	
Transaction costs	504						
Total purchases after commission, tax and fees	717,904						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	262,263	48	0.02	-	-	49	0.02
Corporate actions	7,230	-	-	-	-	-	-
Total sales before transaction costs	269,493	48		-		49	
Transaction costs	(97)						
Total sales after commission, tax and fees	269,396						

The Fund had paid £36,892 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.02%

At the balance sheet date the portfolio dealing spread was 0.08%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,931,208	28	89	1,931,325
Derivatives	44	-	-	44
	1,931,252	28	89	1,931,369
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(1,453)	-	-	(1,453)
	(1,453)	-	-	(1,453)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	2,166,454	-	89	2,166,543
Derivatives	38	-	-	38
	2,166,492	-	89	2,166,581
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(872)	-	-	(872)
	(872)	-	-	(872)

## **18. Sensitivity Analysis**

### **Price risk sensitivity:**

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £192,991,558 (15.5.18: £216,570,862).

### **Currency risk sensitivity:**

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £187,992,004 (15.5.18: £207,114,785).

### **Interest rate risk sensitivity:**

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

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# European Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE Developed Europe excluding UK Index.

## Investment Policy

To invest in companies that make up the FTSE Developed Europe excluding UK index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE Developed Europe excluding UK Index. This means that the Fund will seek to invest in all of the companies that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE Developed Europe ex UK index was down 1.20% in EUR and 0.65% in GBP terms during the period. Focusing on the GBP performance, this is mainly due to three sectors; Financials, down 10.45%, which contributed -2.38% to the total return of the index; Basic Materials, down 14.19% and contributing -0.98% to the total return of the index; and Oil and Gas, down 6.41% over the period with a contribution of -0.36% to the index performance in GBP terms.

European equities fell sharply in the second half of 2018, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. This trend was quickly reversed in the first months of 2019, where European stocks rebounded thanks to central banks stepping away from tighter monetary policy and on the back of optimism over global trade, as US suspended planned tariffs hikes on Chinese goods. Concerns around growth continued to linger though; the Eurozone economy grew by just 0.2% in Q4 2018 as Germany saw zero growth, while Italy slipped into recession.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 2.20% while the value of the FTSE Developed Europe Excluding UK index fell by 0.65%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.13%.

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	603.1p xd	883.1p	889.3p xd	957.8p
Distribution payable (on 15 July 2019) per share net	16.773393p	23.888235p	25.908071p	27.105915p
Current net estimated yield	2.76%	2.68%	2.89%	2.81%
Annual ACD charge	0.13%	0.13%	0.00%	0.00%
	Institutional A Accumulation		Income C	Accumulation C
Price	928.8p		607.2p xd	889.1p
Distribution payable (on 15 July 2019) per share net	25.126551p		17.505038p	24.905439p
Current net estimated yield	2.68%		2.86%	2.78%
Annual ACD charge	0.13%		0.03%	0.03%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>AUSTRIA - 0.49% (0.64%)</b>			
Andritz	17,683	519	0.04
Erste Bank	73,431	2,170	0.17
OMV	35,824	1,368	0.11
Raiffeisen International Bank	32,245	612	0.05
Telekom Austria	32,821	190	0.01
Verbund	16,511	666	0.05
Vienna Insurance Group	9,283	193	0.01
Voestalpine	29,178	669	0.05
<b>Total Austria</b>		<b>6,387</b>	<b>0.49</b>
<b>BELGIUM - 2.21% (2.33%)</b>			
Ackermans	5,548	655	0.05
Ageas (BRU)	48,039	1,870	0.14
Anheuser-Busch InBev	197,279	12,832	0.99
Colruyt	12,713	727	0.06
Galapagos	11,843	1,042	0.08
Groupe Bruxelles Lambert	18,460	1,335	0.10
KBC Group	69,806	3,661	0.28
Proximus	34,868	758	0.06
Sofina	3,932	605	0.05
Solvay	17,513	1,367	0.11
Telenet Group	12,422	502	0.04
UCB	30,792	1,857	0.14
Umicore	52,789	1,369	0.11
<b>Total Belgium</b>		<b>28,580</b>	<b>2.21</b>
<b>BERMUDA - 0.02% (0.00%)</b>			
Veon	170,115	319	0.02
<b>Total Bermuda</b>		<b>319</b>	<b>0.02</b>
<b>DENMARK - 3.67% (3.66%)</b>			
A P Moller - Maersk A	1,121	966	0.07
A P Moller - Maersk B	1,639	1,500	0.12
Ambu	40,935	619	0.05
Carlsberg B	26,925	2,762	0.21
Christian Hansen Holding	25,040	2,055	0.16
Coloplast B	33,918	2,776	0.21
Danske Bank	169,282	2,102	0.16
DSV	45,461	3,140	0.24
Genmab	14,168	1,831	0.14
GN Store Nord	34,225	1,291	0.10
ISS A/S	47,458	1,187	0.09
Jyske Bank	16,317	484	0.04
Lundbeck	14,908	461	0.04
Maersk Drilling AS	5,520	303	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Novo Nordisk B	435,101	15,848	1.23
Novozymes	53,510	2,004	0.16
Orsted	38,242	2,295	0.18
Pandora	25,584	759	0.06
Rockwool International B	1,598	324	0.03
Tryg	31,101	741	0.06
Vestas Wind Systems	51,019	3,292	0.25
William Demant Holdings	27,579	701	0.05
<b>Total Denmark</b>		<b>47,441</b>	<b>3.67</b>
<b>FINLAND - 2.58% (2.35%)</b>			
Elisa	36,717	1,241	0.10
Fortum	110,497	1,819	0.14
Huhtamaki	23,602	694	0.05
Kesko B	17,401	698	0.05
Kone B	99,730	4,246	0.33
Metso	27,176	729	0.06
Neste Oil	106,488	2,762	0.21
Nokia	1,432,101	5,273	0.41
Nokian Renkaat	34,498	773	0.06
Nordea Bank Abp EUR	44,691	261	0.02
Nordea Bank Abp SEK	768,750	4,489	0.35
Orion	26,170	660	0.05
Sampo	125,561	4,297	0.33
Stora Enso (registered)	141,511	1,271	0.10
UPM-Kymmene	136,528	2,795	0.22
Wartsila	114,974	1,365	0.10
<b>Total Finland</b>		<b>33,373</b>	<b>2.58</b>
<b>FRANCE - 21.64% (21.78%)</b>			
Accor	50,703	1,537	0.12
ADP Promesses	7,275	975	0.08
Air France-Klm	54,660	395	0.03
Air Liquide	107,528	10,767	0.83
Ald	20,080	220	0.02
Alstom	39,531	1,326	0.10
Amundi	14,425	755	0.06
Arkema	18,176	1,235	0.10
Atos	23,670	1,455	0.11
#Atos SE Rights	23,670	-	0.00
AXA	492,195	9,537	0.74
Bio Merieux	10,358	658	0.05
BNP Paribas	276,882	10,915	0.84
Bollore	251,418	902	0.07
Bouygues	52,581	1,508	0.12
Bureau Veritas	69,596	1,319	0.10

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Capgemini	39,977	3,634	0.28
Carrefour	142,915	2,192	0.17
Casino Guichard-Perrachon	13,737	390	0.03
CNP Assurances	39,627	690	0.05
Covivio REIT	11,198	906	0.07
#Covivio REIT Rights	11,198	-	0.00
Credit Agricole	291,623	2,811	0.22
Danone	153,063	9,339	0.72
Dassault Aviation	580	632	0.05
Dassault Systemes	33,799	3,948	0.31
Edenred	60,796	2,175	0.17
Eiffage	19,304	1,524	0.12
Electricite de France	127,573	1,414	0.11
Elis	48,218	635	0.05
Engie	419,780	4,964	0.38
Essilor International	74,202	7,013	0.54
Eurazeo	12,196	672	0.05
Eurofins Scientific	2,877	1,039	0.08
Eutelsat Communications	47,082	628	0.05
Faurecia	18,638	630	0.05
Gecina	13,200	1,550	0.12
Getlink	114,292	1,402	0.11
Hermes International	7,892	4,203	0.33
Icade	8,198	542	0.04
Iliad	5,992	556	0.04
Imerys	9,355	340	0.03
Ingenico	15,967	1,007	0.08
Ipsen Promesses	8,806	836	0.06
JC Decaux	18,692	443	0.03
Kering	18,996	8,542	0.66
Klepierre	49,243	1,331	0.10
L'Oreal	61,671	12,866	1.00
Lagardere Groupe	28,807	559	0.04
Legrand Promesses	68,182	3,616	0.28
LVMH	63,582	18,665	1.44
Michelin	45,100	4,410	0.34
Natixis Banques Populaires	214,680	948	0.07
Orange	491,226	5,839	0.45
Orpea	11,505	1,008	0.08
Pernod-Ricard	54,134	7,330	0.57
Peugeot	139,234	2,597	0.20
Plastic Omnium	14,453	295	0.02
Publicis Groupe	53,801	2,374	0.18
Remy Cointreau	6,200	633	0.05
Renault	47,097	2,158	0.17
Rexel	75,548	717	0.06

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Rubis	21,839	896	0.07
Safran	82,827	8,965	0.69
Saint Gobain Nederland	124,017	3,676	0.28
Sanofi	277,720	17,854	1.38
Sartorius Stedim Biotech	6,172	669	0.05
Schneider Electric	130,938	8,219	0.64
Scor Regroupe	39,602	1,248	0.10
Skandinaviska Enskilda Banken	6,868	918	0.07
Societe BIC	6,418	421	0.03
Societe Generale	185,037	4,131	0.32
Sodexo	22,139	1,927	0.15
Suez Environnement	94,008	1,019	0.08
Teleperformance	14,634	2,133	0.17
Thales	25,614	2,233	0.17
Total	635,671	26,426	2.04
Ubisoft	21,475	1,543	0.12
Unibail-Rodamco-Westfield	34,499	4,302	0.33
Valeo	60,124	1,486	0.11
Veolia Environnement	127,520	2,232	0.17
Vinci	118,937	9,154	0.71
Vivendi	245,594	5,312	0.41
Wendel	7,074	750	0.06
Worldline	19,673	883	0.07
<b>Total France</b>		<b>279,904</b>	<b>21.64</b>

### GERMANY - 18.81% (21.11%)

Adidas	48,355	10,652	0.82
Allianz (registered)	108,081	18,971	1.47
Axel Springer	11,368	477	0.04
BASF	234,457	12,969	1.00
Bayer	239,063	11,768	0.91
Beiersdorf	25,543	2,232	0.17
BMW	82,254	5,022	0.39
BMW Preference	14,183	751	0.06
Brenntag	39,057	1,524	0.12
Carl Zeiss Meditec	9,153	688	0.05
Commerzbank	262,741	1,752	0.14
Continental	27,687	3,174	0.25
Covestro	39,787	1,535	0.12
Daimler	220,282	10,408	0.81
Delivery Hero	27,175	987	0.08
Deutsche Bank	523,979	3,125	0.24
Deutsche Boerse	46,660	4,932	0.38
Deutsche Post	248,752	6,258	0.48
Deutsche Telekom	827,034	10,710	0.83
Deutsche Wohnen	90,920	3,372	0.26

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Drillisch	11,866	289	0.02
DWS Group & GmbH Co KGaA	9,002	236	0.02
E.ON	555,556	4,401	0.34
Evonik Industries	42,650	959	0.07
Fielmann	6,094	331	0.03
Fraport	9,083	577	0.04
Fresenius	103,844	4,427	0.34
Fresenius Medical Care	54,420	3,365	0.26
Fuchs Petrolub	8,405	236	0.02
Fuchs Petrolub PFD	17,718	547	0.04
GEA	41,405	863	0.07
Grenkeleasing	6,585	506	0.04
Hannover Rueckversicherung	15,156	1,763	0.14
Hapag-Lloyd	6,403	141	0.01
HeidelbergCement	38,082	2,313	0.18
Hella KGaA Hueck & Company	11,190	444	0.03
Henkel	25,997	1,820	0.14
Henkel Preference	44,729	3,311	0.26
Hochtief	5,480	545	0.04
Hugo Boss	16,482	830	0.06
Infineon Technologies	289,795	4,597	0.36
Innogy	32,834	1,148	0.09
K+S	47,806	712	0.06
KION Group	18,107	853	0.07
Knorr-Bremse	12,206	997	0.08
Lanxess	23,529	964	0.07
Leg Immobilien	15,982	1,547	0.12
Lufthansa	60,555	952	0.07
Merck KGaA	33,118	2,625	0.20
Metro	43,379	533	0.04
MTU Aero Engines	13,202	2,325	0.18
Muenchener Ruecker	38,183	7,144	0.55
Osram Licht	21,983	522	0.04
Porsche Preference	39,254	2,078	0.16
ProSiebenSat.1 Media	58,934	799	0.06
Puma	2,102	1,007	0.08
Rational	855	429	0.03
Rheinmetall	10,879	979	0.08
Rocket Internet	17,045	348	0.03
RWE	136,730	2,776	0.22
RWE Preference	10,133	206	0.02
SAP	248,042	24,381	1.89
Sartorius	8,660	1,264	0.10
Scout24	27,653	1,067	0.08
Siemens	196,497	18,222	1.41
Siemens Healthineers	33,514	1,068	0.08

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Suedzucker	18,757	224	0.02
Symrise	32,325	2,392	0.19
Talanx	9,514	298	0.02
Telefonica Deutschland Holding	162,173	396	0.03
ThyssenKrupp	119,427	1,254	0.10
Uniper	50,167	1,132	0.09
United Internet	29,693	812	0.06
Volkswagen	8,184	1,080	0.08
Volkswagen Preference	46,930	6,121	0.47
Vonovia	132,811	5,602	0.43
Wacker Chemie	3,650	224	0.02
Wirecard	29,269	3,527	0.27
Zalando	34,678	1,168	0.09
<b>Total Germany</b>		<b>242,984</b>	<b>18.81</b>
<b>IRELAND - 0.57% (0.54%)</b>			
AIB Group	199,547	700	0.06
#Anglo Irish Bank	23,607	-	0.00
Bank of Ireland	235,679	1,087	0.09
Glanbia	49,140	694	0.05
Kerry Group A	37,335	3,412	0.26
Kingspan Group	37,760	1,468	0.11
<b>Total Ireland</b>		<b>7,361</b>	<b>0.57</b>
<b>ITALY - 4.50% (5.57%)</b>			
A2A SpA	386,075	507	0.04
Atlantia	136,191	2,714	0.21
Banca Mediolanum	73,927	394	0.03
Banche Popolari Unite	254,092	555	0.04
Banco	378,422	564	0.04
Buzzi Unicem	17,135	282	0.02
Buzzi Unicem (Participatory Certificate)	10,550	118	0.01
Davide Campari Milano	145,467	1,149	0.09
DiaSorin	5,709	475	0.04
Enel	1,991,562	9,668	0.75
ENI	640,851	8,104	0.63
Finecobank Banco Fineco	126,937	1,071	0.08
Finmeccanica	99,451	854	0.07
Fondiaria Sai SpA	146,586	311	0.02
Generali	331,936	4,913	0.38
Hera SpA	204,426	583	0.04
Intesa Sanpaolo	3,867,595	7,179	0.56
Italgas	122,392	605	0.05
Mediaset	79,718	198	0.02
Mediobanca	183,872	1,393	0.11
Moncler	47,034	1,467	0.11

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Pirelli	107,938	550	0.04
Poste Italiane	118,577	941	0.07
Prysmian	67,267	1,001	0.08
Recordati	23,838	732	0.06
Saipem	144,659	522	0.04
Salvatore Ferragamo	16,967	314	0.02
Snam SpA	580,759	2,278	0.18
Telecom Italia	2,762,215	1,073	0.08
Telecom Italia RNC	1,506,377	554	0.04
Terna	362,020	1,746	0.14
Unicredit SpA	571,712	5,295	0.41
<b>Total Italy</b>		<b>58,110</b>	<b>4.50</b>

**LUXEMBOURG - 0.51% (0.56%)**

ArcelorMittal	154,705	2,061	0.16
Aroundtown	170,986	1,113	0.09
RTL Group	9,243	376	0.03
SES Global	90,101	1,189	0.09
Subsea 7	64,415	617	0.05
Tenaris	118,195	1,237	0.09
<b>Total Luxembourg</b>		<b>6,593</b>	<b>0.51</b>

**NETHERLANDS - 9.06% (8.92%)**

Aalberts Industries	24,458	671	0.05
ABN AMRO Group CVA W/I GDR	106,195	1,797	0.14
Adyen	2,534	1,477	0.11
Aegon	442,358	1,621	0.13
Airbus Group	140,693	14,805	1.15
Akzo Nobel	58,355	3,850	0.30
ASML Holdings	102,120	15,937	1.23
ASR Nederland	34,130	1,073	0.08
Boskalis Westminster	20,355	390	0.03
CNH Industrial	254,340	1,827	0.14
Exor Holdings	26,994	1,337	0.10
Ferrari New	32,126	3,582	0.28
Fiat Chrysler Automobiles	282,050	3,218	0.25
GrandVision	11,801	192	0.01
Heineken	60,398	5,097	0.39
Heineken Holdings	27,061	2,129	0.16
ING Groep	997,332	8,762	0.68
Koninklijke Ahold Delhaize	277,735	5,025	0.39
Koninklijke DSM	44,862	3,949	0.31
Koninklijke Philips	234,354	7,345	0.57
KPN Koninklijke	847,157	1,956	0.15
NN Group	87,208	2,793	0.22



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
OCI	24,752	496	0.04
Signify	26,933	603	0.05
Qiagen	56,200	1,635	0.13
Randstad	28,200	1,180	0.09
STMicroelectronics	162,436	2,212	0.17
Unilever	387,523	17,985	1.39
Vopak	16,547	538	0.04
Wolters Kluwer certificates	68,194	3,613	0.28
<b>Total Netherlands</b>		<b>117,095</b>	<b>9.06</b>
<b>NORWAY - 1.52% (1.50%)</b>			
Adevinta ASA	19,918	149	0.01
Adevinta ASA B	24,438	180	0.01
Aker A ASA	6,242	291	0.02
Aker BP ASA	27,042	632	0.05
Den Norske Bank	271,448	3,692	0.29
Equinor	252,145	4,099	0.32
Gjensidige Forsikring	42,733	650	0.05
Leroy Seafood Group	65,800	344	0.03
Marine Harvest	108,907	1,944	0.15
Norsk Hydro	342,714	977	0.08
Orkla	193,152	1,296	0.10
Salmar	13,233	476	0.04
Schibsted	19,918	391	0.03
Schibsted B	24,438	445	0.03
Telenor	170,651	2,614	0.20
Yara International	44,094	1,406	0.11
<b>Total Norway</b>		<b>19,586</b>	<b>1.52</b>
<b>POLAND - 0.73% (0.00%)</b>			
CD Projekt	15,665	663	0.05
Cyfrowy Polsat	68,704	355	0.03
Dino Polska	12,364	326	0.02
Grupa Lotos	25,168	377	0.03
KGHM	34,093	641	0.05
LPP	216	345	0.03
mBank	3,295	261	0.02
Pekao	40,224	829	0.06
PKO Bank Polski	218,570	1,643	0.13
Polish Oil & Gas	433,372	504	0.04
Polska Grupa Energetyczna	187,671	348	0.03
Polski Koncern Naftowy	79,474	1,405	0.11
PZU Group	143,804	1,140	0.09
Santander Bank Polska	7,517	554	0.04
<b>Total Poland</b>		<b>9,391</b>	<b>0.73</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>PORTUGAL - 0.30% (0.34%)</b>			
#Banco Espirito Santo	307,911	-	0.00
Energias de Portugal	581,353	1,597	0.12
Galp Energia	129,924	1,584	0.12
Jeronimo Martins	61,964	738	0.06
<b>Total Portugal</b>		<b>3,919</b>	<b>0.30</b>
<b>SPAIN - 6.52% (7.23%)</b>			
Acciona (registered)	5,241	444	0.03
Acerinox (registered)	43,469	336	0.03
Actividades de Construcción y Servicios	63,122	2,042	0.16
Aena	16,343	2,375	0.18
Amadeus IT	105,737	6,324	0.49
Banco de Sabadell	1,442,024	1,306	0.10
Banco Santander	4,117,897	14,732	1.14
Bankia	301,169	604	0.05
Bankinter (registered)	175,881	1,027	0.08
BBV Argentaria	1,704,893	7,561	0.59
CaixaBank	919,469	2,182	0.17
Cellnex Telecom	53,758	1,352	0.11
Corporacion Financiera Alba	4,902	203	0.02
Corporacion Mapfre (registered)	252,675	580	0.05
EDP Renovaveis	38,544	291	0.02
Enagas	58,186	1,271	0.10
Endesa	80,028	1,574	0.12
Ferrovial	120,444	2,141	0.17
Ferrovial SA Rights	120,444	31	0.00
Fomento de Construcciones y	18,415	184	0.01
Fomento de Construcciones y Rights	18,415	6	0.00
Gamesa	55,933	713	0.06
Gas Natural	79,302	1,828	0.14
Grifols A	84,862	1,722	0.13
Grifols B	67,209	950	0.07
Iberdrola	1,568,339	11,167	0.86
Industria de Diseño Textil	269,009	5,929	0.46
Inmobiliaria Colonial	80,485	687	0.05
Merlin Properties REIT	85,705	898	0.07
Red Electrica de Espana	110,635	1,863	0.14
Repsol	347,007	4,381	0.34
Telefonica	1,162,394	7,238	0.56
Zardoya Otis	42,696	252	0.02
<b>Total Spain</b>		<b>84,194</b>	<b>6.52</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SWEDEN - 5.57% (5.86%)</b>			
Alfa Laval	80,488	1,358	0.11
Assa Abloy B	234,860	3,714	0.29
Atlas Copco AB	160,914	3,557	0.28
Atlas Copco AB B	96,824	1,957	0.15
Biovitrum	44,679	616	0.05
Boliden	69,160	1,301	0.10
Castellum AB	68,277	984	0.08
Electrolux B	61,346	1,097	0.09
Elekta B	92,035	800	0.06
Epiroc AB	94,256	678	0.05
Epiroc A	161,381	1,209	0.09
Ericsson (L.M.) Telefonatkie A	7,688	55	0.01
Ericsson (L.M.) Telefonatkie B	760,180	5,422	0.42
Essity Aktiebolag	155,468	3,544	0.27
Fastighets Balder B	24,935	625	0.05
Hennes & Mauritz B free	224,429	2,865	0.22
Hexagon	63,975	2,451	0.19
Husqvarna B	101,277	698	0.05
ICA Gruppen	19,922	602	0.05
Industivarden A	53,405	898	0.07
Industivarden C	41,731	682	0.05
Investment AB Kinnevik B	61,376	1,300	0.10
Investor A	34,072	1,186	0.09
Investor B Free	116,144	4,057	0.31
Latour Investment B	29,014	308	0.02
Lundbergs B	19,001	484	0.04
Lundin Petroleum	44,503	1,053	0.08
Nibe Industrier	76,987	791	0.06
Saab B	23,635	543	0.04
Sandvik	275,763	3,594	0.28
SCA B	152,523	947	0.07
SEB A	367,779	2,652	0.21
Securitas B	79,354	1,054	0.08
Skandinaviska Enskilda Banken	3,962	29	0.00
Skanska B	91,069	1,192	0.09
SKF B	97,670	1,249	0.10
Svenska Cellulosa AB	6,447	46	0.00
Svenska Handelsbanken A	373,264	3,054	0.24
Svenska Handelsbanken B	9,759	79	0.01
Swedbank A	256,104	2,986	0.23
Swedish Match	43,344	1,612	0.12
Tele2 B	134,497	1,360	0.11
Telia Company	686,757	2,238	0.17
Trelleborg B	62,408	701	0.05
Volvo B	382,783	4,372	0.34
<b>Total Sweden</b>		<b>72,000</b>	<b>5.57</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SWITZERLAND - 18.67% (16.77%)</b>			
ABB (registered)	456,497	6,715	0.52
Adecco (registered)	38,760	1,681	0.13
Alcon	111,284	5,276	0.41
Baloise Holding (registered)	11,805	1,506	0.12
Banque Cantonale Vaudoise	686	392	0.03
Barry Callebaut	490	698	0.05
CIE Financiere Richemont A	130,563	7,046	0.54
Clariant (registered)	51,441	748	0.06
Credit Suisse (registered)	650,644	6,033	0.47
DKSH Holding	6,292	297	0.02
Dufry Group	7,506	504	0.04
EMS Chemie	1,822	830	0.06
Flughafen Zuerich	4,870	623	0.05
Geberit	9,268	3,214	0.25
Georg Fischer	1,053	717	0.06
Givaudan (registered)	2,361	4,667	0.36
Helvetia Holding	8,120	754	0.06
Julius Baer Group	55,516	1,908	0.15
Kuehne & Nagel	12,856	1,317	0.10
LafargeHolcim	121,253	4,985	0.39
Lindt & Sprüengli (Participatory Certificate)	270	1,400	0.11
Lindt & Sprüengli (Registered)	26	1,521	0.12
Logitech R	37,097	1,104	0.09
Lonza Group	18,970	4,576	0.35
Nestlé (registered)	768,981	58,425	4.52
Novartis (registered)	556,424	35,259	2.73
OC Oerlikon	48,536	427	0.03
Pargesa B	9,695	557	0.04
Partners Group	4,243	2,393	0.19
PSP Swiss Property	9,779	819	0.06
Roche Holding	177,340	35,297	2.73
Roche Holding - Bearer	6,719	1,336	0.10
Schindler Holding (registered)	4,864	757	0.06
Schindler participation certificates	10,236	1,635	0.13
SGS Surveillance	1,317	2,564	0.20
Sika	35,521	4,261	0.33
Sonova	12,984	2,065	0.16
Straumann Holdings	2,531	1,604	0.12
Sulzer (registered)	4,430	340	0.03
Swiss Life	8,726	3,047	0.24
Swiss Prime Site	19,268	1,221	0.09
Swiss Reinsurance (registered)	77,739	5,473	0.42
Swisscom (registered)	6,514	2,373	0.18
Temenos Group	14,745	1,910	0.15
The Swatch Group (registered)	11,456	470	0.04

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
The Swatch Group B	7,535	1,610	0.12
UBS (registered)	883,982	8,131	0.63
Vifor Pharma	11,389	1,217	0.09
Zurich Insurance Group	38,498	9,524	0.74
<b>Total Switzerland</b>		<b>241,227</b>	<b>18.67</b>
<b>UNITED KINGDOM - 0.16% (0.21%)</b>			
TechnipFMC	117,378	2,066	0.16
<b>Total United Kingdom</b>		<b>2,066</b>	<b>0.16</b>
<b>FUTURES - -0.01% (0.01%)</b>			
EUX Euro Stoxx 50 Future June 2019	826	(190)	(0.01)
EUX Swiss Market Index Future June 2019	93	(56)	(0.00)
SSE OMXS30 Index Future June 2019	156	9	0.00
<b>Total Futures</b>		<b>(237)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>1,260,293</b>	<b>97.52</b>
<b>Net other assets</b>		<b>32,027</b>	<b>2.48</b>
<b>Net assets</b>		<b>1,292,320</b>	<b>100.00</b>

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for futures is HSBC Bank.

## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	624.00p	607.20p	462.70p
Return before operating charges*	(8.78p)	33.10p	160.32p
Operating charges**	(1.05p)	(1.01p)	(0.99p)
Return after operating charges*	(9.83p)	32.09p	159.33p
Distributions on income shares	(16.77p)	(15.29p)	(14.83p)
Closing net asset value per share	597.40p	624.00p	607.20p
*after direct transaction costs of:***	0.14p	0.20p	0.13p
<b>Performance</b>			
Return after charges	(1.58%)	5.28%	34.43%
<b>Other information</b>			
Closing net asset value	£4,239,436	£7,766,715	£10,328,083
Closing number of shares	709,693	1,244,675	1,701,000
Operating charges - OCF	0.17%	0.16%	0.18%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	644.70p	651.30p	619.70p
Lowest share price	551.10p	588.30p	447.60p

<b>Retail Accumulation</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	888.60p	843.90p	627.70p
Return before operating charges*	(12.61p)	46.13p	217.52p
Operating charges**	(1.49p)	(1.43p)	(1.32p)
Return after operating charges*	(14.10p)	44.70p	216.20p
Distributions on accumulation shares	(23.89p)	(21.25p)	(20.12p)
Retained distributions on accumulation shares	23.89p	21.25p	20.12p
Closing net asset value per share	874.50p	888.60p	843.90p
*after direct transaction costs of:***	0.19p	0.27p	0.17p
<b>Performance</b>			
Return after charges	(1.59%)	5.30%	34.44%
<b>Other information</b>			
Closing net asset value	£55,190,315	£62,235,164	£62,910,562
Closing number of shares	6,311,139	7,003,989	7,455,016
Operating charges - OCF	0.17%	0.16%	0.18%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	917.90p	905.20p	840.70p
Lowest share price	784.70p	817.80p	607.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	921.10p	895.30p	726.40p
Return before operating charges*	(14.00p)	48.89p	186.98p
Operating charges**	(0.39p)	(0.33p)	(0.37p)
Return after operating charges*	(14.39p)	48.56p	186.61p
Distributions on income shares	(25.91p)	(23.76p)	(17.71p)
Closing net asset value per share	880.80p	920.10p	895.30p
*after direct transaction costs of:***	0.20p	0.29p	0.19p
<b>Performance</b>			
Return after charges	(1.56%)	5.42%	25.69%
<b>Other information</b>			
Closing net asset value	£238,852,090	£317,329,232	£268,186,960
Closing number of shares	27,117,441	34,489,328	29,956,110
Operating charges - OCF	0.04%	0.04%	0.05%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	950.90p	961.10p	909.50p
Lowest share price	813.30p	868.50p	726.40p

<b>Institutional Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	962.50p	913.00p	678.10p
Return before operating charges*	(13.58p)	49.82p	235.33p
Operating charges**	(0.42p)	(0.32p)	(0.43p)
Return after operating charges*	(14.00p)	49.50p	234.90p
Distributions on accumulation shares	(27.11p)	(24.23p)	(22.79p)
Retained distributions on accumulation shares	27.11p	24.23p	22.79p
Closing net asset value per share	948.50p	962.50p	913.00p
*after direct transaction costs of:***	0.21p	0.29p	0.19p
<b>Performance</b>			
Return after charges	(1.45%)	5.42%	34.64%
<b>Other information</b>			
Closing net asset value	£508,917,662	£442,271,967	£386,285,256
Closing number of shares	53,653,230	45,948,407	42,311,507
Operating charges - OCF	0.05%	0.03%	0.06%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	994.80p	980.20p	909.50p
Lowest share price	850.80p	885.70p	656.10p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional A Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	934.70p	887.70p	660.40p
Return before operating charges*	(13.33p)	48.50p	228.52p
Operating charges**	(1.57p)	(1.50p)	(1.22p)
Return after operating charges*	(14.90p)	47.00p	227.30p
Distributions on accumulation shares	(25.13p)	(22.35p)	(21.17p)
Retained distributions on accumulation shares	25.13p	22.35p	21.17p
Closing net asset value per share	919.80p	934.70p	887.70p
*after direct transaction costs of:***	0.20p	0.29p	0.17p
<b>Performance</b>			
Return after charges	(1.59%)	5.29%	34.42%
<b>Other information</b>			
Closing net asset value	£917,064	£1,260,421	£1,300,823
Closing number of shares	99,701	134,846	146,546
Operating charges - OCF	0.17%	0.16%	0.18%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	965.50p	952.20p	884.30p
Lowest share price	825.40p	860.20p	639.00p

<b>Income C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	628.20p	611.30p	465.80p
Return before operating charges*	(8.83p)	33.34p	161.38p
Operating charges**	(0.46p)	(0.41p)	(0.40p)
Return after operating charges*	(9.29p)	32.93p	160.98p
Distributions on income shares	(17.51p)	(16.03p)	(15.48p)
Closing net asset value per share	601.40p	628.20p	611.30p
*after direct transaction costs of:***	0.14p	0.20p	0.12p
<b>Performance</b>			
Return after charges	(1.48%)	5.39%	34.56%
<b>Other information</b>			
Closing net asset value	£88,231,541	£75,169,386	£63,881,968
Closing number of shares	14,670,700	11,965,376	10,450,361
Operating charges - OCF	0.08%	0.07%	0.08%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	649.20p	656.10p	624.40p
Lowest share price	555.20p	592.80p	450.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.



## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	893.70p	847.90p	630.00p
Return before operating charges*	(12.55p)	46.39p	218.52p
Operating charges**	(0.65p)	(0.59p)	(0.62p)
Return after operating charges*	(13.20p)	45.80p	217.90p
Distributions on accumulation shares	(24.91p)	(22.24p)	(20.95p)
Retained distributions on accumulation shares	24.91p	22.24p	20.95p
Closing net asset value per share	880.50p	893.70p	847.90p
*after direct transaction costs of:***	0.20p	0.27p	0.17p
<b>Performance</b>			
Return after charges	(1.48%)	5.40%	34.59%
<b>Other information</b>			
Closing net asset value	£395,972,349	£312,417,591	£207,948,430
Closing number of shares	44,972,738	34,957,871	24,525,290
Operating charges - OCF	0.08%	0.07%	0.08%
Direct transaction costs	0.02%	0.03%	0.02%
<b>Prices</b>			
Highest share price	923.60p	910.10p	844.70p
Lowest share price	789.80p	822.40p	609.50p
<p>**The operating charges include all costs borne by the Fund, except for direct transaction costs.</p> <p>***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.</p>			

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(58,599)		22,683
Revenue	3	39,691		34,667	
Expenses	4	(723)		(593)	
Interest payable and similar charges		(76)		(82)	
Net revenue before taxation		38,892		33,992	
Taxation	5	(2,793)		(2,864)	
Net revenue after taxation			36,099		31,128
Total (deficit)/return before distributions			(22,500)		53,811
Distributions	6		(36,135)		(31,129)
Change in net assets attributable to shareholders from investment activities			(58,635)		22,682

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,218,450		1,000,842
Amounts receivable on creation of shares	407,568		453,253	
Amounts payable on cancellation of shares	(302,678)		(279,317)	
		104,890		173,936
Dilution adjustment		338		562
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(58,635)		22,682
Retained distribution on accumulation shares		27,277		20,428
Closing net assets attributable to shareholders		1,292,320		1,218,450

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			1,260,539		1,210,892
Current assets					
Debtors	8	10,661		7,317	
Cash and bank balances		31,617		12,814	
Total current assets			42,278		20,131
Total assets			1,302,817		1,231,023
<b>Liabilities</b>					
Investment liabilities			(246)		-
Creditors					
Distribution payable on income shares		(9,713)		(10,304)	
Other creditors	9	(538)		(2,269)	
Total creditors			(10,251)		(12,573)
Total liabilities			(10,497)		(12,573)
Net assets attributable to shareholders			1,292,320		1,218,450

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	16.773393	-	16.773393	15.288056
Group 2	10.104458	6.668935	16.773393	15.288056
<b>Retail Accumulation</b>				
Group 1	23.888235	-	23.888235	21.250167
Group 2	14.376828	9.511407	23.888235	21.250167
<b>Institutional Income</b>				
Group 1	25.908071	-	25.908071	23.762348
Group 2	16.537350	9.370721	25.908071	23.762348
<b>Institutional Accumulation</b>				
Group 1	27.105915	-	27.105915	24.232914
Group 2	17.846659	9.259256	27.105915	24.232914
<b>Institutional A Accumulation</b>				
Group 1	25.126551	-	25.126551	22.351936
Group 2	15.036095	10.090456	25.126551	22.351936
<b>Income C</b>				
Group 1	17.505038	-	17.505038	16.032673
Group 2	11.062080	6.442958	17.505038	16.032673
<b>Accumulation C</b>				
Group 1	24.905439	-	24.905439	22.239983
Group 2	17.062102	7.843337	24.905439	22.239983

## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency (losses)/gains	(470)	473
Transaction charges	(61)	(31)
Capital special dividends	388	403
(Losses)/gains on derivative contracts	(27)	175
(Losses)/gains on non-derivative securities	(58,429)	21,663
Net capital (losses)/gains	(58,599)	22,683
Realised gains/(losses) in the current accounting year include unrealised gains/(losses) arising in previous years. In such circumstances a corresponding loss/gain is included in unrealised gains/(losses) figure.		
<b>3. Revenue</b>		
UK dividends (net)	85	51
Overseas dividends	39,650	34,701
Deposit interest	(50)	(88)
Bank interest	6	3
Total revenue	39,691	34,667
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	218	196
Safe custody fee	147	88
	365	284
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	113	109
Other expenses:		
Audit fee	5	6
Licence fee	184	175
Report and accounts fee	2	2
Professional fee	54	17
	245	200
Total expenses	723	593

	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000

**5. Taxation****a) Analysis of charge in year:**

Overseas tax	<b>2,549</b>	2,290
Swiss tax reclaims written off	<b>244</b>	574
Total tax for the year (note 5b)	<b>2,793</b>	2,864

**b) Factors affecting taxation charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).

The differences are explained below:

Net revenue before taxation	<b>38,892</b>	33,992
Corporation tax at 20%	<b>7,778</b>	6,798
Effects of:		
Revenue not subject to taxation	<b>(7,903)</b>	(6,901)
Current year expenses not utilised	<b>132</b>	110
Overseas tax	<b>2,515</b>	2,290
Overseas tax on capital special dividend	<b>34</b>	-
Swiss tax reclaims written off	<b>244</b>	574
Tax relief on overseas tax suffered	<b>(7)</b>	(7)
Current tax charge for the year (note 5a)	<b>2,793</b>	2,864

**c) Provision for deferred taxation**

At 15 May 2019, there is a potential deferred tax asset of £845,894 (15.5.18: £714,219) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.

**6. Distributions**

The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:

Final dividend distribution	<b>36,989</b>	30,732
	<b>36,989</b>	30,732
Add: Amounts deducted on cancellation of shares	<b>3,327</b>	4,010
Deduct: Amounts received on issue of shares	<b>(4,181)</b>	(3,613)
Net distribution for the year	<b>36,135</b>	31,129

**7. Movement Between Net Revenue and Distributions**

Net revenue after taxation	<b>36,099</b>	31,128
Equalisation on conversions	<b>2</b>	1
Withholding tax on stock dividends	<b>34</b>	-
Net distribution for the year	<b>36,135</b>	31,129

**8. Debtors**

Amounts receivable for creation of shares	<b>3,085</b>	1,737
Accrued revenue	<b>1,324</b>	1,647
Overseas tax recoverable	<b>6,252</b>	3,933
Total debtors	<b>10,661</b>	7,317

**9. Other Creditors**

Amounts payable for cancellation of shares	<b>339</b>	2,076
Purchases awaiting settlement	<b>-</b>	31
Accrued expenses	<b>184</b>	147
Corporation tax payable	<b>15</b>	15
Total other creditors	<b>538</b>	2,269

**10. Reconciliation of Shares**

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>
Opening shares issued at 16.5.18	1,244,675	7,003,989	34,489,328	45,948,407
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	63,303	8,724,530	6,839,545	10,742,140
Shares cancelled	(334,180)	(9,201,803)	(13,499,534)	(3,507,173)
Shares converted	(264,105)	(215,577)	(711,898)	469,856
Closing shares issued at 15.5.19	709,693	6,311,139	27,117,441	53,653,230

	<i>Institutional A Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.18	134,846	11,965,376	34,957,871
<b>Share movements 16.5.18 to 15.5.19</b>			
Shares issued	1,237	2,717,413	18,398,675
Shares cancelled	(33,330)	(720,355)	(8,514,557)
Shares converted	(3,052)	708,266	130,749
Closing shares issued at 15.5.19	99,701	14,670,700	44,972,738

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Institutional A Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
	%	%	%	%	%	%	%
As at 15.5.19	1.75	-	80.78	89.91	-	0.92	3.11
As at 15.5.18	5.53	-	54.53	73.45	-	1.23	5.68

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from/to the ACD (including amounts due to associates and agents) at the year end was £2,694,491 (15.5.18: £371,726), further details of such amounts can be found in notes 8 and 9.

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets/(liabilities)</i>		<i>Net assets/(liabilities)</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	-	-	<b>1,543</b>	(9,926)	<b>1,543</b>	(9,926)
Danish krone	<b>47,441</b>	44,578	<b>1,154</b>	357	<b>48,595</b>	44,935
Euro	<b>865,588</b>	871,537	<b>21,447</b>	12,594	<b>887,035</b>	884,131
Norwegian krone	<b>20,204</b>	18,273	<b>497</b>	304	<b>20,701</b>	18,577
Polish zloty	<b>9,391</b>	-	<b>207</b>	-	<b>9,598</b>	-
Swedish krona	<b>76,496</b>	71,252	<b>1,717</b>	440	<b>78,213</b>	71,692
Swiss franc	<b>241,173</b>	205,252	<b>5,479</b>	3,766	<b>246,652</b>	209,018
United States dollar	-	-	<b>(17)</b>	23	<b>(17)</b>	23
Total	<b>1,260,293</b>	1,210,892	<b>32,027</b>	7,558	<b>1,292,320</b>	1,218,450

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 2.45% (15.5.18: 1.05%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, an institutional A share class and an C share class.

The annual ACD charge on the retail share class is 0.13%, nil on the institutional share class, 0.13% on the institutional A share class and 0.03% on the C share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 182 to 185. The distribution per share class is given in the Distribution Table on page 187. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The type of derivatives held at the year end were index futures. Details of the individual contracts are shown on the Portfolio Statement on pages 170 to 181.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

**15. Contingent Liabilities and Commitments**

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	251,884	42	0.02	179	0.07	2	-
Corporate actions	2,511	-	-	-	-	-	-
Total purchases before transaction costs	254,395	42		179		2	
Transaction costs	223						
Total purchases after commission, tax and fees	254,618						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	145,430	27	0.02	-	-	-	-
Corporate actions	1,045	-	-	-	-	-	-
Total sales before transaction costs	146,475	27		-		-	
Transaction costs	(27)						
Total sales after commission, tax and fees	146,448						

The Fund had paid £35,357 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.01%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.07%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	381,026	65	0.02	-	-	292	0.08
Corporate actions	2,951	-	-	-	-	-	-
Total purchases before transaction costs	383,977	65		-		292	
Transaction costs	357						
Total purchases after commission, tax and fees	384,334						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	171,326	22	0.01	-	-	-	-
Corporate actions	3,784	-	-	-	-	-	-
Total sales before transaction costs	175,110	22		-		-	
Transaction costs	(22)						
Total sales after commission, tax and fees	175,088						



The Fund had paid £37,742 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.02%

At the balance sheet date the portfolio dealing spread was 0.07%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,260,530	-	-	1,260,530
Derivatives	9	-	-	9
	1,260,539	-	-	1,260,539
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(246)	-	-	(246)
	(246)	-	-	(246)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,210,797	-	-	1,210,797
Derivatives	95	-	-	95
	1,210,892	-	-	1,210,892

## **18. Sensitivity Analysis**

### **Price risk sensitivity:**

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £126,029,323 (15.5.18: £121,089,186).

### **Currency risk sensitivity:**

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £129,077,670 (15.5.18: £122,837,571).

### **Interest rate risk sensitivity:**

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

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# American Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the Standard & Poor's 500 Index.

## Investment Policy

To invest in companies that make up the S&P's 500 Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the S&P's 500 Index. This means that the Fund will seek to invest in all of the companies that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

S&P 500 index was up 6.20% in USD terms and 11.97% in GBP terms during the period. Focusing on the GBP performance, several sectors contributed to this positive performance: Technology, which was up 13.33% during the period, contributing to 2.88% of the total return of the index; Consumer Services, which was up 18.71%, and contributing to 2.48% of the index total return; and Health Care, which was up 12.72% and contributing to 1.65% of the index total return; and Financials, which was up 7.67% and contributing to 1.47% of the index total return.

US equities rose in the third quarter of 2018 on the back of strong earnings results and economic data releases before falling sharply at the beginning of October, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. The trend was quickly reversed as US stocks had a very good start of 2019 and recovered completely amid progress on the US-China trade negotiations and more dovish signals from the US Federal Reserve (Fed). Indeed, the Fed started the quarter with a shift towards a more dovish approach, and confirmed at its March meeting that it would no longer hike rates this year amid moderating growth and subdued inflation.

## Investment Performance

During the year under review, the value of the shares in the Fund increased by 11.10% while the value of the S&P 500 index rose by 11.97%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.09%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	487.3p xd	584.8p	599.9p xd	640.6p
Distribution payable (on 15 July 2019) per share net	7.364714p	8.706353p	9.882476p	10.379693p
Current net estimated yield	1.51%	1.49%	1.65%	1.62%
Annual ACD charge	0.14%	0.14%	0.00%	0.00%
	Institutional A Income	Institutional A Accumulation	Income C	Accumulation C
Price	508.5p xd	617.1p	489.4p xd	588.8p
Distribution payable (on 15 July 2019) per share net	7.685793p	9.180575p	7.872344p	9.320370p
Current net estimated yield	1.51%	1.49%	1.61%	1.58%
Annual ACD charge	0.14%	0.14%	0.04%	0.04%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>BERMUDA - 0.20% (0.28%)</b>			
<b>Industrials - 0.05% (0.05%)</b>			
Norwegian Cruise Line Holdings Limited	46,884	2,068	0.05
<b>Total Industrials</b>		<b>2,068</b>	<b>0.05</b>
<b>Financials - 0.15% (0.23%)</b>			
Everest	8,767	1,691	0.04
IHS Markit	74,785	3,291	0.08
Invesco	77,593	1,242	0.03
<b>Total Financials</b>		<b>6,224</b>	<b>0.15</b>
<b>Total Bermuda</b>		<b>8,292</b>	<b>0.20</b>
<b>BRITISH VIRGIN ISLANDS - 0.02% (0.00%)</b>			
<b>Consumer Goods - 0.02% (0.00%)</b>			
Capri Holdings	27,395	856	0.02
<b>Total Consumer Goods</b>		<b>856</b>	<b>0.02</b>
<b>Total British Virgin Islands</b>		<b>856</b>	<b>0.02</b>
<b>IRELAND - 1.59% (1.15%)</b>			
<b>Financials - 0.10% (0.09%)</b>			
Willis Towers Watson	27,751	3,787	0.10
<b>Total Financials</b>		<b>3,787</b>	<b>0.10</b>
<b>Consumer Services - 0.17% (0.16%)</b>			
Johnson Controls	215,755	6,551	0.17
<b>Total Consumer Services</b>		<b>6,551</b>	<b>0.17</b>
<b>Technology - 0.05% (0.07%)</b>			
Seagate Technology	52,558	1,862	0.05
<b>Total Technology</b>		<b>1,862</b>	<b>0.05</b>
<b>Healthcare - 0.19% (0.26%)</b>			
Allergan	63,733	6,775	0.17
Perrigo	23,283	897	0.02
<b>Total Healthcare</b>		<b>7,672</b>	<b>0.19</b>
<b>Industrials - 0.67% (0.57%)</b>			
Accenture	134,699	18,365	0.47
Allegion	29,621	2,312	0.06
Ingersoll-Rand	58,732	5,539	0.14
<b>Total Industrials</b>		<b>26,216</b>	<b>0.67</b>
<b>Basic Materials - 0.41% (0.00%)</b>			
Linde	113,787	15,998	0.41
<b>Total Basic Materials</b>		<b>15,998</b>	<b>0.41</b>
<b>Total Ireland</b>		<b>62,086</b>	<b>1.59</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>NETHERLANDS - 0.10% (0.15%)</b>			
<b>Basic Materials - 0.10% (0.15%)</b>			
Lyondell Basell Industries	60,702	3,810	0.10
<b>Total Basic Materials</b>		<b>3,810</b>	<b>0.10</b>
<b>Total Netherlands</b>		<b>3,810</b>	<b>0.10</b>
<b>SWITZERLAND - 0.47% (0.45%)</b>			
<b>Industrials - 0.13% (0.14%)</b>			
TE Connectivity	71,827	5,018	0.13
<b>Total Industrials</b>		<b>5,018</b>	<b>0.13</b>
<b>Financials - 0.29% (0.27%)</b>			
Chubb	100,304	11,203	0.29
<b>Total Financials</b>		<b>11,203</b>	<b>0.29</b>
<b>Technology - 0.05% (0.04%)</b>			
Garmin	33,700	2,070	0.05
<b>Total Technology</b>		<b>2,070</b>	<b>0.05</b>
<b>Total Switzerland</b>		<b>18,291</b>	<b>0.47</b>
<b>UNITED KINGDOM - 0.26% (0.26%)</b>			
<b>Oil &amp; Gas - 0.04% (0.06%)</b>			
TechnipFMC	78,578	1,393	0.04
<b>Total Oil &amp; Gas</b>		<b>1,393</b>	<b>0.04</b>
<b>Financials - 0.18% (0.16%)</b>			
AON	51,474	7,160	0.18
<b>Total Financials</b>		<b>7,160</b>	<b>0.18</b>
<b>Consumer Services - 0.04% (0.04%)</b>			
Nielsen	81,436	1,508	0.04
<b>Total Consumer Services</b>		<b>1,508</b>	<b>0.04</b>
<b>Total United Kingdom</b>		<b>10,061</b>	<b>0.26</b>
<b>UNITED STATES - 96.77% (97.05%)</b>			
<b>Oil &amp; Gas - 5.09% (6.13%)</b>			
Anadarko Petroleum	103,827	5,882	0.15
Apache	81,573	1,976	0.05
Baker Hughes	98,362	1,739	0.04
Cabot Oil & Gas	80,790	1,655	0.04
Chevron	399,655	37,984	0.98
Cimarex Energy	21,692	1,147	0.03
Concho Resources	42,444	3,739	0.10
ConocoPhillips	241,882	11,664	0.30
Devon Energy	85,917	2,065	0.05
Diamondback Energy	31,500	2,670	0.07

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
EOG Resources	123,008	9,023	0.23
Exxon Mobil	889,429	52,799	1.36
Halliburton	184,060	3,661	0.09
Helmerich & Payne	19,339	870	0.02
Hess	50,950	2,576	0.07
HollyFrontier	27,524	935	0.02
Kinder Morgan	396,061	6,197	0.16
Marathon Oil Corporation	155,532	1,865	0.05
Marathon Petroleum Corporation	136,936	5,449	0.14
National-Oilwell	86,808	1,667	0.04
Noble Energy	98,448	1,849	0.05
Occidental Petroleum	154,574	6,518	0.17
ONEOK	82,323	4,304	0.11
Phillips 66	88,384	5,998	0.15
Pioneer Natural Resources	35,362	4,164	0.11
Schlumberger	287,347	8,785	0.23
Valero Energy	85,492	5,541	0.14
Williams Companies	247,248	5,325	0.14
<b>Total Oil &amp; Gas</b>		<b>198,047</b>	<b>5.09</b>
<b>Basic Materials - 1.65% (2.04%)</b>			
Air Products & Chemicals	44,695	7,123	0.18
Albemarle Corporation	20,142	1,089	0.03
Arconic	128,850	2,203	0.06
Avery Dennison	16,080	1,288	0.03
Celanese A	25,303	1,990	0.05
CF Industries	42,944	1,399	0.04
Dow	158,499	6,524	0.17
DowDuPont	475,182	11,118	0.29
Eastman Chemicals	27,378	1,540	0.04
Ecolab	51,555	7,208	0.19
FMC	25,884	1,523	0.04
Freeport - McMoRan Copper & Gold	303,507	2,560	0.07
International Flavors & Fragrances	20,034	2,111	0.05
International Paper	88,758	3,092	0.08
Newmont Mining	173,655	4,141	0.11
Nucor	69,222	2,952	0.08
PPG Industries	47,939	4,171	0.11
The Mosaic Company	65,301	1,157	0.03
<b>Total Basic Materials</b>		<b>63,189</b>	<b>1.65</b>
<b>Industrials - 10.28% (10.44%)</b>			
3M	125,937	17,048	0.44
Agilent Technologies	67,186	3,532	0.09
Alliance Data Systems	9,199	1,040	0.03
Ametek	59,101	3,940	0.10

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Amphenol Corporation A	59,897	4,342	0.11
Automatic Data Processing	90,833	11,252	0.29
Ball	66,058	3,209	0.08
Boeing	112,691	30,289	0.78
Broadridge Financial Solutions	23,493	2,204	0.06
Caterpillar	128,073	12,673	0.33
CH Robinson Worldwide	30,634	1,949	0.05
Cintas	18,540	3,193	0.08
CSX	158,714	9,547	0.25
Cummins	36,408	4,568	0.12
Danaher	131,774	13,429	0.35
Deere & Company	73,242	8,247	0.21
Dover	40,650	3,041	0.08
Eaton	100,985	6,244	0.16
Emerson Electric	143,573	7,316	0.19
Expeditors International Washington	33,472	1,907	0.05
Fastenal	75,146	3,755	0.10
Fedex	50,903	6,833	0.18
Fidelity National Information	66,186	6,031	0.16
Fiserv	80,560	5,375	0.14
FleetCor Technologies	17,435	3,581	0.09
Flir Systems	34,971	1,355	0.03
Flowserve	47,732	1,846	0.05
Fluor New	62,189	1,435	0.04
Fortive	73,695	4,661	0.12
Fortune Brands Home and Security	43,927	1,815	0.05
General Dynamics	62,442	8,141	0.21
General Electric	1,878,840	14,984	0.39
Global Payments	33,346	3,840	0.10
Grainger (W.W.)	13,190	2,684	0.07
Honeywell International	158,210	20,830	0.54
Huntington Ingalls	13,448	2,143	0.06
Illinois Tool Works	69,703	8,183	0.21
IPG Photonics	7,257	821	0.02
J.B. Hunt Transport Services	15,707	1,166	0.03
Jacobs Engineering Group	37,405	2,233	0.06
Kansas City Southern	19,632	1,827	0.05
Keysight Technologies	36,515	2,396	0.06
L3 Communications	20,444	3,769	0.10
Martin Marietta Materials	12,296	2,076	0.05
Masco	81,766	2,406	0.06
Mettler Toledo	5,308	2,965	0.08
Norfolk Southern	54,641	8,527	0.22
Paccar	86,923	4,673	0.12
Packaging Corporation of America	19,768	1,491	0.04
Parker-Hannifin	32,935	4,330	0.11

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Paychex	66,295	4,382	0.11
Pentair	59,567	1,702	0.04
Perkinelmer	22,919	1,566	0.04
Quanta Services	57,199	1,586	0.04
Republic Services A	45,422	2,968	0.08
Robert Half International	24,928	1,086	0.03
Rockwell Automation	31,066	3,917	0.10
Roper Industries	24,455	6,728	0.17
Sealed Air	35,162	1,148	0.03
Sherwin-Williams	16,481	5,521	0.14
Smith (AO)	49,989	1,869	0.05
Total Systems Services	33,358	2,569	0.07
TransDigm Group	12,278	4,318	0.11
Union Pacific	149,630	20,213	0.52
United Parcel Services	146,766	11,592	0.30
United Rentals	21,684	2,169	0.06
United Technologies	176,792	18,413	0.47
Verisk Analytics	39,345	4,305	0.11
Vulcan Materials	26,674	2,691	0.07
Wabtec Corporation	47,027	2,500	0.06
Waste Management	79,730	6,649	0.17
WestRock Company	56,807	1,653	0.04
Xylem	50,268	2,987	0.08
<b>Total Industrials</b>		<b>397,674</b>	<b>10.28</b>

**Consumer Goods - 7.93% (7.81%)**

Activision Blizzard	158,129	5,687	0.15
Altria Group	395,574	16,029	0.41
APTIV	51,285	2,991	0.08
Archer Daniels Midland	120,353	3,832	0.10
BorgWarner	39,341	1,131	0.03
Brown-Forman B	32,852	1,317	0.03
Campbell Soup	35,266	1,069	0.03
Church & Dwight Co.	48,068	2,751	0.07
Clorox	26,228	3,024	0.08
Coca-Cola	815,008	31,162	0.80
Colgate-Palmolive	187,264	10,383	0.27
ConAgra Foods	104,458	2,354	0.06
Constellation Brands A	34,364	5,475	0.14
Coty	98,885	1,021	0.03
D.R.Horton	65,739	2,250	0.06
Electronic Arts	62,890	4,730	0.12
Estee Lauder	44,737	5,910	0.15
Ford Motor	792,216	6,373	0.16
General Mills	124,162	5,058	0.13
General Motors	267,195	7,761	0.20



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Genuine Parts	29,981	2,247	0.06
Hanesbrands	65,606	836	0.02
Harley-Davidson	26,315	715	0.02
Hasbro	22,072	1,671	0.04
Hershey	28,521	2,832	0.07
Hormel Foods	51,885	1,595	0.04
Jefferies Financial Group	56,836	835	0.02
JM Smucker	23,663	2,346	0.06
Kellogg	56,798	2,533	0.07
Kimberly-Clark	71,401	7,140	0.18
Kraft Heinz Company	137,321	3,456	0.09
Lamb Weston	28,852	1,505	0.04
Leggett & Platt	20,867	612	0.02
Lennar A	56,183	2,310	0.06
LKQ Corporation	65,206	1,373	0.04
Mattel	60,050	530	0.01
McCormick & Co.	24,194	2,915	0.06
Mohawk Industries	13,682	1,445	0.04
Molson Coors Brewing B	40,728	1,846	0.05
Mondelez International	302,288	12,178	0.31
Monster Beverage	79,295	3,887	0.10
Newell Brands	73,875	897	0.02
Nike B	260,051	16,980	0.44
PepsiCo	296,827	29,840	0.77
Philip Morris International	329,521	21,859	0.56
Procter & Gamble	520,392	43,164	1.11
PulteGroup	46,670	1,158	0.03
PVH Corporation	14,418	1,243	0.03
Ralph Lauren	9,066	815	0.02
Snap-on	12,901	1,639	0.04
Stanley Black & Decker	32,937	3,458	0.09
Take-Two Interactive	22,487	1,879	0.05
Tyson Foods	60,650	3,878	0.10
Under Armour A	31,438	522	0.01
Under Armour C	32,266	475	0.01
VF	66,497	4,689	0.12
Whirlpool	12,098	1,229	0.03
<b>Total Consumer Goods</b>		<b>308,840</b>	<b>7.93</b>
<b>Healthcare - 12.44% (12.48%)</b>			
Abbott Laboratories	368,386	21,914	0.56
Abbvie	311,742	19,090	0.49
Abiomed	9,113	1,839	0.05
Alexion Pharmaceuticals	45,293	4,520	0.12
Align Technology	14,670	3,713	0.10
Amgen	131,932	17,420	0.45

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Anthem	54,657	10,993	0.28
Baxter International	102,751	6,064	0.16
Becton Dickinson	55,664	9,756	0.25
Biogen IDEC	41,259	7,395	0.19
Boston Scientific	292,605	8,434	0.22
Bristol Myers Squibb	342,308	12,407	0.32
Celgene	146,360	10,802	0.28
Centene	87,392	3,698	0.10
Cigna	79,779	9,630	0.25
DaVita	21,824	852	0.02
Dentsply International	45,010	1,922	0.05
Edwards Lifesciences	42,641	5,874	0.15
Eli Lilly & Co	178,322	16,029	0.41
Gilead Sciences	270,555	13,731	0.35
HCA Holdings	54,832	5,251	0.14
Henry Schein	28,784	1,489	0.04
Hologic	57,279	1,998	0.05
Humana	27,526	5,214	0.13
IDEXX Laboratories	18,600	3,607	0.09
Illumina	30,320	7,225	0.19
Incyte Corporation	34,941	2,064	0.05
Intuitive Surgical	23,737	9,024	0.23
IQVIA Holdings	31,604	3,323	0.09
Johnson & Johnson	557,165	59,294	1.53
Laboratory Corporation of America	20,982	2,697	0.07
Medtronic	277,536	19,034	0.49
Merck & Co.	538,291	32,452	0.84
Mylan	103,922	1,618	0.04
Nektar Therapeutics	29,294	772	0.02
Pfizer	1,163,437	37,214	0.96
Quest Diagnostics	28,950	2,192	0.06
Regeneron Pharmaceuticals	15,891	3,778	0.10
ResMed	30,372	2,663	0.07
Stryker	66,376	9,580	0.25
Teleflex	8,883	2,040	0.05
The Cooper Companies	9,707	2,194	0.06
Thermo Fisher Scientific	84,825	17,347	0.45
UnitedHealth Group	203,768	37,389	0.96
Universal Health Services B	16,565	1,569	0.04
Varian Medical Systems	19,179	1,941	0.05
Vertex Pharmaceuticals	52,409	6,798	0.17
Waters	15,700	2,535	0.07
Wellcare Health	9,615	2,040	0.05
Zimmer Biomet	42,123	3,882	0.10
Zoetis	99,915	7,909	0.20
<b>Total Healthcare</b>		<b>482,216</b>	<b>12.44</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Consumer Services - 14.26% (13.24%)</b>			
Advance Auto Parts	13,709	1,660	0.04
Alaska Air Group	22,510	1,076	0.03
Amazon.com	86,080	125,173	3.22
American Airlines Group	86,557	2,163	0.06
AmerisourceBergen	34,135	2,065	0.05
Autozone	4,966	3,777	0.10
Best Buy	46,100	2,431	0.06
Cardinal Health	63,791	2,290	0.06
Carmax	33,370	1,968	0.05
Carnival	93,542	3,911	0.10
CBS	78,299	2,912	0.07
Charter Communications A	36,729	10,765	0.28
Chipotle Mexican Grill	4,730	2,595	0.07
Comcast A	950,622	31,389	0.81
Copart	38,599	1,990	0.05
Costco Wholesale	91,560	17,411	0.45
CVS Health	272,950	11,200	0.29
Darden Restaurants	23,904	2,249	0.06
Delta Airlines	134,168	5,741	0.15
Discovery Communications A	32,048	691	0.02
Discovery Communications C	72,421	1,474	0.04
Dish Network	42,686	1,157	0.03
Disney (Walt)	365,612	38,289	0.99
Dollar General	55,471	5,091	0.13
Dollar Tree Stores	49,752	3,874	0.10
eBay	177,279	5,103	0.13
Expedia	27,898	2,583	0.07
Foot Locker	19,352	840	0.02
Fox Corporation A	68,564	2,010	0.05
Fox Corporation B	31,554	913	0.02
Gap	37,471	652	0.02
H&R Block	37,678	802	0.02
Hilton Worldwide Holdings	67,292	4,898	0.13
Home Depot	237,105	35,344	0.91
Interpublic Group of Companies	77,602	1,362	0.03
Kohl's	31,996	1,597	0.04
Kroger	170,441	3,339	0.09
Limited Brands	47,877	836	0.02
Lowe's Companies	166,292	13,915	0.36
Macy's	54,149	913	0.02
Marriott International new A	63,948	6,551	0.17
#Marriott International new A fractional shares	12,168	-	0.00
McDonald's	161,760	25,032	0.64
McKesson HBOC	40,794	4,004	0.10
MGM Resorts International	112,979	2,292	0.06

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
NetFlix	90,746	25,039	0.64
News Corporation A	73,751	663	0.02
News Corporation B	57,540	525	0.01
Nordstrom	20,262	589	0.02
O'Reilly Automotive	15,687	4,308	0.11
Omnicom	44,089	2,712	0.07
PayPal	243,100	21,067	0.54
Rollins	34,496	974	0.02
Ross Stores	74,814	5,496	0.14
Royal Caribbean Cruises	38,369	3,692	0.09
Southwest Airlines	99,940	4,040	0.10
Starbucks	258,602	15,631	0.40
Sysco	102,595	5,893	0.15
Tapestry	53,800	1,299	0.03
Target	115,770	6,367	0.16
Tiffany & Co.	20,681	1,581	0.04
TJX Companies	253,914	10,328	0.27
Tractor Supply Company	23,144	1,785	0.05
TripAdvisor	16,588	608	0.02
Ulta Salon Cosmetics & Fragrance	11,033	2,921	0.08
United Continental	47,756	3,057	0.08
Viacom	66,755	1,467	0.04
Walgreens Boots Alliance	171,598	7,035	0.18
Wal-Mart Stores	301,336	23,395	0.60
Wynn Resorts	21,348	2,078	0.05
Yum! Brands	68,792	5,367	0.14
<b>Total Consumer Services</b>		<b>554,245</b>	<b>14.26</b>
<b>Telecommunications - 2.01% (1.80%)</b>			
AT&T	1,546,537	37,591	0.97
CenturyLink	210,226	1,789	0.05
Verizon Communications	873,289	38,563	0.99
<b>Total Telecommunications</b>		<b>77,943</b>	<b>2.01</b>
<b>Utilities - 3.32% (2.82%)</b>			
AES	129,572	1,634	0.04
Alliant Energy	56,935	2,093	0.05
Ameren	48,570	2,783	0.07
American Electric Power	103,830	6,866	0.18
American Water Works	37,637	3,226	0.08
Atmos Energy	22,571	1,767	0.05
Centerpoint Energy	101,050	2,312	0.06
CMS Energy	56,827	2,467	0.06
Consolidation Edison (New York registered)	71,912	4,779	0.12
Dominion Energy	167,886	9,695	0.25
DTE Energy	39,244	3,834	0.10
Duke Energy	160,055	10,798	0.28

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Edison International	70,007	3,264	0.08
Entergy	41,715	3,122	0.08
Evergy	55,091	2,493	0.06
Eversource Energy	67,853	3,829	0.10
Exelon	206,808	7,838	0.20
FirstEnergy	103,198	3,355	0.09
NextEra Energy	102,507	15,526	0.40
Nisource	75,747	1,652	0.04
NRG Energy	52,426	1,467	0.04
Pinnacle West Capital	22,254	1,647	0.04
PP&L Resources	154,853	3,689	0.10
Public Service Enterprise Group	105,592	4,871	0.13
Sempra Energy	58,485	5,903	0.15
Southern Company	220,266	9,184	0.24
WEC Energy	63,436	3,926	0.10
Xcel Energy	109,173	4,855	0.13
<b>Total Utilities</b>		<b>128,875</b>	<b>3.32</b>

### Financials - 17.68% (18.50%)

Affiliated Managers Group	9,097	645	0.02
Aflac	156,528	6,244	0.16
AIG	179,049	7,216	0.19
Alexandria Real Estate Equities	21,852	2,472	0.06
Allstate	67,795	5,032	0.13
American Express	151,045	13,814	0.36
American Tower	91,803	14,306	0.37
Ameriprise Financial	26,592	2,940	0.08
Apartment Investment & Management	31,413	1,223	0.03
Arthur J. Gallagher & Co.	37,230	2,394	0.06
Assurant	11,743	873	0.02
AvalonBay Communities	29,682	4,631	0.12
Bank of America	1,880,674	41,356	1.07
Bank of New York Mellon	184,230	6,660	0.17
BB&T Financial	159,978	5,917	0.15
Berkshire Hathaway B	409,553	64,647	1.66
BlackRock	25,055	8,655	0.22
Boston Properties	32,810	3,414	0.09
Capital One Financial	97,254	6,757	0.17
CB Richard Ellis Group	62,924	2,335	0.06
CBOE Global Markets	22,107	1,785	0.05
Chicago Mercantile Exchange	73,414	10,373	0.27
Cincinnati Financial	29,689	2,223	0.06
Citigroup	493,395	24,886	0.64
Citizens Financial Group	95,704	2,545	0.07
Comerica	31,322	1,776	0.05
Crown Castle International	87,720	8,676	0.22

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Digital Realty Trust	43,056	3,937	0.10
Discover Financial Services	72,343	4,342	0.11
Duke Realty	67,759	1,610	0.04
E*Trade Financial	47,701	1,768	0.05
Equifax	25,766	2,379	0.06
Equinix	17,374	6,572	0.17
Equity Residential	82,283	4,874	0.13
Essex Property Trust	14,314	3,162	0.08
Extra Space Storage	27,513	2,278	0.06
Federal Realty Investment Trust	15,027	1,520	0.04
Fifth Third Bancorp	157,093	3,297	0.08
#First Horizon National fractional shares	98,872	-	0.00
First Republic Bank	32,014	2,474	0.06
Franklin Resources	57,150	1,481	0.04
Goldman Sachs	72,434	11,059	0.28
Hartford Financial Services	71,301	2,935	0.08
Health Care Property Investors	98,859	2,397	0.06
Host Marriott	145,250	2,177	0.06
Huntingdon Bancshares	208,558	2,103	0.05
IntercontinentalExchange	115,746	7,251	0.19
Iron Mountain	60,867	1,512	0.04
JPMorgan Chase & Company	686,563	58,671	1.51
KeyCorp	205,528	2,646	0.07
Kimco Realty	80,112	1,128	0.03
Lincoln National	41,463	2,056	0.05
Loews	60,909	2,425	0.06
M&T Bank	29,778	3,734	0.10
Macerich	31,462	1,039	0.03
Marsh & McLennan	110,173	8,112	0.21
Mastercard	190,550	36,927	0.95
Metlife	207,332	7,600	0.20
Mid-America Apartment Communities	21,811	1,909	0.05
Moody's	33,821	4,907	0.13
Morgan Stanley Dean Witter & Co.	275,599	9,402	0.24
MSCI	16,483	2,830	0.07
NASDAQ Stock Market	22,635	1,597	0.04
Northern Trust	45,361	3,323	0.09
Peoples United Financial	69,981	880	0.02
PNC Financial Services Group	93,618	9,365	0.24
Principal Financial Group	60,522	2,577	0.07
Progressive	121,530	7,321	0.19
Prologis	132,572	7,835	0.20
Prudential Financial	84,297	6,436	0.17
Public Storage	30,314	5,383	0.14
Raymond James Financial	24,150	1,564	0.04
Realty Income	59,903	3,225	0.08

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Regency Centers	34,560	1,796	0.05
Regions Financial	199,900	2,225	0.06
S&P Global	51,606	8,495	0.22
SBA Communications Corporation	24,082	3,938	0.10
Schwab (Charles)	246,878	8,204	0.21
Simon Property	68,211	9,386	0.24
SL Green Realty	16,628	1,107	0.03
State Street	78,851	3,789	0.10
SunTrust Banks	91,964	4,391	0.11
SVB Financial Group	10,147	1,810	0.05
Synchrony Financial	149,757	4,056	0.10
T Rowe Price Group	47,040	3,801	0.10
Torchmark	19,422	1,310	0.03
Travelers	58,788	6,695	0.17
UDR	56,021	1,943	0.05
Unum	40,439	1,095	0.03
US Bancorp	319,988	12,635	0.33
Ventas	72,166	3,601	0.09
Visa A	369,330	46,731	1.20
Vornado Realty Trust	40,946	2,124	0.05
Wells Fargo & Co.	863,847	30,780	0.79
Welltower	77,578	4,746	0.12
Western Union	83,073	1,255	0.03
Weyerhaeuser	165,275	3,204	0.08
Zions Bancorporation	35,094	1,231	0.03
<b>Total Financials</b>		<b>686,163</b>	<b>17.68</b>

**Technology - 22.11% (21.79%)**

Adobe	101,943	21,936	0.56
Advanced Micro Devices	174,756	3,745	0.10
Akamai Techs	30,861	1,838	0.05
Alphabet A	62,587	56,919	1.47
Alphabet C	64,263	58,146	1.50
Analog Devices	76,568	6,421	0.17
Ansys	16,549	2,405	0.06
Apple	938,692	139,282	3.59
Applied Materials	201,630	6,504	0.17
Arista Networks	10,627	2,054	0.05
Autodesk	45,075	6,070	0.16
Booking Holdings	9,833	13,677	0.35
Broadcom	82,758	19,580	0.50
Cadence Design Systems	55,212	2,950	0.08
Cerner	68,003	3,627	0.09
Cisco Systems	933,750	38,047	0.98
Citrix Systems	25,295	1,888	0.05
CognizantTechnology Solutions A	120,400	5,483	0.14

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Corning	168,224	3,957	0.10
DXC Technology	59,251	2,643	0.07
F5 Networks	11,655	1,295	0.03
Facebook A	498,126	72,111	1.86
Fortinet	27,937	1,760	0.05
Gartner	17,277	2,049	0.05
Harris	29,560	4,216	0.11
Hewlett-Packard	301,396	3,378	0.09
HP	336,330	4,897	0.13
Intel	944,264	33,477	0.86
International Business Machine	192,081	20,067	0.52
Intuit	53,101	10,036	0.26
Jack Henry & Associates	14,984	1,570	0.04
Juniper Networks	81,464	1,628	0.04
KLA Tencor	34,235	2,936	0.08
LAM Research	31,651	4,809	0.12
Maxim Integrated	59,964	2,553	0.07
MicrochipTechnology	47,839	3,190	0.08
MicronTechnology	233,582	6,972	0.18
Microsoft	1,606,199	157,324	4.05
Motorola Solutions	37,305	4,209	0.11
NetApp	52,770	2,779	0.07
Nvidia	125,994	15,627	0.40
Oracle	544,471	23,095	0.59
Qorvo	23,051	1,314	0.03
Qualcomm	251,570	16,868	0.43
Red Hat	36,159	5,208	0.13
Salesforce.com	158,247	19,073	0.49
Skyworks Solutions	33,490	2,050	0.05
Symantec	133,210	2,019	0.05
Synopsys	29,888	2,793	0.07
Texas Instruments	199,140	17,069	0.44
Twitter	147,874	4,359	0.11
VeriSign	21,447	3,232	0.08
Western Digital	62,544	2,212	0.06
Xerox	39,255	976	0.02
Xilinx	50,686	4,509	0.12
<b>Total Technology</b>		<b>858,832</b>	<b>22.11</b>
<b>Warrants - 0.00% (0.00%)</b>			
#American International warrants 19/1/2021	5,005	-	0.00
<b>Total Warrants</b>		<b>-</b>	<b>0.00</b>



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Futures - 0.00% (0.00%)</b>			
CME S&P 500 E-Mini June 19	219	82	0.00
<b>Total Futures</b>		<b>82</b>	<b>0.00</b>
<b>Total United States</b>		<b>3,756,106</b>	<b>96.77</b>
<b>Portfolio of investments</b>		<b>3,859,502</b>	<b>99.41</b>
<b>Net other assets</b>		<b>23,067</b>	<b>0.59</b>
<b>Net assets</b>		<b>3,882,569</b>	<b>100.00</b>

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the future is HSBC.

## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	439.70p	407.00p	311.90p
Return before operating charges*	54.12p	39.62p	101.91p
Operating charges**	(0.76p)	(0.69p)	(0.63p)
Return after operating charges*	53.36p	38.93p	101.28p
Distributions on income shares	(7.36p)	(6.23p)	(6.18p)
Closing net asset value per share	485.70p	439.70p	407.00p
*after direct transaction costs of:***	0.02p	0.03p	0.01p
<b>Performance</b>			
Return after charges	12.14%	9.57%	32.47%
<b>Other information</b>			
Closing net asset value	£12,691,271	£17,867,745	£17,033,988
Closing number of shares	2,613,096	4,063,932	4,185,376
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	505.80p	451.40p	433.80p
Lowest share price	422.50p	395.90p	306.10p

<b>Retail Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	519.70p	474.30p	358.10p
Return before operating charges*	64.00p	46.20p	116.92p
Operating charges**	(0.90p)	(0.80p)	(0.72p)
Return after operating charges*	63.10p	45.40p	116.20p
Distributions on accumulation shares	(8.71p)	(7.26p)	(7.09p)
Retained distributions on accumulation shares	8.71p	7.26p	7.09p
Closing net asset value per share	582.80p	519.70p	474.30p
*after direct transaction costs of:***	0.02p	0.03p	0.01p
<b>Performance</b>			
Return after charges	12.14%	9.57%	32.45%
<b>Other information</b>			
Closing net asset value	£180,329,119	£171,390,507	£170,632,985
Closing number of shares	30,940,441	32,976,414	35,972,290
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	597.90p	526.10p	498.10p
Lowest share price	499.50p	461.60p	351.40p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	541.20p	500.90p	383.90p
Return before operating charges*	66.71p	48.83p	125.39p
Operating charges**	(0.13p)	(0.13p)	(0.12p)
Return after operating charges*	66.58p	48.70p	125.27p
Distributions on income shares	(9.88p)	(8.40p)	(8.27p)
Closing net asset value per share	597.90p	541.20p	500.90p
*after direct transaction costs of:***	0.02p	0.03p	0.02p
<b>Performance</b>			
Return after charges	12.30%	9.72%	32.63%
<b>Other information</b>			
Closing net asset value	£225,873,953	£249,458,595	£165,452,710
Closing number of shares	37,779,718	46,094,971	33,028,407
Operating charges - OCF	0.02%	0.02%	0.03%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	623.40p	556.10p	534.60p
Lowest share price	520.50p	487.30p	376.70p

<b>Institutional Accumulation</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	568.40p	518.10p	390.60p
Return before operating charges*	70.04p	50.43p	127.62p
Operating charges**	(0.14p)	(0.13p)	(0.12p)
Return after operating charges*	69.90p	50.30p	127.50p
Distributions on accumulation shares	(10.38p)	(8.69p)	(8.41p)
Retained distributions on accumulation shares	10.38p	8.69p	8.41p
Closing net asset value per share	638.30p	568.40p	518.10p
*after direct transaction costs of:***	0.03p	0.03p	0.02p
<b>Performance</b>			
Return after charges	12.30%	9.71%	32.64%
<b>Other information</b>			
Closing net asset value	£1,285,980,319	£1,073,580,493	£811,708,862
Closing number of shares	201,458,331	188,863,630	156,679,962
Operating charges - OCF	0.02%	0.02%	0.03%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	654.80p	575.20p	543.90p
Lowest share price	546.70p	504.10p	383.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional A Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	458.80p	424.70p	325.50p
Return before operating charges*	56.49p	41.30p	106.30p
Operating charges**	(0.80p)	(0.70p)	(0.65p)
Return after operating charges*	55.69p	40.60p	105.65p
Distributions on income shares	(7.69p)	(6.50p)	(6.45p)
Closing net asset value per share	506.80p	458.80p	424.70p
*after direct transaction costs of:***	0.02p	0.03p	0.01p
<b>Performance</b>			
Return after charges	12.14%	9.56%	32.46%
<b>Other information</b>			
Closing net asset value	£196,596	£193,770	£346,141
Closing number of shares	38,792	42,234	81,503
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	527.80p	471.00p	452.70p
Lowest share price	440.90p	413.20p	319.40p

<b>Institutional A Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	548.40p	500.50p	377.90p
Return before operating charges*	67.44p	48.74p	123.36p
Operating charges**	(0.94p)	(0.84p)	(0.76p)
Return after operating charges*	66.50p	47.90p	122.60p
Distributions on accumulation shares	(9.18p)	(7.66p)	(7.48p)
Retained distributions on accumulation shares	9.18p	7.66p	7.48p
Closing net asset value per share	614.90p	548.40p	500.50p
*after direct transaction costs of:***	0.02p	0.03p	0.02p
<b>Performance</b>			
Return after charges	12.13%	9.57%	32.44%
<b>Other information</b>			
Closing net asset value	£993,441	£3,853,216	£3,783,564
Closing number of shares	161,554	702,582	755,895
Operating charges - OCF	0.16%	0.16%	0.17%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	630.80p	555.20p	525.60p
Lowest share price	527.00p	487.10p	370.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	441.50p	408.70p	313.20p
Return before operating charges*	54.47p	39.74p	102.34p
Operating charges**	(0.30p)	(0.26p)	(0.25p)
Return after operating charges*	54.17p	39.48p	102.09p
Distributions on income shares	(7.87p)	(6.68p)	(6.59p)
Closing net asset value per share	487.80p	441.50p	408.70p
*after direct transaction costs of:***	0.02p	0.03p	0.01p
<b>Performance</b>			
Return after charges	12.27%	9.66%	32.60%
<b>Other information</b>			
Closing net asset value	£323,926,406	£274,195,640	£286,727,414
Closing number of shares	66,409,949	62,102,874	70,155,640
Operating charges - OCF	0.06%	0.06%	0.07%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	508.40p	453.60p	436.00p
Lowest share price	424.60p	397.60p	307.30p

<b>Accumulation C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	522.70p	476.60p	359.50p
Return before operating charges*	64.45p	46.41p	117.39p
Operating charges**	(0.35p)	(0.31p)	(0.29p)
Return after operating charges*	64.10p	46.10p	117.10p
Distributions on accumulation shares	(9.32p)	(7.79p)	(7.57p)
Retained distributions on accumulation shares	9.32p	7.79p	7.57p
Closing net asset value per share	586.80p	522.70p	476.60p
*after direct transaction costs of:***	0.02p	0.03p	0.01p
<b>Performance</b>			
Return after charges	12.26%	9.67%	32.57%
<b>Other information</b>			
Closing net asset value	£1,852,578,384	£1,507,349,030	£1,251,138,354
Closing number of shares	315,711,140	288,348,306	262,501,942
Operating charges - OCF	0.06%	0.06%	0.07%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	601.90p	529.00p	500.40p
Lowest share price	502.70p	463.80p	352.70p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains	2		350,531		244,394
Revenue	3	71,222		56,953	
Expenses	4	(1,828)		(1,628)	
Interest payable and similar charges		(1)		(5)	
Net revenue before taxation		69,393		55,320	
Taxation	5	(9,973)		(7,954)	
Net revenue after taxation			59,420		47,366
Total return before distributions			409,951		291,760
Distributions	6		(59,457)		(47,368)
Change in net assets attributable to shareholders from investment activities			350,494		244,392

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

		15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			3,297,889		2,706,824
Amounts receivable on creation of shares		1,078,872		826,446	
Amounts payable on cancellation of shares		(898,148)		(521,426)	
			180,724		305,020
Dilution adjustment			417		317
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)			350,494		244,392
Retained distribution on accumulation shares			53,045		41,336
Closing net assets attributable to shareholders			3,882,569		3,297,889

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			3,859,502		3,276,069
Current assets					
Debtors	8	127,159		22,436	
Cash and bank balances		50,098		15,522	
Total current assets			177,257		37,958
Total assets			4,036,759		3,314,027
<b>Liabilities</b>					
Creditors					
Distribution payable on income shares		(9,157)		(8,279)	
Other creditors	9	(145,033)		(7,859)	
Total liabilities			(154,190)		(16,138)
Net assets attributable to shareholders			3,882,569		3,297,889

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	7.364714	-	7.364714	6.227166
Group 2	4.965358	2.399356	7.364714	6.227166
<b>Retail Accumulation</b>				
Group 1	8.706353	-	8.706353	7.258380
Group 2	4.094206	4.612147	8.706353	7.258380
<b>Institutional Income</b>				
Group 1	9.882476	-	9.882476	8.402137
Group 2	4.305233	5.577243	9.882476	8.402137
<b>Institutional Accumulation</b>				
Group 1	10.379693	-	10.379693	8.690482
Group 2	5.138646	5.241047	10.379693	8.690482
<b>Institutional A Income</b>				
Group 1	7.685793	-	7.685793	6.496730
Group 2	2.354193	5.331600	7.685793	6.496730
<b>Institutional A Accumulation</b>				
Group 1	9.180575	-	9.180575	7.659193
Group 2	9.180575	0.000000	9.180575	7.659193
<b>Income C</b>				
Group 1	7.872344	-	7.872344	6.682928
Group 2	3.622816	4.249528	7.872344	6.682928
<b>Accumulation C</b>				
Group 1	9.320370	-	9.320370	7.794711
Group 2	4.295591	5.024779	9.320370	7.794711

## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital Gains</b>		
The net capital gains during the year comprise:		
Currency gains/(losses)	1,624	(2,720)
Transaction (charges)/rebates	(10)	182
Capital special dividends	108	1,068
Capital US REIT income	294	382
Gains on derivative contracts	7,245	7,042
Gains on non-derivative securities	341,270	238,440
Net capital gains	350,531	244,394
<b>3. Revenue</b>		
UK dividends (net)	355	287
Overseas dividends	70,391	56,393
Deposit interest	89	132
Bank interest	387	141
Total revenue	71,222	56,953
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	1,039	950
Safe custody fee	122	100
	1,161	1,050
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	305	261
Other expenses:		
Audit fee	5	6
Report and accounts fee	7	2
Licence fee	350	309
	362	317
Total expenses	1,828	1,628



<b>15.5.19</b>	15.5.18
<b>£'000</b>	£'000

**5. Taxation****a) Analysis of charge in year:**

Overseas tax	<b>9,973</b>	7,954
Total tax for the year (note 5b)	<b>9,973</b>	7,954

**b) Factors affecting taxation charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).

The differences are explained below:

Net revenue before taxation	<b>69,393</b>	55,320
Corporation tax at 20%	<b>13,879</b>	11,064
Effects of:		
Revenue not subject to taxation	<b>(13,516)</b>	(10,802)
Irrecoverable overseas tax	<b>9,939</b>	7,954
Irrecoverable overseas tax on capital special dividend	<b>34</b>	-
Utilisation of excess management expenses	<b>(268)</b>	(183)
Tax relief on overseas tax suffered	<b>(95)</b>	(79)
Current tax charge for the year (note 5a)	<b>9,973</b>	7,954

**c) Provision for deferred taxation**

At 15 May 2019, there is a potential deferred tax asset of £610,634 (15.5.18: £878,545) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.

**6. Distributions**

The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:

Final dividend distribution	<b>62,202</b>	49,616
	<b>62,202</b>	49,616
Add: Amounts deducted on cancellation of shares	<b>7,949</b>	4,719
Deduct: Amounts received on issue of shares	<b>(10,694)</b>	(6,967)
Net distribution for the year	<b>59,457</b>	47,368

**7. Movement Between Net Revenue and Distributions**

Net revenue after taxation	<b>59,420</b>	47,366
Equalisation on conversions	<b>3</b>	2
Corporation tax on taxable items in capital	<b>34</b>	-
Net distribution for the year	<b>59,457</b>	47,368

**8. Debtors**

Amounts receivable for creation of shares	<b>122,673</b>	1,940
Sales awaiting settlement	-	17,072
Accrued revenue	<b>4,486</b>	3,424
Total debtors	<b>127,159</b>	22,436

**9. Other Creditors**

Amounts payable for cancellation of shares	<b>2,737</b>	7,675
Purchases awaiting settlement	<b>142,065</b>	-
Accrued expenses	<b>231</b>	184
Total other creditors	<b>145,033</b>	7,859

**10. Reconciliation of Shares**

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>
Opening shares issued at 16.5.18	4,063,932	32,976,414	46,094,971	188,863,630
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	1,337,638	32,642,153	11,973,458	39,351,426
Shares cancelled	(2,342,892)	(33,783,330)	(12,329,019)	(34,169,985)
Shares converted	(445,582)	(894,796)	(7,959,692)	7,413,260
Closing shares issued at 15.5.19	2,613,096	30,940,441	37,779,718	201,458,331

  

	<i>Institutional A Income</i>	<i>Institutional A Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.18	42,234	702,582	62,102,874	288,348,306
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	14,044	-	17,419,779	91,543,236
Shares cancelled	(16,899)	(523,670)	(14,014,675)	(64,881,233)
Shares converted	(587)	(17,358)	901,971	700,831
Closing shares issued at 15.5.19	38,792	161,554	66,409,949	315,711,140

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Institutional A Income</i>	<i>Institutional A Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
	%	%	%	%	%	%	%	%
As at 15.5.19	0.36	3.58	83.70	89.77	-	-	0.91	1.93
As at 15.5.18	1.18	5.36	74.24	69.93	-	-	0.79	2.76

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from/(to) the ACD (including amounts due to associates and agents) at the year end was £119,787,221 (15.5.18: (£5,788,216), further details of such amounts can be found in notes 8 and 9.

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets</i>		<i>Net assets</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	-	-	<b>2,328</b>	400	<b>2,328</b>	400
United States dollar	<b>3,859,502</b>	3,276,069	<b>20,739</b>	21,420	<b>3,880,241</b>	3,297,489
Total	<b>3,859,502</b>	3,276,069	<b>23,067</b>	21,820	<b>3,882,569</b>	3,297,889

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 1.29% (15.5.18: 0.47%) of the Fund's assets by value were interest-bearing.

At the year end, none (15.5.18: none) of the Fund's assets by value were interest-paying.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, an institutional A share class and an C share class.

The annual ACD charge on the retail share class is 0.14%, nil on the institutional share class, 0.14% on the institutional A share class and 0.04% on the C share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 210 to 213. The distribution per share class is given in the Distribution Table on page 215. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The type of derivatives held at the year end were index futures.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

## 15. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	510,725	70	0.01	-	-	-	-
In specie transactions	27,966						
Corporate actions	1,831	-	-	-	-	-	-
Total purchases before transaction costs	540,522	70		-		-	
Transaction costs	70						
Total purchases after commission, tax and fees	540,592						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	279,988	44	0.02	1	0.00	3	0.00
Corporate actions	17,146	-	-	-	-	-	-
Total sales before transaction costs	297,134	44		1		3	
Transaction costs	(48)						
Total sales after commission, tax and fees	297,086						

The Fund had paid £30,418 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions 0.00%

Taxes 0.00%

Other expenses 0.00%

At the balance sheet date the portfolio dealing spread was 0.02%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	683,681	109	0.02	-	-	-	-
Corporate actions	804	-	-	-	-	-	-
Total purchases before transaction costs	684,485	109		-		-	
Transaction costs	109						
Total purchases after commission, tax and fees	684,594						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	246,540	42	0.02	-	-	5	0.00
Corporate actions	12,984	-	-	-	-	-	-
Total sales before transaction costs	259,524	42		-		5	
Transaction costs	(47)						
Total sales after commission, tax and fees	259,477						

The Fund had paid £30,989 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions 0.01%

Taxes 0.00%

Other expenses 0.00%

At the balance sheet date the portfolio dealing spread was 0.02%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	3,859,420	-	-	3,859,420
Derivatives	82	-	-	82
	3,859,502	-	-	3,859,502

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	3,276,064	-	-	3,276,064
Derivatives	5	-	-	5
	3,276,069	-	-	3,276,069

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £385,950,184 (15.5.18: £327,606,918).

### Currency risk sensitivity:

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £388,024,204 (15.5.18: £329,748,966).

### Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

# Japan Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE World Japan Index.

## Investment Policy

To invest in companies that make up the FTSE Japan Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively. The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE Japan Index. This means that the Fund will seek to invest in all of the companies that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE Japan index was down 11.30% in JPY and 6.23% in GBP terms during the period.

This was mostly due to four sectors: Financials was down 14.57% and contributing to -2.21% of the total return of the index; Consumer Goods down 8.69% over the period and contributing to -2.12% of the total return of the index; Industrials was down 5.77% and contributing to -1.29% of the total return of the index; and Basic Materials was down 17.03% and contributing to -1.09% of the total return of the index in GBP terms.

Japanese equities tumbled at the end of 2018, as risk aversion triggered a heavy sell off at global level amid fear of rising U.S. interest rates, ongoing trade friction between the U.S. and China, and worries over global growth. After the heavy sell-off in December, Japanese shares then rebounded at the beginning of 2019 even though their gain was slightly muted compared to other developed markets as JPY weakened against other currencies too. The sharper than expected growth slowdown in the rest of the world, especially in China, had a marked impact on performance, as it affected earnings results in several sectors key to the Japanese economy such as automotive and technology. This also contributed to the negative corporate earnings released in the month of February, which were in line with expectations. Lastly, inflation is set to remain well below the Bank of Japan's 2% target, thus, monetary policy is likely to remain expansionary for the time being.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 7.14% and the value of the FTSE Japan index fell by 6.23%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.14%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	96.74p xd	117.3p	115.2p xd	124.2p
Distribution payable (on 15 July 2019) per share net	1.962763p	2.334243p	2.645609p	2.787986p
Current net estimated yield	2.01%	1.97%	2.28%	2.22%
Annual ACD charge	0.25%	0.25%	0.00%	0.00%
	Income C	Accumulation C	Income S	Accumulation S
Price	96.3p xd	118.1p	96.27p xd	118.4p
Distribution payable (on 15 July 2019) per share net	2.056994p	2.471157p	2.169405p	2.610003p
Current net estimated yield	2.12%	2.07%	2.23%	2.18%
Annual ACD charge	0.10%	0.10%	0.04%	0.04%

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>JAPAN - 97.10% (98.17%)</b>			
<b>Oil &amp; Gas - 0.91% (1.06%)</b>			
Cosmo Energy Holdings	38,632	665	0.04
Idemitsu Kosan	128,400	3,036	0.18
Inpex	541,700	3,869	0.23
Japan Petroleum Exploration	17,600	297	0.02
JX Holdings	1,880,648	7,313	0.44
<b>Total Oil &amp; Gas</b>		<b>15,180</b>	<b>0.91</b>
<b>Basic Materials - 5.67% (6.49%)</b>			
Air Water	90,445	1,082	0.06
Asahi Kasei	734,911	6,060	0.36
Daicel Corporation	168,530	1,168	0.07
Daido Steel	20,900	602	0.04
Denka Company	51,900	1,188	0.07
DIC	47,731	942	0.06
Dowa Mining	27,200	649	0.04
Hitachi Chemical	59,000	1,256	0.07
Hitachi Metals	117,555	931	0.06
JFE Holdings	304,871	3,611	0.22
JSR	108,908	1,199	0.07
Kaneka	33,700	932	0.06
Kansai Paint	113,153	1,487	0.09
Kobe Steel	176,189	876	0.05
Kuraray	207,513	1,839	0.11
Lintec	29,894	483	0.03
Maruichi Steel Tube	35,800	713	0.04
Mitsubishi Chemical Holdings	755,529	3,928	0.23
Mitsubishi Gas Chemical	107,900	1,069	0.06
Mitsui Chemicals	102,000	1,805	0.11
Mitsui Mining & Smelting	32,500	605	0.04
Nagase & Company	65,598	760	0.05
Nippon Kayaku	99,500	887	0.05
Nippon Paint	91,583	2,588	0.15
Nippon Paper Industries	55,900	782	0.05
Nippon Shokubai	18,800	877	0.05
Nippon Steel Corporation	478,900	6,242	0.37
Nissan Chemical Industries	82,312	2,709	0.16
Nitto Denko	91,304	3,352	0.20
NOF	40,300	1,102	0.07
Oji Holdings Corporation	523,601	2,234	0.13
Shin-Etsu Chemical	239,393	16,313	0.97
Showa Denko KK	84,200	1,871	0.11
Sumitomo Bakelite	19,200	548	0.03
Sumitomo Chemical	890,700	3,244	0.19
Sumitomo Metal Mining	139,900	2,849	0.17
Taiyo Nippon Sanso	83,238	1,217	0.07

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Teijin	107,815	1,385	0.08
Tokai Carbon	115,500	966	0.06
Tokuyama	40,400	768	0.05
Toray Industries	899,005	4,838	0.29
Tosoh	167,700	1,795	0.11
Toyota Tsusho	131,600	3,111	0.19
Ube Industries	60,400	935	0.06
Yamato Kogyo	20,958	438	0.03
Zeon	84,047	637	0.04
<b>Total Basic Materials</b>		<b>94,873</b>	<b>5.67</b>
<b>Industrials - 22.98% (22.85%)</b>			
Aica Kogyo	30,500	795	0.05
Alps Electric	124,125	1,787	0.11
Amada	189,730	1,532	0.09
Asahi Glass	109,400	2,788	0.17
Askul	12,300	254	0.02
Azbil	79,600	1,434	0.09
Benefit One	36,000	554	0.03
Comsys Holdings	67,600	1,262	0.08
Daifuku	57,000	2,335	0.14
Daikin Industries	155,705	14,946	0.89
Disco	16,259	2,006	0.12
DMG Mori	59,926	618	0.04
Ebara	58,624	1,232	0.07
Fanuc	114,100	15,574	0.93
FP	13,700	607	0.04
Fuji Electric	73,600	1,939	0.12
Fuji Seal	25,000	684	0.04
Fujikura	164,154	474	0.03
Fukuyama Transport	19,800	538	0.03
Furukawa Electric	35,757	708	0.04
Glory	30,800	566	0.03
GMO Payment Gateway	23,700	1,309	0.08
Hamamatsu Photonics	75,800	2,201	0.13
Haseko	162,745	1,323	0.08
Hino Motors	159,300	1,042	0.06
Hirose Electric	19,925	1,784	0.11
Hitachi	543,100	14,721	0.88
Hitachi Construction Machinery	62,661	1,130	0.07
Hitachi Transport System	25,800	567	0.03
Horiba	22,400	881	0.05
Hoshizaki Electric	30,728	1,636	0.10
Hoya	216,252	12,124	0.72
Ibiden	64,123	858	0.05
IHI Corporation	76,700	1,295	0.08



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Isuzu Motors	301,171	2,521	0.15
Itochu	830,543	11,808	0.71
Japan Airport Terminal	27,006	835	0.05
Japan Aviation Electronic	26,000	304	0.02
Japan Steel Works	37,254	450	0.03
JGC	126,146	1,345	0.08
Kajima	270,300	2,925	0.18
Kamigumi	60,900	1,077	0.06
Kandenko	62,347	395	0.02
Kawasaki Heavy Industries	86,000	1,500	0.09
Kawasaki Kisen Kaisha	49,400	478	0.03
Keyence	53,153	24,967	1.49
Kinden	77,100	922	0.06
Komatsu	536,715	9,090	0.54
Kubota	655,233	7,680	0.46
Kurita Water Industries	64,700	1,192	0.07
Kyocera	180,712	8,818	0.53
Kyowa Exeo	60,800	1,121	0.07
Kyudenko	23,312	542	0.03
Kyushu Railway Company	95,313	2,247	0.13
LIXIL Group	154,806	1,482	0.09
Mabuchi Motor	29,700	789	0.05
Maeda	79,300	522	0.03
Maeda Road Construction	34,800	533	0.03
Marubeni	924,013	4,628	0.28
Minebea	246,174	3,107	0.19
Misumi	163,835	3,011	0.18
Mitsubishi	756,291	15,550	0.93
Mitsubishi Electric	1,161,514	11,932	0.71
Mitsubishi Heavy Industries	169,600	5,677	0.34
Mitsubishi Logistics	40,200	851	0.05
Mitsubishi Materials	73,035	1,400	0.08
Mitsui & Company	993,480	11,698	0.70
Mitsui OSK Lines	65,300	1,189	0.07
Miura	57,835	1,108	0.07
Monotaro	69,100	1,121	0.07
Murata Manufacturing	335,000	12,177	0.73
Nabtesco	68,361	1,372	0.08
NGK Insulators	156,300	1,726	0.10
Nidec	137,470	14,303	0.85
Nippo Corporation	30,500	463	0.03
Nippon Electric Glass	46,700	905	0.05
Nippon Express	42,300	1,757	0.10
Nippon Yusen KK	95,400	1,156	0.07
NSK	260,313	1,737	0.10
NTN	256,000	573	0.03

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Obayashi	397,700	2,905	0.17
Okuma	17,900	749	0.04
Omron	112,463	4,407	0.26
OSG	45,000	659	0.04
Penta-Ocean Construction	168,700	624	0.04
Persol Holdings	98,900	1,382	0.08
Recruit Holdings	702,400	16,292	0.97
Rengo	123,987	878	0.05
Sankyu	29,500	1,141	0.07
Sanwa Holdings	116,556	1,006	0.06
Secom	114,158	7,256	0.43
Seino Holdings	90,477	901	0.05
SG Holdings	125,100	2,639	0.16
Shima Seiki Manufacturing	18,000	392	0.02
Shimadzu	158,626	3,144	0.19
Shimizu	336,668	2,278	0.14
SHO-BOND Holdings	13,500	721	0.04
SMC	34,100	9,684	0.58
Sohgo Securities Services	39,600	1,431	0.09
Sojitz Holdings	745,168	1,878	0.11
Sumitomo	663,989	7,479	0.45
Sumitomo Heavy Industries	66,200	1,636	0.10
Sumitomo Osaka Cement	21,200	607	0.04
Tadano	68,846	536	0.03
Taiheiyo Cement	71,200	1,623	0.10
Taisei	123,600	3,883	0.23
Taiyo Yuden	74,689	1,224	0.07
TDK	70,727	4,559	0.27
Technopro	21,000	941	0.06
THK	67,339	1,218	0.07
Toda	137,987	617	0.04
Toppan Printing	154,300	1,982	0.12
Toshiba	320,400	8,234	0.49
Toshiba Plant Systems & Services	20,800	281	0.02
TOTO	85,638	2,326	0.14
Toyo Seikan Group	89,400	1,405	0.08
Ulvac	28,600	749	0.04
Ushio	70,600	728	0.04
Yamato Holdings	210,820	3,447	0.21
Yaskawa Electric	154,125	4,131	0.25
Yokogawa Electric	143,100	2,117	0.13
<b>Total Industrials</b>		<b>384,578</b>	<b>22.98</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Consumer Goods - 22.81% (24.03%)</b>			
ABC-Mart	15,468	728	0.04
Aisin Seiki	102,120	2,726	0.16
Ajinomoto	288,736	3,892	0.23
Ariake Japan	10,687	537	0.03
Asahi Breweries	223,534	7,572	0.45
Asics Corporation	103,851	970	0.06
Bandai Namco Holdings	115,633	4,302	0.26
Bridgestone	361,762	10,453	0.62
Calbee	44,746	934	0.06
Casio Computer	127,932	1,147	0.07
Citizen Watch	161,200	587	0.04
Coca-Cola West Japan	83,400	1,589	0.09
Daiichikosho	24,500	903	0.05
Daiwa House Industry	381,769	8,459	0.51
Denso	268,673	8,349	0.50
Exedy	16,931	271	0.02
Ezaki Glico	30,600	1,169	0.07
Fancl	41,200	905	0.05
Fuji Oil	26,900	675	0.04
Fujitsu General	32,032	329	0.02
Goldwin	10,400	1,095	0.07
GS Yuasa	46,000	627	0.04
Honda Motor	1,024,277	20,376	1.22
House Foods	43,799	1,374	0.08
IIDA Group Holdings	83,661	1,058	0.06
Ito En	33,608	1,272	0.08
Itoham Yonekyu	79,987	387	0.02
Japan Tobacco	702,930	12,571	0.75
JTEKT	133,471	1,172	0.07
Kagome	45,600	857	0.05
Kao	279,438	17,113	1.02
Kewpie	63,958	1,153	0.07
Kikkoman	107,846	3,905	0.23
Kirin Holdings	472,980	7,485	0.45
Koito Manufacturing	67,509	2,765	0.17
Kokuyo	50,500	503	0.03
Konami	55,779	1,917	0.11
Kose	17,000	2,238	0.13
Lion	149,000	2,157	0.13
Makita	143,956	3,858	0.23
Maruha Nichiro	21,500	504	0.03
Mazda Motor	337,137	2,911	0.17
Megmilk Snow Brand	24,898	387	0.02
Meiji Holdings	79,500	4,504	0.27
Mitsubishi Motors	370,332	1,299	0.08

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Mitsubishi Shokuhin	8,100	161	0.01
Morinaga	24,100	778	0.05
Morinaga Milk Industry	24,100	690	0.04
NGK Spark Plug	118,220	1,627	0.10
NH Foods	59,700	1,856	0.11
NHK Spring	96,000	560	0.03
Nichirei	63,139	1,191	0.07
Nifco	50,600	1,020	0.06
Nikon	205,500	2,067	0.12
Nintendo	63,245	16,780	1.00
Nissan Motor	1,133,000	6,314	0.38
Nissan Shatai	37,227	250	0.02
Nisshin Seifun	151,400	2,700	0.16
Nisshinbo Industries	84,400	477	0.03
Nissin Food Products	40,500	1,944	0.12
Noevir Holdings	8,600	357	0.02
NOK	65,700	730	0.04
Paltac	18,900	789	0.05
Panasonic	1,251,667	7,990	0.48
Pigeon Corporation	63,553	2,017	0.12
Pilot	14,863	415	0.02
Pola Orbis Holdings	44,094	983	0.06
Rinnai	21,600	1,101	0.07
Sanrio	35,200	627	0.04
Sapporo Breweries	37,600	593	0.04
Sega Sammy Holdings	117,500	1,139	0.07
Sekisui Chemical	209,092	2,445	0.15
Sekisui House	342,333	4,251	0.25
Sharp	89,800	681	0.04
Shimano	46,100	5,256	0.31
Shiseido	228,100	13,959	0.83
Sony	746,883	28,995	1.73
Stanley Electric	86,500	1,676	0.10
Subaru Corporation	363,159	6,637	0.40
Sumitomo Electric Industries	446,503	4,379	0.26
Sumitomo Forestry	78,200	716	0.04
Sumitomo Rubber Industries	106,800	944	0.06
Suntory Beverage & Food	73,700	2,433	0.15
Suzuki Motor	251,967	9,055	0.54
Takara Holdings	101,300	898	0.05
Tokai Rika	29,600	367	0.02
Toyo Suisan Kaisha	52,900	1,613	0.10
Toyo Tire & Rubber	59,702	570	0.03
Toyobo	52,400	481	0.03
Toyoda Gosei	43,800	636	0.04
Toyota Boshoku	36,400	374	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Toyota Industries	94,500	3,831	0.23
Toyota Motor	1,472,283	68,611	4.10
TS Tech	30,432	625	0.04
Uni-Charm	228,717	5,441	0.33
Wacoal	33,700	627	0.04
Yakult Honsha	72,467	3,509	0.21
Yamaha	95,394	3,610	0.22
Yamaha Motor	164,733	2,226	0.13
Yamazaki Baking	73,700	888	0.05
Yokohama Rubber	62,100	861	0.05
<b>Total Consumer Goods</b>		<b>381,736</b>	<b>22.81</b>
<b>Healthcare - 8.03% (6.71%)</b>			
Alfresa Holdings	102,500	2,105	0.13
Asahi Intecc	58,500	2,259	0.13
Astellas Pharma	1,129,524	11,672	0.70
Chugai Pharmaceuticals	128,100	6,339	0.38
Daiichi Sankyo	374,258	14,691	0.88
Eisai	156,300	6,878	0.41
Hisamitsu Pharmaceutical	42,351	1,324	0.08
Kaken Pharmaceutical	19,800	680	0.04
Kissei Pharmaceutical	18,400	325	0.02
Kobayashi Pharmaceutical	36,300	2,237	0.13
Kyorin	22,900	314	0.02
Kyowa Hakko Kogyo	147,000	2,080	0.12
Medipal Holdings	90,600	1,537	0.09
Miraca Holdings	31,299	510	0.03
Mitsubishi Tanabe Pharma	130,700	1,177	0.07
Mochida Pharmaceutical	15,400	537	0.03
Nihon Kohden	44,078	914	0.05
Nippon Shinyaku	30,032	1,682	0.10
Nipro	67,613	591	0.04
Olympus Optical	662,800	5,976	0.36
Ono Pharmaceutical	260,735	3,527	0.21
Otsuka Holdings	246,000	6,783	0.41
Peptidream	49,800	1,962	0.12
Rohto Pharmaceutical	57,207	1,220	0.07
Santen Pharmaceuticals	214,347	2,452	0.15
Sawai Pharmaceutical	22,452	835	0.05
Shionogi	164,500	7,382	0.44
Sumitomo Dainippon Pharma	97,804	1,588	0.09
Suzuken	45,700	2,080	0.12
Sysmex	111,770	5,920	0.35
Taisho Pharmaceuticals	25,117	1,662	0.10
Takara Bio	27,500	451	0.03
Takeda Pharmaceutical	894,434	25,185	1.51

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Terumo	379,200	8,114	0.49
Topcon	61,900	577	0.03
Tsumura & Company	38,100	837	0.05
<b>Total Healthcare</b>		<b>134,403</b>	<b>8.03</b>
<b>Consumer Services - 10.86% (10.40%)</b>			
Aeon	413,409	5,773	0.34
AIN Holdings	16,099	980	0.06
ANA Holdings	65,700	1,725	0.10
Aoyama Trading	27,200	427	0.03
Autobacs Seven	36,727	440	0.03
Benesse	42,155	732	0.04
Bic Camera	86,220	695	0.04
Central Japan Railway	105,984	16,674	1.00
Cosmos Pharmaceutical	5,200	660	0.04
Dai Nippon Printing	174,000	3,090	0.18
Dena	65,685	950	0.06
Dentsu	130,300	4,024	0.24
East Japan Railway	216,712	15,366	0.92
Familymart	136,300	2,593	0.15
Fast Retailing	30,243	13,716	0.82
Fuji Media	26,800	266	0.02
H.I.S	18,900	472	0.03
H2O Retailing Group	51,500	422	0.02
Hakuhodo DY Holdings	139,900	1,634	0.10
Hankyu	131,552	3,745	0.22
Heiwa	31,456	500	0.03
Isetan Mitsukoshi Holdings	210,000	1,370	0.08
Izumi	23,000	778	0.05
J Front Retailing	144,600	1,248	0.07
Japan Airlines	69,243	1,757	0.10
K's Holdings	112,800	849	0.05
Kakaku.com	78,100	1,235	0.07
Keihan Electric Railway	57,700	1,972	0.12
Keikyu Corporation	146,700	1,792	0.11
Keio	68,300	3,545	0.21
Keisei Electric Railway	82,100	2,276	0.14
Kintetsu	106,000	3,846	0.23
Komeri	16,782	256	0.02
Kusuri No Aoki	9,420	485	0.03
Lawson	28,243	999	0.06
Marui	122,838	1,987	0.12
Matsumotokiyoshi	44,800	1,097	0.07
Nagoya Railroad	111,900	2,373	0.14
Nankai Electric Railway	64,800	1,291	0.08
Nippon Television Network	29,300	326	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Nishi-Nippon Railroad	45,000	759	0.05
Nitori	43,730	4,094	0.24
Odakyu Electric Railway	180,100	3,436	0.21
Oriental Land	110,609	9,946	0.59
Pan Pacific International Holdings Corporation	75,234	3,637	0.22
Park24	64,966	990	0.06
Rakuten	464,971	3,661	0.22
Resort Trust	39,400	427	0.03
Ryohin Keikaku	13,800	1,940	0.12
Sankyo	29,800	888	0.05
Seibu Holdings	126,538	1,634	0.10
Seven & I Holdings	453,008	11,897	0.71
Shimachu	26,200	467	0.03
Shimamura	13,100	716	0.04
Shochiku Film	6,000	551	0.03
Sky Perfect JSAT	73,200	211	0.01
Skylark	112,649	1,404	0.08
So-Net M3	237,700	3,434	0.20
Sotetsu Holdings	45,800	987	0.06
Start Today	103,019	1,542	0.09
Sugi Holdings	20,700	769	0.05
Sundrug	38,200	765	0.05
Takashimaya	88,100	745	0.04
Tobu Railway	122,100	2,722	0.16
Toho	66,739	2,194	0.13
Tokyo Broadcasting Systems	20,000	244	0.01
Tokyu	291,200	3,955	0.24
Tsuruha Holdings	21,302	1,364	0.08
TV Asahi Corporation	12,000	150	0.01
USS	126,846	1,803	0.11
Welcia	29,850	828	0.05
West Japan Railway	108,216	6,446	0.38
Yamada Denki	427,028	1,519	0.09
Yaoko	12,800	493	0.03
Zensho Holdings	52,323	858	0.05
<b>Total Consumer Services</b>		<b>181,842</b>	<b>10.86</b>
<b>Telecommunications - 5.53% (4.46%)</b>			
Hikari Tsushin	13,100	1,850	0.11
KDDI	1,027,676	19,554	1.17
Nippon Telegraph & Telephone	376,132	12,951	0.77
NTT DoCoMo	687,276	11,874	0.71
Softbank	502,900	36,811	2.20
Softbank Corporation	943,045	9,457	0.57
<b>Total Telecommunications</b>		<b>92,497</b>	<b>5.53</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Utilities - 1.88% (1.91%)</b>			
Chubu Electric Power	414,900	4,507	0.27
Chugoku Electric Power	170,100	1,618	0.10
Electric Power Development	97,463	1,581	0.09
Hokkaido Electric Power	105,700	443	0.03
Hokuriku Electric Power	100,725	538	0.03
Kansai Electric Power	431,400	3,942	0.24
Kyushu Electric Power	273,769	1,969	0.12
Nippon Gas	23,500	463	0.03
Osaka Gas	233,900	3,195	0.19
Shikoku Electric Power	89,400	639	0.04
Toho Gas	52,800	1,597	0.09
Tohoku Electric Power	278,400	2,257	0.13
Tokyo Electric Power	923,788	3,830	0.23
Tokyo Gas	255,200	4,854	0.29
<b>Total Utilities</b>		<b>31,433</b>	<b>1.88</b>
<b>Financials - 12.95% (14.79%)</b>			
Acom	225,700	585	0.03
Aeon Financial Service	67,800	902	0.05
Aeon Mall	68,959	808	0.05
Aiful	167,600	263	0.02
Aozora Bank	68,500	1,252	0.07
Aplus Financial	49,700	29	0.00
Awa Bank	21,400	393	0.02
Bank of Kyoto	42,500	1,302	0.08
Century Tokyo Leasing Corporation	27,100	886	0.05
Chiba Bank	373,100	1,383	0.08
Chugoku Bank	98,900	698	0.04
Concordia Financial Group	682,500	1,938	0.12
Credit Saison	93,287	811	0.05
Dai-ichi Mutual Life Insurance	649,996	7,102	0.42
Daishi Hokuetsu	25,700	509	0.03
Daito Trust Construction	41,200	3,813	0.23
Daiwa Securities Group	909,225	3,115	0.19
Fukuoka Financial	96,200	1,370	0.08
Fuyo General Lease	11,100	417	0.02
Gunma Bank	247,800	670	0.04
Hachijuni Bank	263,710	818	0.05
Hiroshima Bank	174,900	682	0.04
Hitachi Capital	25,500	425	0.03
Hokuhoku Financial Group	75,700	618	0.04
Hulic	208,906	1,350	0.08
Ichigo Group Holdings	122,197	298	0.02
Iyo Bank	162,000	673	0.04
Japan Exchange Group	318,369	4,012	0.24



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Japan Post Bank	241,200	2,004	0.12
Japan Post Holdings	785,756	6,705	0.40
Japan Post Insurance	115,423	1,677	0.10
Kyoritsu Maintenance	14,500	574	0.03
Kyushu Financial Group	230,078	704	0.04
Matsui Securities	61,200	439	0.03
Mebuki Financial Group	601,143	1,144	0.07
Mitsubishi Estate	693,733	10,006	0.60
Mitsubishi UFJ Financial Group	7,363,429	26,824	1.60
Mitsubishi UFJ Lease & Finance	258,000	940	0.06
Mitsui Fudosan	555,348	10,030	0.60
Mizuho Financial Group	14,929,488	17,404	1.04
MS & AD Insurance Group	291,309	6,860	0.41
Nihon M&A Center	75,100	1,545	0.09
Nishi Nippon Financial Holdings	92,300	542	0.03
Nomura Holdings	1,943,100	5,099	0.30
Nomura Real Estate Holdings	68,100	1,092	0.07
North Pacific Bank	165,500	283	0.02
Open House	17,800	459	0.03
Orient	342,500	287	0.02
Orix	753,655	8,221	0.49
Relo Holdings	60,613	1,224	0.07
Resona	1,293,459	4,238	0.25
San-in Godo Bank	90,600	442	0.03
SBI Holdings	133,774	2,402	0.14
Seven Bank	390,572	782	0.05
Seventy Seven Bank	42,500	443	0.03
Shiga Bank	30,400	543	0.03
Shinsei Bank	91,500	993	0.06
Shizuoka Bank	298,338	1,843	0.11
Sompo Japan Nipponkoa Holdings	203,431	6,073	0.36
Sony Financial Holdings	102,408	1,652	0.10
Sumitomo Mitsui Financial Group	776,698	21,109	1.26
Sumitomo Mitsui Trust Holdings	220,000	5,803	0.35
Sumitomo Realty & Development	233,397	6,621	0.40
T&D Holdings	329,300	2,760	0.16
Tokai Tokyo Securities	135,100	330	0.02
Tokio Marine Holdings	391,796	15,271	0.91
Tokyo Tatemono	121,510	1,046	0.06
Tokyu Fudosan	358,500	1,637	0.10
Yamaguchi Financial Group	140,375	829	0.05
Zenkoku Hosho	30,000	805	0.05
<b>Total Financials</b>		<b>216,807</b>	<b>12.95</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Technology - 5.56% (5.36%)</b>			
Advantest	115,503	2,513	0.15
Brother Industries	139,198	1,893	0.11
Canon	603,800	13,182	0.79
Canon Marketing Japan	26,113	423	0.03
Capcom	53,900	810	0.05
CyberAgent	56,137	1,803	0.11
Fujifilm Holdings	214,000	7,777	0.46
Fujitsu	113,400	5,967	0.36
GMO Internet	35,300	418	0.03
GungHo Online Entertainment	224,800	584	0.03
Hitachi High-Technologies	37,600	1,309	0.08
IT Holdings	47,182	1,678	0.10
ITOCHU Techno-Solutions	56,600	1,049	0.06
Kansai Mirai Financial	108,100	517	0.03
Konica Minolta	266,274	1,839	0.11
Line	31,128	799	0.05
NEC	148,400	3,972	0.24
Nexon	242,300	2,850	0.17
Nihon Unisys	38,600	914	0.05
Nomura Research Institute	59,900	2,258	0.13
NTT Data	371,900	3,213	0.19
Obic	39,446	3,436	0.21
Obic Business Consultants	8,400	261	0.02
Oracle Japan	19,200	1,026	0.06
Otsuka	60,200	1,806	0.11
Renesas Electronics	411,625	1,748	0.10
Ricoh	401,599	2,951	0.18
Rohm	52,025	2,718	0.16
Screen Holdings	23,300	832	0.05
SCSK	24,900	857	0.05
Seiko Epson	162,600	1,892	0.11
Shinnittetsu Sumikin Solutions	18,616	412	0.02
Square Enix	45,600	1,177	0.07
Sumco	137,257	1,317	0.08
Tecmo Koei	35,100	477	0.03
Tokyo Electron	91,554	10,842	0.65
Trend Micro	68,683	2,511	0.15
Yahoo Japan	1,389,958	3,059	0.18
<b>Total Technology</b>		<b>93,090</b>	<b>5.56</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Futures - -0.08% (0.11%)</b>			
OSE TOPIX Index Future June 2019	407	(1,247)	(0.08)
<b>Total Futures</b>		<b>(1,247)</b>	<b>(0.08)</b>
<b>Total Japan</b>			
<b>Portfolio of investments</b>		<b>1,625,192</b>	<b>97.10</b>
<b>Net other assets</b>		<b>48,493</b>	<b>2.90</b>
<b>Net assets</b>		<b>1,673,685</b>	<b>100.00</b>

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the future is HSBC.

## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	106.20p	94.59p	74.02p
Return before operating charges*	(7.09p)	13.46p	22.35p
Operating charges**	(0.28p)	(0.30p)	(0.27p)
Return after operating charges*	(7.37p)	13.16p	22.08p
Distributions on income shares	(1.96p)	(1.55p)	(1.51p)
Closing net asset value per share	96.87p	106.20p	94.59p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.94%)	13.91%	29.83%
<b>Other information</b>			
Closing net asset value	£2,809,822	£6,179,749	£7,103,466
Closing number of shares	2,900,488	5,820,420	7,510,007
Operating charges - OCF	0.27%	0.29%	0.29%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	110.10p	111.00p	100.40p
Lowest share price	94.23p	94.62p	72.68p

<b>Retail Accumulation</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	126.20p	110.90p	85.40p
Return before operating charges*	(8.37p)	15.65p	25.81p
Operating charges**	(0.33p)	(0.35p)	(0.31p)
Return after operating charges*	(8.70p)	15.30p	25.50p
Distributions on accumulation shares	(2.33p)	(1.82p)	(1.74p)
Retained distributions on accumulation shares	2.33p	1.82p	1.74p
Closing net asset value per share	117.50p	126.20p	110.90p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.89%)	13.80%	29.86%
<b>Other information</b>			
Closing net asset value	£28,207,101	£37,514,604	£38,989,442
Closing number of shares	24,000,072	29,716,800	35,164,683
Operating charges - OCF	0.27%	0.29%	0.29%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	130.90p	130.10p	115.80p
Lowest share price	112.10p	110.90p	83.86p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	126.50p	112.70p	88.18p
Return before operating charges*	(8.42p)	16.01p	26.63p
Operating charges**	(0.03p)	(0.05p)	(0.04p)
Return after operating charges*	(8.45p)	15.96p	26.59p
Distributions on income shares	(2.65p)	(2.16p)	(2.07p)
Closing net asset value per share	115.40p	126.50p	112.70p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.68%)	14.16%	30.15%
<b>Other information</b>			
Closing net asset value	£136,428,612	£221,605,289	£179,860,620
Closing number of shares	118,223,227	175,208,684	159,594,797
Operating charges - OCF	0.02%	0.04%	0.04%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	131.30p	132.50p	119.90p
Lowest share price	112.40p	112.70p	86.61p

<b>Institutional Accumulation</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	133.30p	116.80p	89.72p
Return before operating charges*	(8.87p)	16.56p	27.12p
Operating charges**	(0.03p)	(0.06p)	(0.04p)
Return after operating charges*	(8.90p)	16.50p	27.08p
Distributions on accumulation shares	(2.79p)	(2.24p)	(2.11p)
Retained distributions on accumulation shares	2.79p	2.24p	2.11p
Closing net asset value per share	124.40p	133.30p	116.80p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.68%)	14.13%	30.18%
<b>Other information</b>			
Closing net asset value	£1,232,928,251	£1,213,036,308	£963,439,219
Closing number of shares	991,106,935	910,082,265	825,012,950
Operating charges - OCF	0.02%	0.04%	0.04%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	138.30p	137.30p	121.90p
Lowest share price	118.50p	116.80p	88.12p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional A Accumulation#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	129.30p	113.60p	87.57p
Return before operating charges*	(8.27p)	16.06p	26.33p
Operating charges**	(0.23p)	(0.36p)	(0.30p)
Return after operating charges*	(8.50p)	15.70p	26.03p
Distributions on accumulation shares	-	(1.87p)	(1.55p)
Retained distributions on accumulation shares	-	1.87p	1.55p
Cancellation price	(120.80p)	-	-
Closing net asset value per share	-	129.30p	113.60p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.57%)	13.82%	29.72%
<b>Other information</b>			
Closing net asset value	N/A	£931,096	£824,231
Closing number of shares	N/A	720,000	725,673
Operating charges - OCF	N/A	0.29%	0.33%
Direct transaction costs	N/A	0.01%	0.01%
<b>Prices</b>			
Highest share price	134.10p	133.30p	118.70p
Lowest share price	114.80p	113.60p	85.90p

<b>Income C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	105.70p	94.19p	73.69p
Return before operating charges*	(7.03p)	13.36p	22.26p
Operating charges**	(0.17p)	(0.20p)	(0.17p)
Return after operating charges*	(7.20p)	13.16p	22.09p
Distributions on income shares	(2.06p)	(1.65p)	(1.59p)
Closing net asset value per share	96.44p	105.70p	94.19p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.81%)	13.97%	29.98%
<b>Other information</b>			
Closing net asset value	£40,145,859	£40,253,346	£37,257,745
Closing number of shares	41,627,271	38,085,910	39,556,794
Operating charges - OCF	0.17%	0.19%	0.20%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	109.60p	110.60p	100.00p
Lowest share price	93.87p	94.22p	72.37p

#The Institutional A Accumulation share class closed on 21 January 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	127.00p	111.40p	85.72p
Return before operating charges*	(8.49p)	15.83p	25.88p
Operating charges**	(0.21p)	(0.23p)	(0.20p)
Return after operating charges*	(8.70p)	15.60p	25.68p
Distributions on accumulation shares	(2.47p)	(1.95p)	(1.86p)
Retained distributions on accumulation shares	2.47p	1.95p	1.86p
Closing net asset value per share	118.30p	127.00p	111.40p
*after direct transaction costs of:***	0.01p	0.01p	0.01p
<b>Performance</b>			
Return after charges	(6.85%)	14.00%	29.96%
<b>Other information</b>			
Closing net asset value	£162,071,599	£152,593,573	£131,033,502
Closing number of shares	136,964,372	120,179,790	117,615,006
Operating charges - OCF	0.17%	0.19%	0.20%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	131.70p	130.90p	116.40p
Lowest share price	112.80p	111.40p	84.19p

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	105.70p	100.70p	N/A
Return before operating charges*	(7.06p)	6.76p	N/A
Operating charges**	(0.06p)	(0.04p)	N/A
Return after operating charges*	(7.12p)	6.72p	N/A
Distributions on income shares	(2.17p)	(1.72p)	N/A
Closing net asset value per share	96.41p	105.70p	N/A
*after direct transaction costs of:***	0.01p	0.01p	N/A
<b>Performance</b>			
Return after charges	(6.74%)	6.67%	N/A
<b>Other information</b>			
Closing net asset value	£35,831,482	£1,599,782	N/A
Closing number of shares	37,166,727	1,513,891	N/A
Operating charges - OCF	0.06%	0.07%	N/A
Direct transaction costs	0.01%	0.01%	N/A
<b>Prices</b>			
Highest share price	109.60p	110.60p	N/A
Lowest share price	93.90p	98.27p	N/A

#The Income S share class launched on 13 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	127.00p	119.10p	N/A
Return before operating charges*	(8.33p)	7.95p	N/A
Operating charges**	(0.07p)	(0.05p)	N/A
Return after operating charges*	(8.40p)	7.90p	N/A
Distributions on accumulation shares	(2.61p)	(2.03p)	N/A
Retained distributions on accumulation shares	2.61p	2.03p	N/A
Closing net asset value per share	118.60p	127.00p	N/A
*after direct transaction costs of:***	0.01p	0.01p	N/A
<b>Performance</b>			
Return after charges	(6.61%)	6.63%	N/A
<b>Other information</b>			
Closing net asset value	£35,262,497	£4,417,833	N/A
Closing number of shares	29,736,163	3,477,748	N/A
Operating charges - OCF	0.06%	0.07%	N/A
Direct transaction costs	0.01%	0.01%	N/A
<b>Prices</b>			
Highest share price	131.90p	130.90p	N/A
Lowest share price	113.00p	116.20p	N/A
#The Accumulation S share class launched on 13 October 2017.			
**The operating charges include all costs borne by the Fund, except for direct transaction costs.			
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.			



## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(150,489)		182,596
Revenue	3	41,323		32,301	
Expenses	4	(720)		(1,058)	
Interest payable and similar charges		(1)		(1)	
Net revenue before taxation		40,602		31,242	
Taxation	5	(4,132)		(3,230)	
Net revenue after taxation			36,470		28,012
Total (deficit)/return before distributions			(114,019)		210,608
Distributions	6		(36,470)		(28,011)
Change in net assets attributable to shareholders from investment activities			(150,489)		182,597

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,678,132		1,358,508
Amounts receivable on creation of shares	394,920		343,011	
Amounts payable on cancellation of shares	(281,712)		(229,707)	
		113,208		113,304
Dilution adjustment		481		386
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(150,489)		182,597
Retained distribution on accumulation shares		32,353		23,337
Closing net assets attributable to shareholders		1,673,685		1,678,132

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			1,626,439		1,647,449
Current assets					
Debtors	8	22,622		14,979	
Cash and bank balances		33,168		21,663	
Total current assets			55,790		36,642
Total assets			1,682,229		1,684,091
<b>Liabilities</b>					
Investment liabilities			(1,247)		-
Creditors					
Distribution payable on income shares		(4,847)		(4,529)	
Other creditors	9	(2,450)		(1,430)	
Total creditors			(7,297)		(5,959)
Total liabilities			(8,544)		(5,959)
Net assets attributable to shareholders			1,673,685		1,678,132

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018 Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	1.962763	-	1.962763	1.553160
Group 2	1.639461	0.323302	1.962763	1.553160
<b>Retail Accumulation</b>				
Group 1	2.334243	-	2.334243	1.822657
Group 2	1.266236	1.068007	2.334243	1.822657
<b>Institutional Income</b>				
Group 1	2.645609	-	2.645609	2.159543
Group 2	2.099989	0.545620	2.645609	2.159543
<b>Institutional Accumulation</b>				
Group 1	2.787986	-	2.787986	2.237588
Group 2	1.645118	1.142868	2.787986	2.237588
<b>Institutional A Accumulation†</b>				
Group 1	N/A	-	N/A	1.867287
Group 2	N/A	N/A	N/A	1.867287
<b>Income C</b>				
Group 1	2.056994	-	2.056994	1.650704
Group 2	1.387095	0.669899	2.056994	1.650704
<b>Accumulation C</b>				
Group 1	2.471157	-	2.471157	1.952754
Group 2	1.452186	1.018971	2.471157	1.952754
<b>Income S††</b>				
Group 1	2.169405	-	2.169405	1.719312
Group 2	0.319013	1.850392	2.169405	1.719312
<b>Accumulation S††</b>				
Group 1	2.610003	-	2.610003	2.033683
Group 2	2.327615	0.282388	2.610003	2.033683
† The Institutional A Accumulation share class closed on 21 January 2019. †† The Income S share class and the Accumulation S share class launched on 13 October 2017.				

## Notes to the Financial Statements

for the year ended 15 May 2019

	<b>15.5.19</b>	<b>15.5.18</b>
	<b>£'000</b>	<b>£'000</b>
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency gains	<b>1,311</b>	92
Transaction (charges)/rebates	<b>(39)</b>	73
(Losses)/gains on derivative contracts	<b>(5,361)</b>	3,785
(Losses)/gains on non-derivative securities	<b>(146,400)</b>	178,646
Net capital (losses)/gains	<b>(150,489)</b>	182,596
<b>3. Revenue</b>		
Overseas dividends	<b>41,318</b>	32,300
Bank interest	<b>5</b>	1
Total revenue	<b>41,323</b>	32,301
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	<b>306</b>	302
Registration fee	<b>98</b>	93
Safe custody fee	<b>144</b>	135
	<b>548</b>	530
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	<b>149</b>	141
<b>Other expenses:</b>		
Audit fee	<b>5</b>	6
Report and accounts fee	<b>3</b>	2
License fee	<b>15</b>	379
	<b>23</b>	387
Total expenses	<b>720</b>	1,058

	15.5.19 £'000	15.5.18 £'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Overseas tax	4,132	3,230
Total tax for the year (note 5b)	4,132	3,230
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	40,602	31,242
Corporation tax at 20%	8,120	6,248
Effects of:		
Revenue not subject to taxation	(8,263)	(6,460)
Current year expenses not utilised	143	212
Irrecoverable overseas tax	4,132	3,230
Current tax charge for the year (note 5a)	4,132	3,230
c) Provision for deferred taxation		
At 15 May 2019, there is a potential deferred tax asset of £946,193 (15.5.18: £802,942) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Final dividend distribution	37,200	27,865
	37,200	27,865
Add: Amounts deducted on cancellation of shares	2,839	1,705
Deduct: Amounts received on issue of shares	(3,569)	(1,559)
Net distribution for the year	36,470	28,011
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	36,470	28,012
Equalisation on conversions	-	(1)
Net distribution for the year	36,470	28,011
<b>8. Debtors</b>		
Amounts receivable for creation of shares	5,102	1,619
Sales awaiting settlement	129	-
Accrued revenue	17,391	13,360
Total debtors	22,622	14,979
<b>9. Other Creditors</b>		
Amounts payable for cancellation of shares	2,416	1,240
Accrued expenses	34	190
Total other creditors	2,450	1,430

## 10. Reconciliation of Shares

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Institutional A Accumulation†</i>
Opening shares issued at 16.5.18	5,820,420	29,716,800	175,208,684	910,082,265	720,000
<b>Share movements 16.5.18 to 15.5.19</b>					
Shares issued	6,263,192	11,098,615	8,517,779	179,425,300	-
Shares cancelled	(8,766,460)	(16,284,537)	(64,505,913)	(98,400,630)	(720,000)
Shares converted	(416,664)	(530,806)	(997,323)	-	-
Closing shares issued at 15.5.19	2,900,488	24,000,072	118,223,227	991,106,935	-
		<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18		38,085,910	120,179,790	1,513,891	3,477,748
<b>Share movements 16.5.18 to 15.5.19</b>					
Shares issued		11,456,166	47,849,006	36,684,427	28,666,686
Shares cancelled		(9,904,391)	(30,822,173)	(1,467,654)	(2,501,586)
Shares converted		1,989,586	(242,251)	436,063	93,315
Closing shares issued at 15.5.19		41,627,271	136,964,372	37,166,727	29,736,163

† The Institutional A Accumulation share class closed on 21 January 2019.

## 11. Ultimate Controlling Party and Transactions

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Institutional A Accumulation†</i>
	%	%	%	%	%
As at 15.5.19	1.27	7.15	86.55	97.34	N/A
As at 15.5.18	5.42	13.32	51.92	93.35	-
		<i>Income C</i>	<i>Accumulation C</i>	<i>Income S††</i>	<i>Accumulation S††</i>
		%	%	%	%
As at 15.5.19		1.09	4.07	-	-
As at 15.5.18		1.17	7.25	N/A	N/A

†The Institutional A Accumulation share class closed on 21 January 2019.

††The Income S and Accumulation S share classes launched on 13 October 2017.

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from the ACD (including amounts due to associates and agents) at the year end was £2,613,868 (15.5.18: £341,497), further details of such amounts can be found in notes 8 and 9.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A substantial portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets/(liabilities)</i>		<i>Net assets/(liabilities)</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	-	-	<b>1,026</b>	(2,528)	<b>1,026</b>	(2,528)
Japanese yen	<b>1,625,192</b>	1,647,449	<b>47,467</b>	33,211	<b>1,672,659</b>	1,680,660
Total	<b>1,625,192</b>	1,647,449	<b>48,493</b>	30,683	<b>1,673,685</b>	1,678,132

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 1.98% (15.5.18: 1.29%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, a C share class and an S share class.

The annual ACD charge on the retail share class is 0.25%, nil on the institutional share class, 0.10% on the C share class and 0.04% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 236 to 240. The distribution per share class is given in the Distribution Table on page 242. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements. The types of derivatives held at the year end was index futures. Details of the individual contracts are shown on the Portfolio Statement on pages 223 to 235.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

## 15. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

**16. Portfolio Transaction Costs**

<b>For the year ended 15 May 2019</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	221,221	36	0.02	-	-	-	-
Total purchases before transaction costs	221,221	36		-		-	
Transaction costs	36						
Total purchases after commission, tax and fees	221,257						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	93,157	21	0.02	-	-	-	-
Corporate actions	891	-	-	-	-	-	-
Total sales before transaction costs	94,048	21		-		-	
Transaction costs	(21)						
Total sales after commission, tax and fees	94,027						

The Fund had paid £41,353 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.17%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	216,114	36	0.02	-	-	-	-
Total purchases before transaction costs	216,114	36		-		-	
Transaction costs	36						
Total purchases after commission, tax and fees	216,150						

	<b>Sales</b>	<b>Commissions</b>		<b>Taxes</b>		<b>Other Expenses</b>	
	<b>£'000</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>	<b>£'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	82,707	19	0.02	-	-	-	-
Corporate actions	248	-	-	-	-	-	-
Total sales before transaction costs	82,955	19		-		-	
Transaction costs	(19)						
Total sales after commission, tax and fees	82,936						

The Fund had paid £36,417 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01%
Taxes	0.00%
Other expenses	0.00%

At the balance sheet date the portfolio dealing spread was 0.12%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,626,439	-	-	1,626,439
	1,626,439	-	-	1,626,439
Investment Liabilities				
Derivatives	(1,247)	-	-	(1,247)
	(1,247)	-	-	(1,247)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	1,645,609	-	-	1,645,609
Derivatives	1,840	-	-	1,840
	1,647,449	-	-	1,647,449

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £162,519,152 (15.5.18: £164,744,915).

### Currency risk sensitivity:

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £167,265,970 (15.5.18: £168,065,949).

### Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).



# Pacific Index Fund

## Investment Objective

To provide long-term capital growth by matching the return of the FTSE World Asia Pacific excluding Japan Index.

## Investment Policy

To invest in companies that make up the FTSE World Asia Pacific excluding Japan Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying in the index in circumstances where the ACD determines that this is appropriate for reasons of poor liquidity, excessive cost to the Fund or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE World Asia Pacific excluding Japan Index. This means that the Fund will seek to invest in all of the companies that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of dividends and cash flowing into the Fund.

## Portfolio Activity

FTSE World Asia Pacific excluding Japan index was down 6.82% in USD and 2.02% in GBP terms during the period. Focusing on the GBP performance, this was mainly driven by three sectors: Technology was down 2.78% and contributed -0.82% to the total return of the index, followed by Consumer Goods, which was down 6.15% during the period and contributing -0.81%, and Industrials, down 5.81% and contributing -0.71% to the total return index in GBP terms.

Asia Pacific ex Japan equities provided negative returns in aggregate over the period, as market sentiment continued to be impacted by US-China trade, which led risk assets to be sold over the period, in spite of the rebound in Q1 2019. Global growth concerns remained a drag especially since China's economy grew at its weakest pace with the Chinese government lowering its growth target for the year to 6-6.5%.

## Investment Performance

During the year under review, the value of the shares in the Fund decreased by 2.82% and the value of the FTSE World Asia Pacific Excluding Japan index fell by 2.02%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.14%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	257.1p xd	383.6p	294.6p xd	413.4p
Distribution payable (on 15 July 2019) per share net	7.787558p	11.280055p	9.690566p	13.166220p
Current net estimated yield	3.02%	2.93%	3.28%	3.18%
Annual ACD charge	0.25%	0.25%	0.00%	0.00%
	Income C	Accumulation C	Income S	Accumulation S
Price	259.4p xd	386.1p	259.4p xd	386.8p
Distribution payable (on 15 July 2019) per share net	8.129601p	11.730062p	8.399404p	12.129153p
Current net estimated yield	3.12%	3.03%	3.23%	3.13%
Annual ACD charge	0.10%	0.10%	0.05%	0.05%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>AUSTRALIA - 29.62% (28.70%)</b>			
Adelaide Brighton	76,575	147	0.03
AGL Energy	114,455	1,387	0.30
ALS	87,119	376	0.08
Alumina	443,016	563	0.12
Amcor	202,693	1,775	0.39
AMP	514,537	602	0.13
Ansell	23,008	315	0.07
APA	205,853	1,109	0.24
Aristocrat Leisure	111,352	1,530	0.33
ASX	33,652	1,361	0.30
Atlas Arteria	117,230	452	0.10
Aurizon Holdings	337,241	894	0.20
Ausnet Services	307,267	299	0.07
Australia and New Zealand Banking Group	501,863	7,101	1.55
Bank of Queensland	69,499	334	0.07
Bendigo Bank	85,333	480	0.11
BHP Billiton	517,472	10,358	2.27
Bluescope Steel	94,892	661	0.14
Boral	206,796	523	0.11
Brambles Industries	278,736	1,825	0.40
Caltex Australia	46,095	640	0.14
Challenger	98,370	412	0.09
Cimic Group	16,683	403	0.09
Coca-Cola Amatil	88,406	424	0.09
Cochlear	9,903	1,041	0.23
Coles Group	197,947	1,344	0.29
Commonwealth Bank of Australia	309,198	12,078	2.64
Computershare	85,134	805	0.18
Crown	60,191	420	0.09
CSL	79,318	8,568	1.87
CSR	87,838	159	0.03
Dexus Property	179,201	1,215	0.27
Domain Holdings Australia	40,704	65	0.01
Domino's Pizza	10,900	231	0.05
Downer EDI	102,075	412	0.09
DuluxGroup	69,672	365	0.08
Evolution Mining	178,880	344	0.08
Flight Centre	10,266	220	0.05
Fortescue Metals Group	280,632	1,229	0.27
General Property Group	314,278	991	0.22
Goodman Group	311,039	2,222	0.49
Harvey Norman	97,455	201	0.04
Healthscope	309,573	409	0.09
Iluka Resources	71,852	331	0.07
Incitec Pivot	281,181	492	0.11
Insurance Australia	403,948	1,702	0.37

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
IOOF	58,103	175	0.04
James Hardie Industries	77,964	765	0.17
Lend Lease	100,015	752	0.16
Macquarie Group	54,083	3,468	0.76
Magellan Financial Group	22,700	538	0.12
Medibank	485,530	746	0.16
Metcash	154,479	238	0.05
Mirvac Group	643,952	1,013	0.22
National Australia Bank	487,646	6,374	1.39
Newcrest Mining	134,435	1,893	0.41
Northern Star Resources	106,599	532	0.12
Nufarm	51,044	122	0.03
Oil Search	231,456	927	0.20
Orica	66,750	683	0.15
Origin Energy	307,015	1,229	0.27
Orora	215,594	362	0.08
OZ Minerals	54,420	274	0.06
Perpetual Trustees Australia	7,593	159	0.03
Platinum Asset Management	41,195	103	0.02
Qantas Airways	108,826	311	0.07
QBE Insurance Group	230,729	1,560	0.34
Qube Holdings	212,985	327	0.07
Ramsay Health Care	22,618	776	0.17
REA Group	8,552	378	0.08
Rio Tinto	65,208	3,454	0.76
Santos	308,464	1,180	0.26
Scentre Group	893,970	1,806	0.40
SEEK	61,290	659	0.14
Seven Group Holdings	22,823	226	0.05
Shopping Centres Australasia	157,131	212	0.05
Sims Metal Management	28,942	145	0.03
Sonic Healthcare	79,377	1,118	0.24
South32	884,683	1,644	0.36
Star Entertainment Group	149,036	345	0.08
Stockland Trust	423,529	874	0.19
Suncorp Group	228,557	1,656	0.36
Sydney Airport	195,187	807	0.18
Tabcorp Holdings	334,170	825	0.18
Telstra	725,296	1,348	0.29
TPG Telecom	62,607	212	0.05
Transurban	469,018	3,449	0.75
Treasury Wine Estates	125,422	1,041	0.23
Vicinity Centres REIT	558,857	768	0.17
Vocus Communications	103,491	212	0.05
Washinton H. Soul Pattinson	15,678	189	0.04
Wesfarmers	198,794	3,883	0.85
Westpac Banking	601,232	8,711	1.91

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Whitehaven Coal	115,900	260	0.06
Wisetech Global	13,388	157	0.03
Woodside Petroleum	164,012	3,197	0.70
Woolworths	230,677	4,114	0.90
Worleyparsons	60,652	438	0.10
<b>Total Australia</b>		<b>135,450</b>	<b>29.62</b>
<b>BERMUDA - 1.12% (1.08%)</b>			
#Brightoil Petroleum Holdings	339,422	-	0.00
C K Infrastructure	110,347	693	0.15
Dairy Farm International Holdings	50,500	294	0.06
Hong Kong Land (Singapore registered US\$)	198,593	1,050	0.23
Huabao International	138,498	47	0.01
Jardine Matheson (Singapore registered US\$)	36,123	1,769	0.39
Jardine Strategic (Singapore registered US\$)	31,369	891	0.20
Johnson Electric Holdings	61,061	97	0.02
Kerry Logistics Network	96,005	129	0.03
United Energy Group	1,288,000	159	0.03
<b>Total Bermuda</b>		<b>5,129</b>	<b>1.12</b>
<b>CAYMAN ISLANDS - 3.34% (3.52%)</b>			
AAC Technologies Holdings	122,169	556	0.12
Chailease Holding	208,000	616	0.13
Chow Tai Fook Jewel	185,464	136	0.03
CK Asset Holdings	473,207	2,835	0.62
CK Hutchison Holdings	470,207	3,650	0.80
FIH Mobile	516,225	53	0.01
Fit Hon Teng	180,000	63	0.01
Hutchison Telecommunications	214,819	41	0.01
Macau Legend Development	237,902	29	0.01
MGM China Holdings	129,135	174	0.04
Mint Group	120,503	301	0.07
NagaCorp	258,000	234	0.05
Nexteer Automotive	142,000	152	0.03
Sands China	418,126	1,652	0.36
Semiconductor Manufacturing International	514,888	420	0.09
Shui On Land	601,499	105	0.02
Tingyi (Cayman Islands)	323,597	418	0.09
TPK	53,270	69	0.02
Uni-President China Holdings	194,234	163	0.04
Want Want China	970,435	578	0.13
WH Group	1,478,425	1,136	0.25
Wharf Real Estate Investment Company	212,725	1,202	0.26
Wynn Macau	260,384	473	0.10
Xinyi Solar Holdings	567,177	245	0.05
#Xinyi Solar Holdings Rights	56,717	-	0.00
<b>Total Cayman Islands</b>		<b>15,301</b>	<b>3.34</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>HONG KONG - 13.06% (11.79%)</b>			
AIA Group	2,118,055	16,233	3.55
ASM Pacific Technology	53,353	439	0.10
Bank of China (Hong Kong) Limited	631,720	2,030	0.44
Bank of East Asia	224,061	537	0.12
Café De Coral	57,499	111	0.02
Cathay Pacific Airways	107,016	130	0.03
Champion REIT	345,393	225	0.05
China Mengniu Dairy	459,297	1,330	0.29
China Travel International	445,216	71	0.02
CLP	288,012	2,500	0.55
Dah Sing Banking	64,414	94	0.02
Dah Sing Finance Holdings	26,163	103	0.02
First Pacific	408,585	123	0.03
Galaxy Entertainment	376,684	1,936	0.42
Great Eagle Holdings	48,684	169	0.04
Guotai Junan International	545,869	77	0.02
Haitong International Securities Group	420,888	104	0.02
Hang Lung Group	152,421	322	0.07
Hang Lung Properties	357,837	609	0.13
Hang Seng Bank	126,888	2,566	0.56
Henderson Land Developments	205,376	978	0.21
Hong Kong & China Gas	1,570,990	2,956	0.65
Hong Kong Exchanges & Clearing	219,838	5,394	1.18
Hysan Development	106,336	442	0.10
Kerry Properties	105,458	332	0.07
Lenovo Group	1,310,000	835	0.18
Li & Fung	1,013,808	126	0.03
Lifestyle International	79,386	94	0.02
Link REIT	371,068	3,502	0.77
Melco International Development	137,970	227	0.05
MMG	396,000	111	0.02
MTR	244,641	1,123	0.25
New World Development	989,828	1,206	0.26
NWS Holdings	242,103	383	0.08
PCCW	741,572	337	0.07
Power Assets Holdings	229,056	1,272	0.28
Prada	86,180	203	0.04
Sa Sa International	195,816	44	0.01
Shangri-La Asia	192,254	203	0.04
Shougan Fushan Resources Group	632,822	112	0.02
Shun Tak	324,166	105	0.02
Sino Land	559,355	723	0.16
SJM	325,473	295	0.07
Sun Art Retail Group	376,972	243	0.05
Sun Hung Kai Properties	249,843	3,271	0.72

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Swire Pacific A	89,416	848	0.19
Swire Pacific B	160,000	236	0.05
Swire Properties	186,224	579	0.13
Techtronic Industries	217,177	1,101	0.24
Television Broadcasts	47,529	68	0.02
Towngas China	181,999	106	0.02
Vitasoy International	136,000	541	0.12
Vtech	27,921	200	0.04
Wharf Holdings	213,725	479	0.11
Wheelock	145,039	777	0.17
Xinyi Glass	351,978	292	0.06
Yue Yuen Industrial Holdings	121,250	259	0.06
<b>Total Hong Kong</b>		<b>59,712</b>	<b>13.06</b>
<b>ISLE OF MAN - 0.04% (0.20%)</b>			
Golden Agri-Resources	1,109,831	173	0.04
<b>Total Isle of Man</b>		<b>173</b>	<b>0.04</b>
<b>LUXEMBOURG - 0.12% (0.18%)</b>			
L'Occitane International	80,452	110	0.02
Samsonite International	227,713	434	0.10
<b>Total Luxembourg</b>		<b>544</b>	<b>0.12</b>
<b>MALAYSIA - 4.05% (4.27%)</b>			
Airasia Berhad	259,482	124	0.03
Alliance Financial Group	189,593	131	0.03
AMMB Holdings	327,784	266	0.06
Astro Malaysia	244,023	60	0.01
Axiata Group	793,056	653	0.14
British American Tobacco	24,208	152	0.03
CIMB	1,179,746	1,127	0.25
Dialog Group	812,600	496	0.11
DiGi.Com	650,487	569	0.12
Felda Global Ventures	326,996	72	0.02
Fraser & Neave	17,543	111	0.02
Gamuda	374,580	230	0.05
Genting	392,217	476	0.10
Genting Malaysia	506,554	294	0.06
Hap Seng Consolidated Berhad	111,537	202	0.04
Hartalega Holdings	248,400	241	0.05
Hong Leong Bank	110,844	400	0.09
Hong Leong Financial Group	39,438	139	0.03
IHH Healthcare (Malaysia)	529,456	543	0.12
IJM	544,999	214	0.05
IOI	561,032	446	0.10
IOI Properties Group	300,078	70	0.02
KLCC Property Holding	70,164	101	0.02

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Kuala Lumpur Kepong	82,857	376	0.08
Malayan Banking	1,014,384	1,702	0.37
Malaysia Airports Holdings	159,655	219	0.05
Maxis	482,759	478	0.10
MISC Berhad	256,757	313	0.07
Nestle (Malaysia) Berhad	10,400	281	0.06
Petronas Chemical Group	499,137	823	0.18
Petronas Dagangan	50,282	227	0.05
Petronas Gas	138,830	430	0.09
PPB Group Berhad	119,280	412	0.09
Press Metal Berhad	331,919	266	0.06
Public Bank	541,682	2,267	0.50
QL Resources	129,990	162	0.04
RHB Capital	233,115	250	0.05
#RHB Capital Berhad	109,284	-	0.00
Sime Darby	611,555	251	0.06
Sime Darby Plantation Berhad	631,055	551	0.12
Sime Darby Property Berhad	593,393	108	0.02
Telekom Malaysia	184,660	94	0.02
Tenaga Nasional	689,497	1,510	0.33
Top Glove	305,647	282	0.06
UEM Sunrise	250,449	41	0.01
Westports Holdings	193,326	129	0.03
YTL Corporation	809,499	161	0.04
YTL Power	495,977	78	0.02
<b>Total Malaysia</b>		<b>18,528</b>	<b>4.05</b>
<b>NEW ZEALAND - 1.31% (0.95%)</b>			
A2 Milk	127,671	1,055	0.23
Air New Zealand	88,339	123	0.03
Auckland International Airport	167,801	710	0.15
Contact Energy	123,102	456	0.10
Fisher & Paykel Healthcare	99,553	825	0.18
Fletcher Building	148,161	382	0.08
Kiwi Property Group	246,757	193	0.04
Meridian Energy	211,313	458	0.10
Mighty River Power	117,997	231	0.05
Ryman Healthcare	70,385	411	0.09
Sky City Entertainment Group	117,337	230	0.05
Spark New Zealand	324,192	620	0.14
#Xero (delisted)	12,828	222	0.05
Xero	3,027	88	0.02
<b>Total New Zealand</b>		<b>6,004</b>	<b>1.31</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SINGAPORE - 5.72% (5.42%)</b>			
Ascendas REIT	444,775	732	0.16
BOC Aviation	36,063	231	0.05
Capitaland	442,559	837	0.18
CapitaLand Commercial REIT	422,381	456	0.10
CapitaLand Mall REIT	423,500	587	0.13
City Developments	83,113	403	0.09
ComfortDelGro	364,288	519	0.11
DBS	316,025	4,716	1.03
Fraser's Property	62,300	65	0.01
Genting Singapore	1,026,783	522	0.11
Hutchison Port	849,680	152	0.03
Jardine Cycle & Carriage	17,750	334	0.07
Keppel	252,560	918	0.20
Keppel REIT	338,000	234	0.05
Mapletree Commercial Trust	328,200	356	0.08
Mapletree Industrial Trust	226,100	263	0.06
Mapletree Logistics Trust	413,700	345	0.08
Mapletree North Asia Commercial Trust	359,600	272	0.06
Olam International	107,700	113	0.02
Overseas-Chinese Banking	582,438	3,701	0.81
SATS	113,134	335	0.07
Sembcorp Industries	157,456	226	0.05
Sembcorp Marine	141,507	124	0.03
SIA Engineering	41,219	57	0.01
Singapore Airlines	90,630	485	0.11
Singapore Exchange	144,661	605	0.13
Singapore Post	262,712	142	0.03
Singapore Press Holdings	273,799	368	0.08
Singapore Technologies Engineering	269,818	597	0.13
Singapore Telecommunications	1,302,499	2,315	0.51
Starhub	102,095	88	0.02
Suntec REIT	334,730	342	0.08
United Overseas Bank	224,462	3,199	0.70
UOL Group	87,127	352	0.08
Venture Corporation	44,203	399	0.09
Wilmar International	343,574	681	0.15
Wing Tai	66,215	75	0.02
<b>Total Singapore</b>		<b>26,146</b>	<b>5.72</b>
<b>SOUTH KOREA - 18.78% (21.96%)</b>			
Amorepacific	5,568	726	0.16
AmorePacific Group	5,173	240	0.05
Amorepacific Corporation preference	1,839	131	0.03
BGF Retail	1,072	142	0.03
BGF	3,923	19	0.00



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
BNK Financial Group	51,709	237	0.05
Celltrion	13,758	1,763	0.39
Celltrion Healthcare	9,202	413	0.09
Cheil Communications	11,831	199	0.04
Cheil Jedang	1,405	262	0.06
Cheil Jedang preference	217	18	0.00
CJ Corporation	2,138	149	0.03
#CJ Corporation Preference	303	-	0.00
CJ EnM	1,637	208	0.05
CJ Korea Express	1,247	125	0.03
Daelim Industrial	4,654	309	0.07
Daewoo Engineering & Construction	28,349	91	0.02
Daewoo Shipbuilding & Marine Engineering	8,102	148	0.03
Daum Communications	8,754	753	0.16
DGB Financial Group	26,078	143	0.03
Dongbu Insurance	8,293	336	0.07
Dongsuh Companies	5,025	66	0.01
Doosan	895	60	0.01
Doosan Bobcat	4,107	88	0.02
Doosan Heavy Industries & Construction	26,877	113	0.03
Doosan Infracore	20,958	93	0.02
E-Mart	3,601	364	0.08
Fila Korea	9,271	472	0.10
GS Engineering & Construction	10,358	267	0.06
GS Holdings	9,167	297	0.07
GS Retail	4,244	99	0.02
Hana Financial	50,525	1,208	0.26
Hankook Tire	13,286	321	0.07
Hanmi Pharmaceutical	1,246	334	0.07
Hanmi Science	2,303	107	0.02
Hanon Systems	27,517	206	0.06
Hanssem	1,589	92	0.02
Hanwha Chemical	13,612	191	0.04
Hanwha Life Insurance	47,315	111	0.02
Hanwha Techwin	6,455	128	0.03
HDC Holdings	5,753	60	0.01
HDC Hyundai Development	5,190	145	0.03
Helixmith	2,406	377	0.08
Hitejinro	4,963	69	0.02
HLB	5,995	303	0.07
Hotel Shilla	5,552	365	0.08
Hyosung TNC	465	48	0.01
Hyundai Construction Equipment	2,066	59	0.01
Hyundai Department Store	2,597	152	0.03
Hyundai Engineering & Construction	12,835	412	0.09
Hyundai Glovis	3,158	315	0.07

**Portfolio Statement**

as at 15 May 2019

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Hyundai Heavy Industries	7,591	551	0.12
Hyundai Marine & Fire Insurance	10,334	214	0.05
Hyundai Mipo Dockyard	3,542	117	0.03
Hyundai Mobis	11,320	1,573	0.34
Hyundai Motor	24,930	2,079	0.45
Hyundai Motor Company	6,149	320	0.07
Hyundai Motor preference	3,936	188	0.04
Hyundai Robotics	1,843	376	0.08
Hyundai Steel	13,303	371	0.08
Hyundai Wia Corporation	2,567	73	0.02
Industrial Bank of Korea	46,454	424	0.09
Kangwon Land	19,010	392	0.09
KB Financial Group	68,596	2,068	0.45
KCC Corporation	946	167	0.04
Kepco Plant Service & Engineering	3,293	68	0.02
Kia Motors	43,984	1,205	0.26
Korea Aerospace Industries	11,052	228	0.05
Korea Electric Power	45,083	775	0.17
Korea Gas	4,418	120	0.03
Korea Investment	6,745	306	0.07
Korea Zinc	1,748	497	0.11
Korean Airlines	8,145	178	0.04
KT&G	19,428	1,270	0.28
Kumho Petrochemical	2,991	179	0.04
LG Chemicals	7,889	1,757	0.38
LG Chemicals preference	1,324	163	0.04
LG Corporation	15,836	741	0.16
LG Display	39,021	453	0.10
LG Electronics	18,709	886	0.19
LG Electronics preference	2,814	54	0.01
LG Household & Healthcare	1,515	1,290	0.28
LG Household & Healthcare preference	353	168	0.04
LG Uplus Corporation	32,683	332	0.07
Lotte Chemical Corporation	2,595	450	0.10
Lotte Chilsung Beverages	550	57	0.01
Lotte Corporation	5,226	158	0.03
Lotte Shopping	1,908	207	0.05
LS Cable	2,770	83	0.02
Mando Corporation	5,667	115	0.03
Medy-Tox	696	235	0.05
Mirae Asset Daewoo	67,120	323	0.07
Mirae Asset Daewoo Preference	22,525	57	0.01
NAVER Corporation	23,153	1,817	0.40
NCsoft	2,966	966	0.21
Netmarble Games Corporation	3,163	243	0.05
NH Investments & Securities	21,621	187	0.04

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
NHN Entertainment	1,611	82	0.02
Nong Shim	520	94	0.02
OCI	3,012	177	0.04
Orion Corporation	3,877	242	0.05
Ottogi	241	111	0.02
Paradise	7,395	84	0.02
POSCO	11,861	1,858	0.41
Posco Chemtech	3,531	125	0.03
Posco International Corporation	8,104	92	0.02
S1 Corporation	3,204	201	0.04
Samsung BioLogics	2,354	476	0.10
Samsung C&T Corporation	14,321	936	0.21
Samsung Card	5,306	121	0.03
Samsung Electro-Mechanics	9,800	647	0.14
Samsung Electronics	821,995	22,872	5.00
Samsung Electronics preference	130,157	2,941	0.64
Samsung Engineering	28,079	304	0.07
Samsung Fine Chemicals	2,851	87	0.02
Samsung Fire & Marine Insurance	5,597	1,012	0.22
Samsung Fire & Marine Insurance preference	439	55	0.01
Samsung Heavy Industries	77,462	402	0.09
Samsung Life Insurance	11,149	591	0.13
Samsung SDI	9,069	1,311	0.29
Samsung SDS	5,578	753	0.17
Samsung Securities	10,789	243	0.05
Shinhan Financial	79,598	2,340	0.51
Shinsegae	1,182	236	0.05
SillaJen	9,337	342	0.08
SK Holdings	5,650	927	0.20
SK Hynix	90,426	4,399	0.96
SK Innovation	9,885	1,099	0.24
SK Networks	23,069	80	0.02
SK Telecommunications	4,016	676	0.15
SKC Company	3,098	67	0.02
S-Oil Corporation	7,137	397	0.09
Ssangyong Cement Industrial	17,598	66	0.01
Woongjin Coway	9,882	493	0.11
Woori Financial Group	97,911	884	0.19
Yuhan	1,495	229	0.05
<b>Total South Korea</b>		<b>85,867</b>	<b>18.78</b>
<b>TAIWAN - 17.30% (16.33%)</b>			
Acer	505,932	237	0.05
Advantech	63,708	393	0.09
ASE Industrial Holding	587,218	998	0.22
Asia Cement	412,058	421	0.09

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Asustek Computer	124,313	668	0.15
AU Optronics	1,550,496	391	0.09
Capital Securities	349,650	80	0.02
Catcher Technology	130,381	725	0.16
Cathay Financial	1,363,620	1,396	0.30
Chang Hwa Commercial Bank	1,079,982	487	0.11
Cheng Shin Rubber Industry	312,753	304	0.07
Chicony Electronics	103,296	186	0.04
China Airlines	419,077	100	0.02
China Development Financial	2,448,416	565	0.12
China Life Insurance	460,639	278	0.06
China Motor	100,587	69	0.01
China Steel	2,153,560	1,292	0.28
Chunghwa Telecom	661,360	1,827	0.40
Compal Electronics	702,036	331	0.07
CTBC Financial Holding	3,135,983	1,630	0.36
Delta Electronic Industry	374,906	1,382	0.30
E.SUN Financial Holdings	1,760,388	1,107	0.24
Eclat Textile	34,343	343	0.07
Epistar	160,621	97	0.02
Eternal Materials	163,364	104	0.02
Eva Airways	379,176	142	0.03
Evergreen Marine Corporation	364,336	112	0.02
Far Eastern International Bank	328,138	94	0.02
Far Eastern New Century Corporation	695,183	548	0.12
Far EastOne Telecommunications	283,301	540	0.12
Feng Hsin Iron & Steel	82,415	127	0.03
Feng Tay Enterprises	59,845	377	0.08
First Financial	1,713,012	921	0.20
Formosa Chemicals & Fibre	593,478	1,572	0.34
Formosa Petrochemical	241,641	658	0.14
Formosa Plastics	857,396	2,336	0.51
Formosa Taffeta	179,061	165	0.04
Foxconn Technology	187,025	293	0.06
Fubon Financial	1,270,187	1,373	0.30
Giant Manufacturing	52,984	301	0.07
GlobalWafers	37,000	308	0.07
Hon Hai Precision Industry	2,092,676	4,070	0.89
Hotai Motor Company	56,000	620	0.14
HTC	118,010	108	0.02
Hua Nan Financial	1,517,430	759	0.17
Innolux Corporation	1,516,563	326	0.07
Inventec	534,113	306	0.07
Largan Precision	18,318	1,953	0.43
Lite-On Technology	378,731	412	0.09

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
MediaTek	255,179	1,847	0.40
Mega Financial Holding	1,892,774	1,405	0.31
Nan Ya Plastics	981,010	1,881	0.41
Nanya Technology	137,760	213	0.05
Novatek Microelectronics	98,321	493	0.11
OBI Pharma	19,829	71	0.02
#OBI Pharma Rights	1,288	-	0.00
Oriental Union Chemical	118,935	73	0.02
Pegatron	352,359	448	0.10
Pou Chen	471,137	416	0.09
President Chain Store	98,788	740	0.16
Quanta Computer	459,685	660	0.14
Realtek Semiconductor	81,415	458	0.10
Shin Kong Financial	1,957,044	414	0.09
SinoPac	1,849,752	543	0.12
Synnex Technology International	234,419	214	0.05
Taishin Financial	1,743,515	599	0.13
Taiwan Business Bank	724,948	226	0.05
Taiwan Cement	798,458	833	0.18
Taiwan Cooperative Financials	1,597,454	795	0.17
Taiwan Fertilizer	128,160	147	0.03
Taiwan Glass Industrial	264,859	80	0.02
Taiwan High Speed Rail	358,000	369	0.08
Taiwan Mobile	282,064	807	0.18
Taiwan Secom	45,775	100	0.02
Taiwan Semiconductor Manufacturing	4,201,308	26,149	5.72
Teco Electric & Machinery	314,526	171	0.04
Transcend Information	46,498	79	0.02
U-Ming Marine Transport	68,808	53	0.01
Unimcron Technology	228,738	214	0.05
Uni-President Enterprises	831,166	1,614	0.35
United Microelectronics	2,051,620	662	0.14
Vanguard International Semiconductor	156,410	251	0.05
Walsin Lihwa	531,626	203	0.04
Walsin Technology	83,000	354	0.08
Wan Hai Lines	119,654	50	0.01
Wistron	478,996	281	0.06
Yageo Corporation	69,000	447	0.10
Yuanta Financial	1,972,155	855	0.19
Yulon Motor	142,099	72	0.02
Yulon Nissan Motor	3,582	23	0.00
<b>Total Taiwan</b>		<b>79,142</b>	<b>17.30</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>THAILAND - 5.01% (4.75%)</b>			
Advanced Info	15,000	69	0.02
Advanced Info Service	182,259	836	0.18
Airports of Thailand NVDR	698,935	1,160	0.25
Airports of Thailand	57,500	95	0.02
Bangkok Bank	82,180	403	0.09
Bangkok Dusit Medical Services NVDR	1,432,233	880	0.19
Bangkok Dusit Medical Services	117,700	69	0.02
Bangkok Expressway and Metro	106,600	29	0.01
Bangkok Expressway And Metro NVDR	1,247,600	344	0.08
Bangkok Life Assurance	91,700	61	0.01
Banpu	58,400	21	0.00
Banpu Public NVDR	695,035	248	0.05
Berli Jucker	13,600	16	0.00
Berli Jucker Public NVDR	160,700	192	0.04
BTS Group NVDR	1,212,460	340	0.07
BTS Group Holdings	101,700	29	0.01
Bumrungrad Hospital	4,400	18	0.00
Bumrungrad Hospital NVDR	52,283	210	0.05
Central Pattana	403,287	714	0.16
Central Pattana NVDR	33,100	59	0.01
Charoen Pokphand Foods NVDR	579,313	374	0.08
Charoen Pokphand Foods	48,600	31	0.01
CP All	69,900	131	0.03
CP All NVDR	850,867	1,595	0.35
Delta Electronics	6,100	10	0.00
Delta Electronics NVDR	71,962	116	0.03
Digital Telecommunication Infrastructure	813,800	330	0.07
Electricity Generating	3,600	25	0.01
Electricity Generating NVDR	42,759	300	0.07
Energy Absolute	287,500	362	0.08
Global Power Synergy	129,500	185	0.04
Glow Energy	5,500	12	0.00
Glow Energy NVDR	66,251	147	0.03
Gulf Energy Development	133,200	334	0.07
Home Product Center	75,300	29	0.01
Home Product Center NVDR	897,208	349	0.08
Indorama Ventures NVDR	284,453	327	0.07
Indorama Ventures	23,900	27	0.01
Intouch Holdings NVDR	335,575	479	0.10
Intouch Holdings	25,300	36	0.01
IRPC	1,632,246	198	0.04
IRPC NVDR	136,600	17	0.00
Kasikornbank	355,096	1,637	0.36
Krung Thai Bank NVDR	1,010,736	467	0.10
Krung Thai Bank	82,600	38	0.01

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Land and Houses	88,000	22	0.00
Land and Houses NVDR	1,049,909	271	0.06
Minor International	47,600	43	0.01
Minor International NVDR	585,515	529	0.12
PTT Exploration & Production	18,400	58	0.01
PTT Exploration & Production NVDR	225,344	712	0.16
PTT Global Chemical	27,200	43	0.01
PTT Global Chemical NVDR	332,013	527	0.12
PTT Public NVDR	2,325,311	2,687	0.59
PTT Public	191,200	221	0.05
Ratch Group	10,400	16	0.00
Ratch Group NVDR	123,385	190	0.04
Siam Cement	11,200	127	0.03
Siam Cement NVDR	136,943	1,549	0.34
Siam City Cement NVDR	14,479	76	0.02
Siam City Cement	1,200	6	0.00
Siam Commercial Bank	421,865	1,281	0.28
Siam Makro Public	121,200	96	0.02
Thai Airways International NVDR	178,800	51	0.01
Thai Airways International	14,600	4	0.00
Thai Oil	13,700	22	0.00
Thai Oil NVDR	163,013	258	0.06
Thai Union Group NVDR	437,030	199	0.04
Thai Union Group	37,700	17	0.00
TMB Bank NVDR	3,416,752	163	0.04
TMB Bank	286,000	14	0.00
Total Access Communications NVDR	108,099	139	0.03
Total Access Communications	9,000	12	0.00
True Corporation NVDR	1,696,349	206	0.05
True Corporation	142,000	17	0.00
<b>Total Thailand</b>		<b>22,905</b>	<b>5.01</b>
<b>UNITED STATES - 0.00% (0.04%)</b>			
# Finance One	57,000	-	0.00
<b>Total United States</b>		<b>-</b>	<b>0.00</b>
<b>WARRANTS - 0.00% (0.00%)</b>			
BTS Group Warrants 31/12/2019	137,962	3	0.00
#Minor International Warrants	2,380	-	0.00
#Minor International NVDR Warrants	29,275	-	0.00
<b>Total Warrants</b>		<b>3</b>	<b>0.00</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>FUTURES - -0.01% (0.02%)</b>			
HKG Hang Seng Index Future May 2019	4	(22)	(0.01)
KFE Kospi 200 Index Future June 2019	12	(21)	0.00
SFE SPI 200 Future June 2019	10	(1)	0.00
SGX MSCI Singapore Index ETS Future May 2019	8	(6)	0.00
SGX MSCI Taiwan Index Future May 2019	17	(13)	0.00
<b>Total Futures</b>		<b>(63)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>454,841</b>	<b>99.46</b>
<b>Net other assets</b>		<b>2,471</b>	<b>0.54</b>
<b>Net assets</b>		<b>457,312</b>	<b>100.00</b>

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.

The counterparty for the futures is HSBC.



## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	270.70p	254.20p	186.50p
Return before operating charges*	(5.65p)	25.42p	75.09p
Operating charges**	(0.86p)	(0.91p)	(0.73p)
Return after operating charges*	(6.51p)	24.51p	74.36p
Distributions on income shares	(7.79p)	(8.01p)	(6.66p)
Closing net asset value per share	256.40p	270.70p	254.20p
*after direct transaction costs of:***	0.09p	0.06p	0.13p
<b>Performance</b>			
Return after charges	(2.40%)	9.64%	39.87%
<b>Other information</b>			
Closing net asset value	£3,192,082	£4,175,365	£5,071,431
Closing number of shares	1,244,988	1,542,341	1,994,680
Operating charges - OCF	0.33%	0.34%	0.31%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	277.70p	283.80p	267.60p
Lowest share price	243.40p	250.40p	181.60p

<b>Retail Accumulation</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	392.00p	357.60p	255.60p
Return before operating charges*	(8.15p)	35.69p	103.00p
Operating charges**	(1.25p)	(1.29p)	(1.00p)
Return after operating charges*	(9.40p)	34.40p	102.00p
Distributions on accumulation shares	(11.28p)	(11.27p)	(9.13p)
Retained distributions on accumulation shares	11.28p	11.27p	9.13p
Closing net asset value per share	382.60p	392.00p	357.60p
*after direct transaction costs of:***	0.12p	0.08p	0.17p
<b>Performance</b>			
Return after charges	(2.40%)	9.62%	39.91%
<b>Other information</b>			
Closing net asset value	£45,914,170	£44,493,050	£44,859,961
Closing number of shares	12,001,257	11,349,293	12,543,671
Operating charges - OCF	0.33%	0.34%	0.31%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	402.20p	399.20p	366.90p
Lowest share price	352.50p	352.10p	248.90p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	310.30p	291.40p	213.70p
Return before operating charges*	(6.58p)	29.16p	86.18p
Operating charges**	(0.23p)	(0.29p)	(0.16p)
Return after operating charges*	(6.81p)	28.87p	86.02p
Distributions on income shares	(9.69p)	(9.97p)	(8.32p)
Closing net asset value per share	293.80p	310.30p	291.40p
*after direct transaction costs of:***	0.10p	0.07p	0.15p
<b>Performance</b>			
Return after charges	(2.19%)	9.91%	40.25%
<b>Other information</b>			
Closing net asset value	£48,442,443	£45,301,725	£27,198,590
Closing number of shares	16,486,707	14,601,650	9,335,216
Operating charges - OCF	0.08%	0.09%	0.06%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	318.50p	325.80p	307.30p
Lowest share price	279.30p	286.90p	208.10p

<b>Institutional Accumulation</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	421.50p	383.50p	273.50p
Return before operating charges*	(8.76p)	38.38p	110.23p
Operating charges**	(0.34p)	(0.38p)	(0.23p)
Return after operating charges*	(9.10p)	38.00p	110.00p
Distributions on accumulation shares	(13.17p)	(13.12p)	(10.65p)
Retained distributions on accumulation shares	13.17p	13.12p	10.65p
Closing net asset value per share	412.40p	421.50p	383.50p
*after direct transaction costs of:***	0.13p	0.09p	0.18p
<b>Performance</b>			
Return after charges	(2.16%)	9.91%	40.22%
<b>Other information</b>			
Closing net asset value	£39,679,317	£19,437,072	£2,461,234
Closing number of shares	9,622,209	4,611,326	641,702
Operating charges - OCF	0.08%	0.09%	0.07%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	432.70p	428.80p	393.30p
Lowest share price	379.50p	377.70p	266.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	273.20p	256.60p	188.20p
Return before operating charges*	(5.67p)	25.62p	75.86p
Operating charges**	(0.60p)	(0.66p)	(0.50p)
Return after operating charges*	(6.27p)	24.96p	75.36p
Distributions on income shares	(8.13p)	(8.36p)	(6.96p)
Closing net asset value per share	258.80p	273.20p	256.60p
*after direct transaction costs of:***	0.09p	0.06p	0.13p
<b>Performance</b>			
Return after charges	(2.30%)	9.73%	40.04%
<b>Other information</b>			
Closing net asset value	£37,056,964	£35,269,261	£29,450,091
Closing number of shares	14,320,649	12,908,803	11,477,601
Operating charges - OCF	0.23%	0.24%	0.21%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	280.40p	286.60p	270.30p
Lowest share price	245.80p	252.70p	183.30p

<b>Accumulation C</b>			
	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	394.20p	359.30p	256.60p
Return before operating charges*	(8.23p)	35.81p	103.39p
Operating charges**	(0.87p)	(0.91p)	(0.69p)
Return after operating charges*	(9.10p)	34.90p	102.70p
Distributions on accumulation shares	(11.73p)	(11.71p)	(9.50p)
Retained distributions on accumulation shares	11.73p	11.71p	9.50p
Closing net asset value per share	385.10p	394.20p	359.30p
*after direct transaction costs of:***	0.12p	0.08p	0.18p
<b>Performance</b>			
Return after charges	(2.31%)	9.71%	40.02%
<b>Other information</b>			
Closing net asset value	£171,307,915	£175,384,513	£194,817,949
Closing number of shares	44,482,866	44,488,934	54,224,006
Operating charges - OCF	0.23%	0.24%	0.21%
Direct transaction costs	0.03%	0.02%	0.05%
<b>Prices</b>			
Highest share price	404.50p	401.20p	368.50p
Lowest share price	354.70p	353.80p	249.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	273.20p	273.50p	N/A
Return before operating charges*	(5.66p)	8.47p	N/A
Operating charges**	(0.34p)	(0.24p)	N/A
Return after operating charges*	(6.00p)	8.23p	N/A
Distributions on income shares	(8.40p)	(8.53p)	N/A
Closing net asset value per share	258.80p	273.20p	N/A
*after direct transaction costs of:***	0.09p	0.06p	N/A
<b>Performance</b>			
Return after charges	(2.20%)	3.01%	N/A
<b>Other information</b>			
Closing net asset value	£6,283,641	£2,153,372	N/A
Closing number of shares	2,428,459	788,156	N/A
Operating charges - OCF***	0.13%	0.14%	N/A
Direct transaction costs	0.03%	0.02%	N/A
<b>Prices</b>			
Highest share price	280.40p	286.70p	N/A
Lowest share price	245.90p	265.10p	N/A

<b>Accumulation S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	394.50p	383.00p	N/A
Return before operating charges*	(8.21p)	11.83p	N/A
Operating charges**	(0.49p)	(0.33p)	N/A
Return after operating charges*	(8.70p)	11.50p	N/A
Distributions on accumulation shares	(12.13p)	(11.94p)	N/A
Retained distributions on accumulation shares	12.13p	11.94p	N/A
Closing net asset value per share	385.80p	394.50p	N/A
*after direct transaction costs of:***	0.12p	0.08p	N/A
<b>Performance</b>			
Return after charges	(2.21%)	3.00%	N/A
<b>Other information</b>			
Closing net asset value	£105,435,579	£73,614,015	N/A
Closing number of shares	27,329,297	18,659,090	N/A
Operating charges - OCF****	0.13%	0.14%	N/A
Direct transaction costs	0.03%	0.02%	N/A
<b>Prices</b>			
Highest share price	405.00p	401.40p	N/A
Lowest share price	355.10p	371.20p	N/A

# The Income S and Accumulation S share classes launched on 13 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*OCF disclosed in the previous XD was estimated.

## Statement of Total Return

for the year ended 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(22,986)		20,805
Revenue	3	14,988		12,086	
Expenses	4	(666)		(742)	
Interest payable and similar charges		(3)		(1)	
Net revenue before taxation		14,319		11,343	
Taxation	5	(910)		(305)	
Net revenue after taxation			13,409		11,038
Total (deficit)/return before distributions			(9,577)		31,843
Distributions	6		(13,104)		(10,884)
Change in net assets attributable to shareholders from investment activities			(22,681)		20,959

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

		15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders			399,828		303,859
Amounts receivable on creation of shares		116,642		111,271	
Amounts receivable on in-specie creation of shares		32,312		-	
Amounts payable on cancellation of shares		(80,467)		(45,771)	
			68,487		65,500
Dilution adjustment			525		188
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)			(22,681)		20,959
Retained distribution on accumulation shares			11,153		9,322
Closing net assets attributable to shareholders			457,312		399,828

## Balance Sheet

as at 15 May 2019

		15.5.19		15.5.18	
	Notes	£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			454,904		396,667
Current assets					
Debtors	8	1,696		1,755	
Cash and bank balances		4,010		5,366	
Total current assets			5,706		7,121
Total assets			460,610		403,788
<b>Liabilities</b>					
Investment liabilities			(63)		(16)
Creditors					
Distribution payable on income shares		(3,063)		(2,726)	
Other creditors	9	(172)		(1,218)	
Total creditors			(3,235)		(3,944)
Total liabilities			(3,298)		(3,960)
Net assets attributable to shareholders			457,312		399,828

**Distribution Table (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018				
Group 2: Shares purchased from 16 May 2018 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	7.787558	-	7.787558	8.014458
Group 2	3.454142	4.333416	7.787558	8.014458
<b>Retail Accumulation</b>				
Group 1	11.280055	-	11.280055	11.272452
Group 2	4.711075	6.568980	11.280055	11.272452
<b>Institutional Income</b>				
Group 1	9.690566	-	9.690566	9.968317
Group 2	6.227566	3.463000	9.690566	9.968317
<b>Institutional Accumulation</b>				
Group 1	13.166220	-	13.166220	13.121004
Group 2	6.190589	6.975631	13.166220	13.121004
<b>Income C</b>				
Group 1	8.129601	-	8.129601	8.364782
Group 2	3.568253	4.561348	8.129601	8.364782
<b>Accumulation C</b>				
Group 1	11.730062	-	11.730062	11.708968
Group 2	5.443676	6.286386	11.730062	11.708968
<b>Income S</b>				
Group 1	8.399404	-	8.399404	8.530398
Group 2	3.428131	4.971273	8.399404	8.530398
<b>Accumulation S</b>				
Group 1	12.129153	-	12.129153	11.943167
Group 2	6.460723	5.668430	12.129153	11.943167

## Notes to the Financial Statements

for the year ended 15 May 2019

	15.5.19 £'000	15.5.18 £'000
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital (Losses)/Gains</b>		
The net capital (losses)/gains during the year comprise:		
Currency losses	(124)	(101)
Transaction charges	(136)	(17)
Capital special dividends	787	310
(Losses)/gains on derivative contracts	(241)	749
(Losses)/gains on non-derivative securities	(23,272)	19,864
Net capital (losses)/gains	(22,986)	20,805
<b>3. Revenue</b>		
Overseas dividends	14,595	11,904
Deposit interest	(1)	1
Bank interest	20	6
Stock dividends	374	175
Total revenue	14,988	12,086
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	370	363
Registration fee	104	108
Safe custody fee	118	98
	592	569
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	43	38
Other expenses:		
Audit fee	5	6
Legal fee	14	37
Professional fee	1	1
Report and accounts fee	-	1
License fee	11	90
	31	135
Total expenses	666	742

	15.5.19 £'000	15.5.18 £'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Overseas tax	910	305
Total tax for the year (note 5b)	910	305
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	14,319	11,343
Corporation tax at 20%	2,864	2,269
Effects of:		
Revenue not subject to taxation	(2,825)	(2,264)
Excess management expenses (utilised)/unutilised	(26)	6
Irrecoverable overseas tax	910	305
Tax relief on overseas tax suffered	(13)	(11)
Current tax charge for the year (note 5a)	910	305
c) Provision for deferred taxation		
At 15 May 2019, there is a potential deferred tax asset of £219,229 (15.5.18: £245,587) in relation to surplus management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Final dividend distribution	14,216	12,048
Add: Amounts deducted on cancellation of shares	1,525	752
Deduct: Amounts received on issue of shares	(2,637)	(1,916)
Net distribution for the year	13,104	10,884
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	13,409	11,038
Equalisation on conversions	40	2
Stock dividends treated as capital	(374)	(175)
Withholding tax on stock dividends	29	19
Net distribution for the year	13,104	10,884
<b>8. Debtors</b>		
Amounts receivable for creation of shares	344	502
Sales awaiting settlement	5	1
Accrued revenue	1,341	1,246
Overseas tax recoverable	6	6
Total debtors	1,696	1,755
<b>9. Other Creditors</b>		
Amounts payable for cancellation of shares	59	944
Purchases awaiting settlement	-	186
Accrued expenses	107	82
Tax payable	6	6
Total other creditors	172	1,218



## 10. Reconciliation of Shares

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>
Opening shares issued at 16.5.18	1,542,341	11,349,293	14,601,650	4,611,326
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	46,326	364,661	16,383,096	764,596
Shares cancelled	(127,124)	(1,618,586)	(14,498,039)	(15,676)
Shares converted	(290,084)	(5,082,184)	-	4,261,963
Switches creation	73,529	6,988,073	-	-
Closing shares issued at 15.5.19	1,244,988	12,001,257	16,486,707	9,622,209

  

	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	12,908,803	44,488,934	788,156	18,659,090
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	1,995,365	6,932,573	1,030,482	7,512,005
Shares cancelled	(1,403,923)	(7,052,922)	(50,016)	(133,416)
Shares converted	(169,956)	(945,732)	659,837	1,291,618
Switches creation	990,360	1,060,013	-	-
Closing shares issued at 15.5.19	14,320,649	44,482,866	2,428,459	27,329,297

## 11. Ultimate Controlling Party and Transactions

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S†</i>	<i>Accumulation S†</i>
	%	%	%	%	%	%	%	%
As at 15.5.19	-	-	95.37	94.45	1.19	5.47	-	-
As at 15.5.18	-	0.42	94.77	93.63	1.17	6.56	N/A	N/A

†The Income S share and Accumulation S share classes launched on 13 October 2017.

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from/(to) the ACD (including amounts due to associates and agents) at the year end was £168,870 (15.5.18: £479,092), further details of such amounts can be found in notes 8 and 9.

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Foreign Currency Risk

A substantial portion of the net assets of the Fund are denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements.

Net currency monetary assets and liabilities consist of:

	<i>Portfolio of investments</i>		<i>Net other assets/(liabilities)</i>		<i>Net assets/(liabilities)</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling*	-	-	(621)	(3,126)	(621)	(3,126)
Australian dollar	<b>135,533</b>	114,785	<b>1,089</b>	2,137	<b>136,622</b>	116,922
Chinese yuan	-	-	-	5	-	5
Euro	-	-	<b>10</b>	11	<b>10</b>	11
Hong Kong dollar	<b>76,206</b>	63,023	<b>259</b>	1,136	<b>76,465</b>	64,159
Korean won	<b>85,842</b>	87,787	<b>597</b>	818	<b>86,439</b>	88,605
Malaysian ringgit	<b>18,531</b>	17,063	<b>78</b>	(184)	<b>18,609</b>	16,879
New Zealand dollar	<b>5,917</b>	3,792	<b>9</b>	89	<b>5,926</b>	3,881
Singapore dollar	<b>25,928</b>	22,156	<b>382</b>	225	<b>26,310</b>	22,381
Taiwanese dollar	<b>79,829</b>	65,347	<b>548</b>	539	<b>80,377</b>	65,886
Thai bhat	<b>22,911</b>	18,990	<b>61</b>	70	<b>22,972</b>	19,060
United States dollar	<b>4,144</b>	3,708	<b>59</b>	1,457	<b>4,203</b>	5,165
Total	<b>454,841</b>	396,651	<b>2,471</b>	3,177	<b>457,312</b>	399,828

\*No currency risk as base currency.

### Interest Rate Risk

At the year end, 0.88% (15.5.18: 1.34%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, a C share class and an S share class.

The annual ACD charge on the retail share class is 0.25%, nil on the institutional share class, 0.10% on the C share class and 0.05% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 265 to 268. The distribution per share class is given in the Distribution Table on page 270. All share classes within the OEIC have the same rights on winding up.

## 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements. The type of derivative held at the year end was index futures. Details of the individual contracts are shown on the Portfolio Statement on pages 250 to 264.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivative (15.5.18: £nil).

## 15. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

## 16. Portfolio Transaction Costs

For the year ended 15 May 2019	Purchases £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total purchases costs</b>							
Equity transactions	99,077	32	0.03	8	0.01	14	0.01
In-specie transactions	20,237	-	-	-	-	-	-
Corporate actions	558	-	-	-	-	-	-
Total purchases before transaction costs	119,872	32		8		14	
Transaction costs	54						
Total purchases after commission, tax and fees	119,926						
	Sales £'000	Commissions £'000	%	Taxes £'000	%	Other Expenses £'000	%
<b>Analysis of total sales costs</b>							
Equity transactions	37,908	11	0.03	16	0.04	32	0.08
Corporate actions	830	-	-	-	-	-	-
Total sales before transaction costs	38,738	11		16		32	
Transaction costs	(59)						
Total sales after commission, tax and fees	38,679						

The Fund had paid £23,508 as commission on purchases and sales derivative transactions for the year ended 15.5.19.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.02%
Taxes	0.00%
Other expenses	0.01%

At the balance sheet date the portfolio dealing spread was 0.35%, being the difference between the respective bid and offer prices for the Fund's investments.

<b>For the year ended 15 May 2018</b>	<b>Purchases £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total purchases costs</b>							
Equity transactions	84,195	27	0.03	1	0.00	20	0.02
Bond transactions	30	-	-	-	-	-	-
Corporate actions	985	-	-	-	-	-	-
Total purchases before transaction costs	85,210	27		1		20	
Transaction costs	48						
Total purchases after commission, tax and fees	85,258						
	<b>Sales £'000</b>	<b>Commissions £'000</b>	<b>%</b>	<b>Taxes £'000</b>	<b>%</b>	<b>Other Expenses £'000</b>	<b>%</b>
<b>Analysis of total sales costs</b>							
Equity transactions	5,512	1	0.02	-	-	11	0.20
Corporate actions	1,233	-	-	-	-	-	-
Total sales before transaction costs	6,745	1		-		11	
Transaction costs	(12)						
Total sales after commission, tax and fees	6,733						

The Fund had paid £21,892 as commission on purchases and sales derivative transactions for the year ended 15.5.18.

Commissions, taxes and fees as % of average Net Assets

Commissions	0.01 %
Taxes	0.00 %
Other expenses	0.01 %

At the balance sheet date the portfolio dealing spread was 0.35%, being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	454,682	-	222	454,904
	454,682	-	222	454,904
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(63)	-	-	(63)
	(63)	-	-	(63)

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Equities	393,036	3,311	222	396,569
Derivatives	98	-	-	98
	393,134	3,311	222	396,667
Investment Liabilities	£'000	£'000	£'000	£'000
Derivatives	(16)	-	-	(16)
	(16)	-	-	(16)

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £45,484,086 (15.5.18: £39,665,084).

### Currency risk sensitivity:

If the exchange rate at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £45,793,251 (15.5.18: £40,295,339).

### Interest rate risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to interest rate risk, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

# UK Gilt Index Fund

## Investment Objective

To provide income from an underlying portfolio of gilts that matches the return of the FTSE Actuaries UK Conventional Gilts All Stocks Index before tax and charges are deducted.

## Investment Policy

To invest in gilts that make up the FTSE Actuaries UK Conventional Gilts All Stocks Index.

The Fund may invest in financial derivative instruments for efficient portfolio management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

The scheme property may also not consist of the exact composition and weighting of the underlying stocks in the index.

## Investment Strategy

The strategy is to use a replication approach to track the FTSE Actuaries UK Conventional Gilts All Stocks Index. This means that the Fund will seek to invest in all of the gilts that make up the index in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index in order to manage the Fund's transaction costs, to maintain the Fund's characteristics during different market environments and differing levels of asset availability or where there are investment restrictions due to regulations or the ACD's cluster munitions and controversial weapons policy. The investment restrictions are detailed in Part B of the Investment Powers and Restrictions section. At all times the Fund will seek to track the performance of the index.

The Fund may use exchange traded funds and derivatives for efficient portfolio management. In particular, exchange traded futures may be used with the aim of generating returns that are consistent with the index in respect of income and cash flowing into the Fund.

## Portfolio Activity

The bond prices increased over the period on the back of significantly falling interest rates. While the 2 year gilt yields fell from 0.82% to 0.71%, the 10 year gilt yields even fell by 43 basis points from 1.50% to 1.07%. The peak during the period was on the 10th of October and was at 1.73%.

As expected the Bank of England (BoE) increased in early August the interest rate by 0.25% to 0.75%, and signalled further gradual rate increases. All nine members of the BoE's Monetary Policy Committee (MPC) voted for the raise. Markets had been predicting a high possibility of a split vote due to mixed signals for the strength of the UK economy. However, no increases have taken place since then and the BoE maintained their hawkish bias recently despite the dovish shift in momentum that has affected most central banks globally.

UK economic momentum has remained mostly subdued through the period even though the manufacturing sector showed some strength recently, but it's likely to be driven by 'pre-Brexit' stockpiling. The economy is expected to continue in a positive soft trend, with Brexit remaining the main driver of concern for businesses. However, consumers' confidence remains high while recent retail sales have been strong.

We expect yields to rise gradually, with no strong trend for the moment, as Brexit uncertainty keeps yield range bound while the economy continues to grow slightly below potential and inflation close to the BoE target.

## Investment Performance

During year under review, the value of the shares in the Fund increased by 4.85% while the value of the FTA British Government All Stocks index rose by 4.99%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Tracking Error

Tracking error - 0.04%

The tracking error is based on gross returns from our internal performance system for the year to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Retail Income	Retail Accumulation	Institutional Income
Price	114.8p xd	145.7p	116.3p xd
Distribution payable (on 15 July 2019) per share net	0.659418p	0.839498p	0.742867p
Current net estimated yield	2.40%	2.36%	2.65%
Annual ACD charge	0.25%	0.25%	0.00%

  

	Income C	Accumulation C	Income S	Accumulation S
Price	114.7p xd	146.3p	114.7p xd	146.6p
Distribution payable (on 15 July 2019) per share net	0.690580p	0.876496p	0.725693p	0.917752p
Current net estimated yield	2.50%	2.46%	2.61%	2.57%
Annual ACD charge	0.10%	0.10%	0.04%	0.04%

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Government Bonds - 99.51% (99.65%)</b>			
Treasury 0.5% 22/7/2022	£4,257,000	4,226	1.98
Treasury 0.75% 22/7/2023	£4,348,000	4,342	2.04
Treasury 1% 22/4/2024	£3,522,000	3,553	1.67
Treasury 1.25% 22/7/2027	£3,504,000	3,579	1.68
Treasury 1.5% 22/1/2021	£4,841,300	4,905	2.30
Treasury 1.5% 22/7/2026	£3,991,700	4,159	1.95
Treasury 1.5% 22/7/2047	£3,602,000	3,507	1.65
Treasury 1.625% 22/10/2028	£4,000,000	4,199	1.97
Treasury 1.625% 22/10/2071	£1,662,000	1,745	0.82
Treasury 1.75% 22/7/2019	£5,119,200	5,128	2.41
Treasury 1.75% 7/9/2022	£4,363,400	4,507	2.12
Treasury 1.75% 7/9/2037	£3,173,000	3,284	1.54
Treasury 1.75% 22/1/2049	£920,000	949	0.45
Treasury 1.75% 22/7/2057	£2,716,000	2,891	1.36
Treasury 2% 22/7/2020	£4,783,000	4,854	2.28
Treasury 2% 7/9/2025	£4,122,600	4,416	2.07
Treasury 2.25% 7/9/2023	£4,093,300	4,347	2.04
Treasury 2.5% 22/7/2065	£2,870,700	3,822	1.79
Treasury 2.75% 7/9/2024	£4,022,000	4,426	2.08
Treasury 3.25% 22/1/2044	£4,084,200	5,433	2.55
Treasury 3.5% 22/1/2045	£4,107,400	5,724	2.69
Treasury 3.5% 22/7/2068	£2,902,300	4,903	2.30
Treasury 3.75% 7/9/2019	£4,417,200	4,457	2.09
Treasury 3.75% 7/9/2020	£3,660,600	3,804	1.79
Treasury 3.75% 7/9/2021	£4,226,600	4,522	2.12
Treasury 3.75% 22/7/2052	£3,510,600	5,491	2.58
Treasury 4% 7/3/2022	£5,642,300	6,160	2.89
Treasury 4% 22/1/2060	£3,527,900	6,184	2.90
Treasury 4.25% 7/12/2027	£4,615,600	5,863	2.75
Treasury 4.25% 7/6/2032	£5,274,800	7,149	3.36
Treasury 4.25% 7/3/2036	£4,415,600	6,252	2.93
Treasury 4.25% 7/9/2039	£3,391,100	4,990	2.34
Treasury 4.25% 7/12/2040	£3,703,500	5,522	2.59
Treasury 4.25% 7/12/2046	£3,443,400	5,453	2.56
Treasury 4.25% 7/12/2049	£2,971,400	4,873	2.29
Treasury 4.25% 7/12/2055	£3,863,800	6,785	3.18
Treasury 4.5% 7/9/2034	£4,736,000	6,757	3.17
Treasury 4.5% 7/12/2042	£3,975,600	6,251	2.93
Treasury 4.75% 7/3/2020	£4,976,200	5,136	2.41
Treasury 4.75% 7/12/2030	£5,010,900	6,947	3.26
Treasury 4.75% 7/12/2038	£3,752,300	5,811	2.73
Treasury 5% 7/3/2025	£5,227,000	6,461	3.03
Treasury 6% 7/12/2028	£2,832,100	4,108	1.93
Treasury 8% 7/6/2021	£3,589,800	4,127	1.94
<b>Total Government Bonds</b>		<b>212,002</b>	<b>99.51</b>

**Portfolio Statement**

as at 15 May 2019

	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Portfolio of investments</b>	<b>212,002</b>	<b>99.51</b>
<b>Net other assets</b>	<b>1,035</b>	<b>0.49</b>
<b>Net assets</b>	<b>213,037</b>	<b>100.00</b>

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed securities.



## Comparative Tables

for the year ended 15 May 2019

<b>Retail Income</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	112.00p	116.30p	113.20p
Return before operating charges*	5.69p	(1.09p)	6.45p
Operating charges**	(0.33p)	(0.35p)	(0.37p)
Return after operating charges*	5.36p	(1.44p)	6.08p
Distributions on income shares	(2.76p)	(2.86p)	(2.98p)
Closing net asset value per share	114.60p	112.00p	116.30p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.79%	(1.24%)	5.37%
<b>Other information</b>			
Closing net asset value	£444,949	£449,798	£400,976
Closing number of shares	388,432	401,736	344,715
Operating charges - OCF	0.29%	0.30%	0.32%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	116.40p	118.10p	125.30p
Lowest share price	109.70p	111.20p	112.10p

<b>Retail Accumulation</b>			
<b>Change in net assets per share</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	138.70p	140.50p	133.70p
Return before operating charges*	7.11p	(1.38p)	7.59p
Operating charges**	(0.41p)	(0.42p)	(0.44p)
Return after operating charges*	6.70p	(1.80p)	7.15p
Distributions on accumulation shares	(3.45p)	(3.48p)	(3.54p)
Retained distributions on accumulation shares	3.45p	3.48p	3.19p
Closing net asset value per share	145.40p	138.70p	140.50p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.83%	(1.28%)	5.35%
<b>Other information</b>			
Closing net asset value	£1,248,231	£1,285,594	£1,688,366
Closing number of shares	858,722	927,115	1,201,799
Operating charges - OCF	0.29%	0.30%	0.32%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	146.80p	143.20p	148.00p
Lowest share price	136.70p	136.10p	132.40p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	113.40p	117.80p	114.70p
Return before operating charges*	5.72p	(1.15p)	6.48p
Operating charges**	(0.04p)	(0.06p)	(0.07p)
Return after operating charges*	5.68p	(1.21p)	6.41p
Distributions on income shares	(3.08p)	(3.19p)	(3.31p)
Closing net asset value per share	116.00p	113.40p	117.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	5.01 %	(1.03%)	5.59%
<b>Other information</b>			
Closing net asset value	£79,635,919	£134,322,810	£29,287,811
Closing number of shares	68,639,209	118,474,145	24,866,503
Operating charges - OCF	0.04%	0.05%	0.06%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	117.90p	119.60p	126.90p
Lowest share price	111.10p	112.70p	113.50p

<b>Income C</b>			
Change in net assets per share	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Opening net asset value per share	111.80p	116.20p	113.10p
Return before operating charges*	5.69p	(1.20p)	6.44p
Operating charges**	(0.22p)	(0.23p)	(0.25p)
Return after operating charges*	5.47p	(1.43p)	6.19p
Distributions on income shares	(2.87p)	(2.97p)	(3.09p)
Closing net asset value per share	114.40p	111.80p	116.20p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.89%	(1.23%)	5.47%
<b>Other information</b>			
Closing net asset value	£16,442,558	£17,712,861	£18,853,626
Closing number of shares	14,368,323	15,837,311	16,225,153
Operating charges - OCF	0.19%	0.20%	0.21%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	116.30p	118.00p	125.20p
Lowest share price	109.60p	111.20p	112.00p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation C</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	139.20p	140.90p	133.90p
Return before operating charges*	7.07p	(1.42p)	7.67p
Operating charges**	(0.27p)	(0.28p)	(0.30p)
Return after operating charges*	6.80p	(1.70p)	7.37p
Distributions on accumulation shares	(3.61p)	(3.64p)	(3.69p)
Retained distributions on accumulation shares	3.61p	3.64p	3.32p
Closing net asset value per share	146.00p	139.20p	140.90p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.89%	(1.21%)	5.50%
<b>Other information</b>			
Closing net asset value	£68,568,487	£57,346,726	£55,144,367
Closing number of shares	46,948,849	41,201,059	39,143,036
Operating charges - OCF	0.19%	0.20%	0.21%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	147.50p	143.70p	148.30p
Lowest share price	137.20p	136.50p	132.70p

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	111.80p	113.50p	N/A
Return before operating charges*	5.70p	0.65p	N/A
Operating charges**	(0.10p)	(0.06p)	N/A
Return after operating charges*	5.60p	0.59p	N/A
Distributions on income shares	(3.00p)	(2.29p)	N/A
Closing net asset value per share	114.40p	111.80p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	5.01%	0.52%	N/A
<b>Other information</b>			
Closing net asset value	£14,724,728	£39,403	N/A
Closing number of shares	12,869,334	35,242	N/A
Operating charges - OCF	0.08%	0.09%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	116.30p	115.90p	N/A
Lowest share price	109.60p	111.20p	N/A

#The Income S share class launched on 10 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Accumulation S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	139.20p	138.50p	N/A
Return before operating charges*	7.22p	0.77p	N/A
Operating charges**	(0.12p)	(0.07p)	N/A
Return after operating charges*	7.10p	0.70p	N/A
Distributions on accumulation shares	(3.77p)	(2.81p)	N/A
Retained distributions on accumulation shares	3.77p	2.81p	N/A
Closing net asset value per share	146.30p	139.20p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	5.10%	0.51%	N/A
<b>Other information</b>			
Closing net asset value	£31,971,995	£40,213	N/A
Closing number of shares	21,855,044	28,881	N/A
Operating charges - OCF	0.08%	0.09%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	147.70p	142.30p	N/A
Lowest share price	137.40p	136.50p	N/A
#The Accumulation S share class launched on 10 October 2017.			
**The operating charges include all costs borne by the Fund, except for direct transaction costs.			
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.			

## Statement of Total Return

for the year ended 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	2		7,165		(2,943)
Revenue	3	3,257		1,651	
Expenses	4	(218)		(171)	
Net revenue before taxation		3,039		1,480	
Taxation	5	-		-	
Net revenue after taxation for the year			3,039		1,480
Total return/(deficit) before distributions			10,204		(1,463)
Distributions	6		(6,097)		(3,117)
Change in net assets attributable to shareholders from investment activities			4,107		(4,580)

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		211,197		105,375
Amounts receivable on creation of shares	79,810		125,412	
Amounts payable on cancellation of shares	(84,342)		(16,505)	
		(4,532)		108,907
Dilution adjustment		1		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		4,107		(4,580)
Retained distribution on accumulation shares		2,264		1,493
Closing net assets attributable to shareholders		213,037		211,197

## Balance Sheet

as at 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			212,002		210,452
Current assets					
Debtors	8	1,831		2,863	
Cash and bank balances		111		16	
Total current assets			1,942		2,879
Total assets			213,944		213,331
<b>Liabilities</b>					
Creditors					
Distribution payable on income shares		(705)		(1,011)	
Other creditors	9	(202)		(1,123)	
Total liabilities			(907)		(2,134)
Net assets attributable to shareholders			213,037		211,197

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 February 2019				
Group 2: Shares purchased from 16 February 2019 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Retail Income</b>				
Group 1	0.659418	-	0.659418	0.678841
Group 2	0.144217	0.515201	0.659418	0.678841
<b>Retail Accumulation</b>				
Group 1	0.839498	-	0.839498	0.833280
Group 2	0.453695	0.385803	0.839498	0.833280
<b>Institutional Income</b>				
Group 1	0.742867	-	0.742867	0.755913
Group 2	0.434987	0.307880	0.742867	0.755913
<b>Income C</b>				
Group 1	0.690580	-	0.690580	0.710545
Group 2	0.319913	0.370667	0.690580	0.710545
<b>Accumulation C</b>				
Group 1	0.876496	-	0.876496	0.876569
Group 2	0.402835	0.473661	0.876496	0.876569
<b>Income S</b>				
Group 1	0.725693	-	0.725693	0.736104
Group 2	0.238370	0.487323	0.725693	0.736104
<b>Accumulation S</b>				
Group 1	0.917752	-	0.917752	0.910152
Group 2	0.568942	0.348810	0.917752	0.910152

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 November 2018				
Group 2: Shares purchased from 16 November 2018 to 15 February 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.4.19</i>	<i>Distribution paid 15.4.18</i>
<b>Retail Income</b>				
Group 1	0.700000	-	0.700000	0.720000
Group 2	0.350000	0.350000	0.700000	0.720000
<b>Retail Accumulation</b>				
Group 1	0.870000	-	0.870000	0.880000
Group 2	0.330000	0.540000	0.870000	0.880000
<b>Institutional Income</b>				
Group 1	0.780000	-	0.780000	0.800000
Group 2	0.440000	0.340000	0.780000	0.800000
<b>Income C</b>				
Group 1	0.730000	-	0.730000	0.740000
Group 2	0.350000	0.380000	0.730000	0.740000
<b>Accumulation C</b>				
Group 1	0.910000	-	0.910000	0.920000
Group 2	0.510000	0.400000	0.910000	0.920000
<b>Income S</b>				
Group 1	0.750000	-	0.750000	0.780000
Group 2	0.750000	0.000000	0.750000	0.780000
<b>Accumulation S</b>				
Group 1	0.950000	-	0.950000	0.960000
Group 2	0.590000	0.360000	0.950000	0.960000

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 August 2018				
Group 2: Shares purchased from 16 August 2018 to 15 November 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.19</i>	<i>Distribution paid 15.1.18</i>
<b>Retail Income</b>				
Group 1	0.710000	-	0.710000	0.730000
Group 2	0.330000	0.380000	0.710000	0.730000
<b>Retail Accumulation</b>				
Group 1	0.890000	-	0.890000	0.890000
Group 2	0.560000	0.330000	0.890000	0.890000
<b>Institutional Income</b>				
Group 1	0.790000	-	0.790000	0.820000
Group 2	0.450000	0.340000	0.790000	0.820000
<b>Income C</b>				
Group 1	0.730000	-	0.730000	0.760000
Group 2	0.470000	0.260000	0.730000	0.760000
<b>Accumulation C</b>				
Group 1	0.930000	-	0.930000	0.920000
Group 2	0.550000	0.380000	0.930000	0.920000
<b>Income S</b>				
Group 1	0.770000	-	0.770000	0.770000
Group 2	0.640000	0.130000	0.770000	0.770000
<b>Accumulation S</b>				
Group 1	0.970000	-	0.970000	0.940000
Group 2	0.660000	0.310000	0.970000	0.940000



**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018 Group 2: Shares purchased from 16 May 2018 to 15 August 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.10.18</i>	<i>Distribution paid 15.10.17</i>
<b>Retail Income</b>				
Group 1	0.690000	-	0.690000	0.730000
Group 2	0.420000	0.270000	0.690000	0.730000
<b>Retail Accumulation</b>				
Group 1	0.850000	-	0.850000	0.880000
Group 2	0.530000	0.320000	0.850000	0.880000
<b>Institutional Income</b>				
Group 1	0.770000	-	0.770000	0.810000
Group 2	0.420000	0.350000	0.770000	0.810000
<b>Income C</b>				
Group 1	0.720000	-	0.720000	0.760000
Group 2	0.390000	0.330000	0.720000	0.760000
<b>Accumulation C</b>				
Group 1	0.890000	-	0.890000	0.920000
Group 2	0.360000	0.530000	0.890000	0.920000
<b>Income St†</b>				
Group 1	0.750000	-	0.750000	N/A
Group 2	0.280000	0.470000	0.750000	N/A
<b>Accumulation St†</b>				
Group 1	0.930000	-	0.930000	N/A
Group 2	0.630000	0.300000	0.930000	N/A
† The Income S and the Accumulation S share classes launched on 10 October 2017.				

## Notes to the Financial Statements

for the year ended 15 May 2019

	<b>15.5.19</b>	<b>15.5.18</b>
	<b>£'000</b>	<b>£'000</b>
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital Gains/(Losses)</b>		
The net capital gains/(losses) during the year comprise:		
Transaction (charges)/rebate	<b>(7)</b>	4
Gains/(losses) on non-derivative securities	<b>7,172</b>	(2,947)
Net capital gains/(losses)	<b>7,165</b>	(2,943)
<b>3. Revenue</b>		
Interest on bonds and other debt securities	<b>3,256</b>	1,651
Bank interest	<b>1</b>	-
Total revenue	<b>3,257</b>	1,651
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	<b>95</b>	79
Registration fee	<b>38</b>	37
Safe custody fee	<b>3</b>	2
	<b>136</b>	118
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	<b>27</b>	15
Other expenses:		
Audit fee	<b>6</b>	7
License fee	<b>50</b>	30
Report and accounts fee	<b>(1)</b>	1
	<b>55</b>	38
Total expenses	<b>218</b>	171

<b>15.5.19</b>	15.5.18
<b>£'000</b>	£'000

**5. Taxation****a) Analysis of charge in year:**

Corporation tax	-	-
Total tax for the year (note 5b)	-	-

**b) Factors affecting taxation charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).

The differences are explained below:

Net revenue before taxation	<b>3,039</b>	1,480
Corporation tax at 20%	<b>608</b>	296
Effects of:		
Tax deductible interest distributions	<b>(608)</b>	(296)
Current tax charge for the year (note 5a)	-	-

**c) Provision for deferred taxation**

At 15 May 2019 there is no potential deferred tax asset (15.5.18: £nil) in relation to surplus management expenses.

**6. Distributions**

The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:

Interim dividend distribution	<b>4,732</b>	2,313
Final dividend distribution	<b>1,325</b>	1,380
	<b>6,057</b>	3,693
Add: Amounts deducted on cancellation of shares	<b>318</b>	58
Deduct: Amounts received on issue of shares	<b>(278)</b>	(634)
Net distribution for the year	<b>6,097</b>	3,117

**7. Movement Between Net Revenue and Distributions**

Net revenue after taxation	<b>3,039</b>	1,480
Effective yield transferred from capital	<b>3,058</b>	1,637
Net distribution for the year	<b>6,097</b>	3,117

**8. Debtors**

Amounts receivable for creation of shares	<b>125</b>	537
Sales awaiting settlement	-	546
Accrued revenue	<b>1,706</b>	1,780
Total debtors	<b>1,831</b>	2,863

**9. Other creditors**

Purchases awaiting settlement	<b>147</b>	1,088
Accrued expenses	<b>55</b>	35
Total other creditors	<b>202</b>	1,123

**10. Reconciliation of Shares**

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>
Opening shares issued at 16.5.18	401,736	927,115	118,474,145
<b>Share movements 16.5.18 to 15.5.19</b>			
Shares issued	25,914	267,660	3,090,221
Shares cancelled	(694,483)	(238,257)	(52,231,442)
Shares converted	655,265	(97,796)	(693,715)
Closing shares issued at 15.5.19	388,432	858,722	68,639,209

	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	15,837,311	41,201,059	35,242	28,881
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	1,900,599	18,394,924	14,725,022	21,661,773
Shares cancelled	(3,418,947)	(12,549,872)	(1,890,930)	(28,881)
Shares converted	49,360	(97,262)	-	193,271
Closing shares issued at 15.5.19	14,368,323	46,948,849	12,869,334	21,855,044

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Retail Income</i>	<i>Retail Accumulation</i>	<i>Institutional Income</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S†</i>	<i>Accumulation S†</i>
	%	%	%	%	%	%	%
As at 15.5.19	4.28	-	78.81	1.24	15.47	-	-
As at 15.5.18	26.58	-	50.40	1.03	33.87	N/A	N/A

†The Income S and Accumulation S share classes launched on 10 October 2017.

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due to the ACD (including amounts due to associates and agents) at the year end was £106,543 (15.5.18: £531,399), further details of such amounts can be found in notes 8 and 9.

There were no shares held by the Trustee or its associates.

Related party transactions are disclosed within notes 3 and 4 Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Interest Rate Risk

The interest rate profile of the Fund's financial assets and liabilities at 15 May 2019 was:

	<i>Floating rate financial assets*</i>		<i>Fixed rate financial assets</i>		<i>Financial assets not carrying interest</i>		<i>Total</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling	<b>111</b>	16	<b>212,002</b>	210,452	<b>924</b>	729	<b>213,037</b>	211,197
Total	<b>111</b>	16	<b>212,002</b>	210,452	<b>924</b>	729	<b>213,037</b>	211,197

\*Floating rate interest was earned at rates based on LIBOR (London Interbank Offered Rate) or international equivalent.

	<i>Fixed rate financial assets weighted average interest rate</i>		<i>Fixed rate financial assets weighted average period for which rate is fixed</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>%</b>	%	<b>Years</b>	Years
Sterling	<b>1.19</b>	1.47	<b>15.84</b>	15.63

Interest rates are based upon LIBOR (London Interbank Offered Rate).

The bond ratings for the portfolio at 15 May 2019 were:

<b>Investment</b>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings**		
AA	212,002	99.51
<b>Total Bonds</b>	<b>212,002</b>	<b>99.51</b>

\*\*ratings supplied by Standard & Poor's

## 13. Shareholders' Funds

This Fund has a retail share class, an institutional share class, a C share class and an S share class.

The annual ACD charge on the retail share class is 0.25%, nil on the institutional share class, 0.10% on the C share class and 0.04% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 281 to 284. The distribution per share class is given in the Distribution Tables on pages 286 to 289. All share classes within the OEIC have the same rights on winding up.

## 14. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

## 15. Portfolio Transaction Costs

The purchases and sales of securities incurred no direct transaction costs during the year or prior year.

Total purchases for the year were £93,615,376 (15.5.18: £135,564,860).

Total sales for the year were £96,179,358 (15.5.18: £25,062,641).

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive. At the balance sheet date the portfolio dealing spread was 0.06% (15.5.18: 0.05%), being the difference between the respective bid and offer prices for the Fund's investments.

## 16. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	212,002	-	-	212,002
	212,002	-	-	212,002

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	210,452	-	-	210,452
	210,452	-	-	210,452

## 17. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £21,200,170 (15.5.18: £21,045,173).

### Currency risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to non-Sterling currency, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

### Interest rate risk sensitivity:

If the interest rate at 15 May 2019 had increased or decreased by 1 basis point with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £239,459 (15.5.18: £233,016).

# Index-Linked Gilt Index Fund

## Investment Objective

To match the return of the FTSE Actuaries UK Index-Linked Gilts All Stocks Index.

## Investment Policy

To invest in all or most of the index-linked gilts issued by the Government of the United Kingdom that make up the FTSE Actuaries UK Index-Linked Gilts All Stocks Index.

The Fund may also invest in other gilts issued by the Government of the United Kingdom that are not part of the FTSE Actuaries UK Index-Linked Gilts All Stocks Index.

The Fund may invest in financial derivative instruments for cash flow management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

## Investment Strategy

The strategy will use a replication approach to track the FTSE Actuaries UK Index-Linked Gilts All Stocks Index. This means that the Fund will seek to invest in all of the index-linked gilts that make up the index and in the same or very similar proportions in which they are included in the index.

From time to time, the Fund's investment composition may differ from the index due to flows into the Fund and/or asset availability. In these circumstances, the Fund may also invest in UK Gilts that are not index-linked. At all times the Fund will seek to achieve returns that are similar to the index.

The Fund may use derivatives, typically exchange traded futures, with the aim of generating returns that are consistent with the index in respect of cash flowing into the Fund.

**Shareholders in the Index-Linked Gilt Index Fund have been informed that the Fund will be wound up with effect from 2 August 2019. This Fund is no longer available for investment.**

## Portfolio Activity

The prices for inflation-linked bonds rose significantly over the period on the back of falling real interest rates. The 10 year real yields fell by 65 basis points from -1.58% to -2.23%, even more than the nominal 10 year yield gilts - which decreased by 43 basis points to 1.07% - and therefore outperforming them. The 30 year real yields fell from -1.44% to -1.78% over the period.

As expected the Bank of England (BoE) increased in early August the interest rate by 0.25% to 0.75%, and signalled further gradual rate increases. All nine members of the BoE's Monetary Policy Committee (MPC) voted for the raise. Markets had been predicting a high possibility of a split vote due to mixed signals for the strength of the UK economy. However, no increases have taken place since then and the BoE maintained their hawkish bias recently despite the dovish shift in momentum that has affected most central banks globally.

UK economic momentum has remained mostly subdued through the period even though the manufacturing sector showed some strength recently, but it's likely to be driven by 'pre-Brexit' stockpiling. The economy is expected to continue in a positive soft trend, with Brexit remaining the main driver of concern for businesses. However, consumers' confidence remains high while recent retail sales have been strong.

We expect yields to rise gradually, with no strong trend for the moment, as Brexit uncertainty keeps yield range bound while the economy continues to grow slightly below potential and inflation close to the BoE target.

## Investment Performance

During the period under review, the value of the shares in the Fund increased by 9.36% and the value of the FTSE Actuaries UK Index-Linked Gilts All Stocks Index rose by 9.23%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

## Tracking Error

Tracking error - 0.01%

The tracking error is based on gross returns from our internal performance system for the period 15.5.19.

## Fund Particulars

as at 16 May 2019

	Institutional Income	Institutional Accumulation	Income C
Price	110.6p xd	115.2p	110.5p xd
Distribution payable (on 15 July 2019) per share net	0.000000p	0.000000p	0.000000p
Current net estimated yield	1.18%	1.17%	1.12%
Annual ACD charge	0.00%	0.00%	0.12%
	Accumulation C	Income S	Accumulation S
Price	114.8p	110.5p xd	115.0p
Distribution payable (on 15 July 2019) per share net	0.000000p	0.000000p	0.000000p
Current net estimated yield	1.11%	1.16%	1.15%
Annual ACD charge	0.12%	0.04%	0.04%

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Government Index-Linked - 99.92% (99.87%)</b>			
Treasury 0.125% IL 22/11/2019	£133,000	155	1.33
Treasury 0.125% IL 22/3/2024	£247,500	328	2.82
Treasury 0.125% IL 22/3/2026	£218,000	283	2.43
Treasury 0.125% IL 10/8/2028	£79,000	100	0.86
Treasury 0.125% IL 22/3/2029	£231,000	347	2.98
Treasury 0.125% IL 22/11/2036	£168,500	266	2.29
Treasury 0.125% IL 10/8/2041	£94,000	149	1.28
Treasury 0.125% IL 22/3/2044	£255,000	484	4.16
Treasury 0.125% IL 22/3/2046	£220,000	404	3.47
Treasury 0.125% IL 10/8/2048	£133,000	239	2.05
Treasury 0.125% IL 22/11/2056	£96,500	207	1.78
Treasury 0.125% IL 22/3/2058	£179,000	405	3.48
Treasury 0.125% IL 22/11/2065	£118,200	303	2.60
Treasury 0.125% IL 22/3/2068	£204,600	578	4.97
Treasury 0.25% IL 22/3/2052	£201,500	452	3.88
Treasury 0.375% IL 22/3/2062	£203,600	577	4.96
Treasury 0.5% IL 22/3/2050	£199,600	517	4.44
Treasury 0.625% IL 22/3/2040	£229,000	499	4.29
Treasury 0.625% IL 22/11/2042	£203,300	476	4.09
Treasury 0.75% IL 22/3/2034	£236,000	430	3.69
Treasury 0.75% IL 22/11/2047	£189,900	508	4.37
Treasury 1.125% IL 22/11/2037	£212,000	507	4.36
Treasury 1.25% IL 22/11/2027	£230,200	451	3.88
Treasury 1.25% IL 22/11/2032	£218,500	438	3.76
Treasury 1.25% IL 22/11/2055	£164,800	622	5.35
Treasury 1.875% IL 22/11/2022	£255,800	412	3.54
Treasury 2% IL 26/1/2035	£147,500	415	3.57
Treasury 2.5% IL 16/4/2020	£107,200	382	3.28
Treasury 2.5% IL 17/7/2024	£110,000	400	3.44
Treasury 4.125% IL 22/7/2030	£78,500	293	2.52
<b>Total Government Index-Linked</b>		<b>11,627</b>	<b>99.92</b>
<b>Portfolio of investments</b>		<b>11,627</b>	<b>99.92</b>
<b>Net other assets</b>		<b>9</b>	<b>0.08</b>
<b>Net assets</b>		<b>11,636</b>	<b>100.00</b>

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed equities.



## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	102.00p	108.00p	100.00p
Return before operating charges*	9.63p	(4.10p)	9.40p
Operating charges**	(0.02p)	(0.04p)	(0.11p)
Return after operating charges*	9.61p	(4.14p)	9.29p
Distributions on income shares	(1.31p)	(1.86p)	(1.29p)
Closing net asset value per share	110.30p	102.00p	108.00p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	9.42%	(3.83%)	9.29%
<b>Other information</b>			
Closing net asset value	£2,758,178	£2,551,175	£2,699,881
Closing number of shares	2,500,000	2,500,000	2,500,000
Operating charges - OCF****	0.02%	0.04%	0.12%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	114.20p	110.40p	114.00p
Lowest share price	101.70p	100.90p	98.73p

<b>Institutional Accumulation#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	105.00p	109.20p	100.00p
Return before operating charges*	10.02p	(4.16p)	9.41p
Operating charges**	(0.02p)	(0.04p)	(0.11p)
Return after operating charges*	10.00p	(4.20p)	9.30p
Distributions on accumulation shares	(1.35p)	(1.89p)	(1.29p)
Retained distributions on accumulation shares	1.35p	1.89p	1.19p
Closing net asset value per share	115.00p	105.00p	109.20p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	9.52%	(3.85%)	9.30%
<b>Other information</b>			
Closing net asset value	£2,873,751	£2,625,655	£2,729,967
Closing number of shares	2,500,000	2,500,000	2,500,000
Operating charges - OCF****	0.02%	0.04%	0.12%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	119.00p	112.30p	114.70p
Lowest share price	105.00p	103.00p	98.73p

#The Fund launched on 15 July 2016.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*OCF disclosed in 15.5.17 report was estimated

## Comparative Tables

for the year ended 15 May 2019

<b>Income C#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	102.00p	108.00p	100.00p
Return before operating charges*	9.69p	(4.09p)	9.39p
Operating charges**	(0.15p)	(0.17p)	(0.21p)
Return after operating charges*	9.54p	(4.26p)	9.18p
Distributions on income shares	(1.24p)	(1.74p)	(1.18p)
Closing net asset value per share	110.30p	102.00p	108.00p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	9.35%	(3.94%)	9.18%
<b>Other information</b>			
Closing net asset value	£2,868,122	£2,623,579	£2,735,992
Closing number of shares	2,601,064	2,570,954	2,533,465
Operating charges - OCF****	0.14%	0.16%	0.24%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	114.20p	110.30p	113.90p
Lowest share price	101.70p	100.90p	98.73p

<b>Accumulation C#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	104.80p	109.10p	100.00p
Return before operating charges*	9.95p	(4.13p)	9.41p
Operating charges**	(0.15p)	(0.17p)	(0.21p)
Return after operating charges*	9.80p	(4.30p)	9.20p
Distributions on accumulation shares	(1.27p)	(1.76p)	(1.19p)
Retained distributions on accumulation shares	1.27p	1.76p	1.09p
Closing net asset value per share	114.60p	104.80p	109.10p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	9.35%	(3.94%)	9.20%
<b>Other information</b>			
Closing net asset value	£3,050,886	£2,669,017	£2,735,135
Closing number of shares	2,662,920	2,546,672	2,507,018
Operating charges - OCF****	0.14%	0.16%	0.24%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	118.60p	112.20p	114.60p
Lowest share price	104.80p	102.90p	98.73p

#The Fund launched on 15 July 2016.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*OCF disclosed in 15.5.17 report was estimated

## Comparative Tables

for the year ended 15 May 2019

<b>Income S##</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	102.00p	104.50p	N/A
Return before operating charges*	9.64p	(1.35p)	N/A
Operating charges**	(0.06p)	(0.05p)	N/A
Return after operating charges*	9.58p	(1.40p)	N/A
Distributions on income shares	(1.28p)	(1.10p)	N/A
Closing net asset value per share	110.30p	102.00p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	9.39%	(1.34%)	N/A
<b>Other information</b>			
Closing net asset value	£42,257	£39,043	N/A
Closing number of shares	38,324	38,278	N/A
Operating charges - OCF****	0.06%	0.09%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	114.20p	107.50p	N/A
Lowest share price	101.70p	100.80p	N/A

<b>Accumulation S##</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	104.90p	106.30p	N/A
Return before operating charges*	9.86p	(1.34p)	N/A
Operating charges**	(0.06p)	(0.06p)	N/A
Return after operating charges*	9.80p	(1.40p)	N/A
Distributions on accumulation shares	(1.32p)	(1.12p)	N/A
Retained distributions on accumulation shares	1.32p	1.12p	N/A
Closing net asset value per share	114.70p	104.90p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	9.34%	(1.32%)	N/A
<b>Other information</b>			
Closing net asset value	£43,249	£39,457	N/A
Closing number of shares	37,700	37,629	N/A
Operating charges - OCF****	0.06%	0.09%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	118.80p	109.60p	N/A
Lowest share price	104.90p	103.20p	N/A

##The Income S and Accumulation S share classes launched on 10 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*OCF disclosed in the previous xd was estimated

**Statement of Total Return**

for the year ended 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	2		892		(607)
Revenue	3	108		193	
Expenses	4	(8)		(10)	
Net revenue before taxation		100		183	
Taxation	5	-		-	
Net revenue after taxation			100		183
Total return/(deficit) before distributions			992		(424)
Distributions	6		(132)		(183)
Change in net assets attributable to shareholders from investment activities			860		(607)

**Statement of Change in Net Assets Attributable to Shareholders**

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		10,548		10,901
Amounts receivable on creation of shares	195		210	
Amounts payable on cancellation of shares	(34)		(48)	
		161		162
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		860		(607)
Retained distribution on accumulation shares		67		92
Closing net assets attributable to shareholders		11,636		10,548

**Balance Sheet**

as at 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			11,627		10,534
Current assets					
Debtors	8	20		21	
Cash and bank balances		4		1	
Total current assets			24		22
Total assets			11,651		10,556
<b>Liabilities</b>					
Creditors					
Distribution payable on income shares		-		(5)	
Other creditors	9	(15)		(3)	
Total liabilities			(15)		(8)
Net assets attributable to shareholders			11,636		10,548

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 February 2019				
Group 2: Shares purchased from 16 February 2019 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Institutional Income</b>				
Group 1	0.000000	-	0.000000	0.111216
Group 2	0.000000	0.000000	0.000000	0.111216
<b>Institutional Accumulation</b>				
Group 1	0.000000	-	0.000000	0.113184
Group 2	0.000000	0.000000	0.000000	0.113184
<b>Income C</b>				
Group 1	0.000000	-	0.000000	0.085323
Group 2	0.000000	0.000000	0.000000	0.085323
<b>Accumulation C</b>				
Group 1	0.000000	-	0.000000	0.081943
Group 2	0.000000	0.000000	0.000000	0.081943
<b>Income S</b>				
Group 1	0.000000	-	0.000000	0.105179
Group 2	0.000000	0.000000	0.000000	0.105179
<b>Accumulation S</b>				
Group 1	0.000000	-	0.000000	0.104094
Group 2	0.000000	0.000000	0.000000	0.104094

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 November 2018				
Group 2: Shares purchased from 16 November 2018 to 15 February 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.4.19</i>	<i>Distribution paid 15.4.18</i>
<b>Institutional Income</b>				
Group 1	0.010000	-	0.010000	0.370000
Group 2	0.010000	0.000000	0.010000	0.370000
<b>Institutional Accumulation</b>				
Group 1	0.010000	-	0.010000	0.380000
Group 2	0.010000	0.000000	0.010000	0.380000
<b>Income C</b>				
Group 1	0.000000	-	0.000000	0.330000
Group 2	0.000000	0.000000	0.000000	0.330000
<b>Accumulation C</b>				
Group 1	0.000000	-	0.000000	0.350000
Group 2	0.000000	0.000000	0.000000	0.350000
<b>Income S</b>				
Group 1	0.000000	-	0.000000	0.350000
Group 2	0.000000	0.000000	0.000000	0.350000
<b>Accumulation S</b>				
Group 1	0.000000	-	0.000000	0.370000
Group 2	0.000000	0.000000	0.000000	0.370000

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 August 2018				
Group 2: Shares purchased from 16 August 2018 to 15 November 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.19</i>	<i>Distribution paid 15.1.18</i>
<b>Institutional Income</b>				
Group 1	0.680000	-	0.680000	0.660000
Group 2	0.680000	0.000000	0.680000	0.660000
<b>Institutional Accumulation</b>				
Group 1	0.700000	-	0.700000	0.670000
Group 2	0.700000	0.000000	0.700000	0.670000
<b>Income C</b>				
Group 1	0.650000	-	0.650000	0.630000
Group 2	0.650000	0.000000	0.650000	0.630000
<b>Accumulation C</b>				
Group 1	0.660000	-	0.660000	0.640000
Group 2	0.380000	0.280000	0.660000	0.640000
<b>Income S</b>				
Group 1	0.670000	-	0.670000	0.640000
Group 2	0.670000	0.000000	0.670000	0.640000
<b>Accumulation S</b>				
Group 1	0.690000	-	0.690000	0.650000
Group 2	0.690000	0.000000	0.690000	0.650000

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018 Group 2: Shares purchased from 16 May 2018 to 15 August 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.10.18</i>	<i>Distribution paid 15.10.17</i>
<b>Institutional Income</b>				
Group 1	0.620000	-	0.620000	0.720000
Group 2	0.620000	0.000000	0.620000	0.720000
<b>Institutional Accumulation</b>				
Group 1	0.640000	-	0.640000	0.730000
Group 2	0.640000	0.000000	0.640000	0.730000
<b>Income C</b>				
Group 1	0.590000	-	0.590000	0.690000
Group 2	0.030000	0.560000	0.590000	0.690000
<b>Accumulation C</b>				
Group 1	0.610000	-	0.610000	0.690000
Group 2	0.360000	0.250000	0.610000	0.690000
<b>Income S†</b>				
Group 1	0.610000	-	0.610000	N/A
Group 2	0.610000	0.000000	0.610000	N/A
<b>Accumulation S†</b>				
Group 1	0.630000	-	0.630000	N/A
Group 2	0.630000	0.000000	0.630000	N/A
†The Income S and the Accumulation S share classes launched on 10 October 2017.				



## Notes to the Financial Statements

for the year ended 15 May 2019

	<b>15.5.19</b>	<b>15.5.18</b>
	<b>£'000</b>	<b>£'000</b>
<b>1. Accounting Policies</b>		
The accounting policies are set out on page 9 and 10.		
<b>2. Net Capital Gains/(Losses)</b>		
The net capital gains/(losses) during the year comprise:		
Transaction charges	<b>(1)</b>	(1)
Gains/(losses) on non-derivative securities	<b>893</b>	(606)
Net capital gains/(losses)	<b>892</b>	(607)
<b>3. Revenue</b>		
Interest on bonds and other debt securities	<b>108</b>	193
Total revenue	<b>108</b>	193
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	<b>7</b>	6
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	<b>1</b>	2
<b>Other expenses:</b>		
Audit fee	-	1
License fee	<b>1</b>	-
Report and accounts fee	<b>(1)</b>	1
	-	2
Total expenses	<b>8</b>	10

	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000
<b>5. Taxation</b>		
a) Analysis of charge in year:		
Corporation tax	-	-
Total tax for the year (note 5b)	-	-
b) Factors affecting taxation charge for the year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).		
The differences are explained below:		
Net revenue before taxation	<b>100</b>	183
Corporation tax at 20%	<b>20</b>	37
Effects of:		
Current period expenses & non-trading deficits not utilised	<b>45</b>	45
Tax relief on UK Index Linked Gilts	<b>(65)</b>	(82)
Current tax charge for the year (note 5a)	-	-
c) Provision for deferred taxation		
At 15 May 2019, there is a potential deferred tax asset of £120,101 (15.5.18: £75,177) in relation to non trading deficits.		
It is unlikely the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or prior year.		
<b>6. Distributions</b>		
The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:		
Interim interest distribution	<b>132</b>	173
Final interest distribution	-	10
Net distribution for the year	<b>132</b>	183
<b>7. Movement Between Net Revenue and Distributions</b>		
Net revenue after taxation	<b>100</b>	183
Income deficit transfer to capital	<b>32</b>	-
Net distribution for the year	<b>132</b>	183
<b>8. Debtors</b>		
Accrued revenue	<b>20</b>	21
Total debtors	<b>20</b>	21
<b>9. Other Creditors</b>		
Purchases awaiting settlement	<b>13</b>	-
Accrued expenses	<b>2</b>	3
Total other creditors	<b>15</b>	3

**10. Reconciliation of Shares**

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>
Opening shares issued at 16.5.18	2,500,000	2,500,000	2,570,954	2,546,672
<b>Share movements 16.5.18 to 15.5.19</b>				
Shares issued	-	-	59,027	119,575
Shares cancelled	-	-	(28,917)	(3,327)
Closing shares issued at 15.5.19	2,500,000	2,500,000	2,601,064	2,662,920

	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	38,278	37,629
<b>Share movements 16.5.18 to 15.5.19</b>		
Shares issued	46	71
Shares cancelled	-	-
Closing shares issued at 15.5.19	38,324	37,700

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
	%	%	%	%	%	%
As at 15.5.19	100.00	100.00	96.11	93.88	-	-
As at 15.5.18	100.00	100.00	97.24	98.17	-	-

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due to/from the ACD (including amounts due to associates and agents) at the year end was £1,022 (15.5.18: £385), further details of such amounts can be found in notes 8 and 9.

Related party transactions are disclosed within notes 3 and 4.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Interest Rate Risk

The interest rate profile of the Fund's financial assets and liabilities at 15 May 2019:

	<i>Floating rate financial assets*</i>		<i>Financial assets not carrying interest</i>		<i>Total</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling	<b>11,631</b>	10,535	<b>5</b>	13	<b>11,636</b>	10,548
Total	<b>11,631</b>	10,535	<b>5</b>	13	<b>11,636</b>	10,548

\*Floating rate interest was earned at rates based on LIBOR (London Interbank Offered Rate) or international equivalent.

The bond ratings for the portfolio at 15 May 2019 were:

<b>Investment</b>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings*		
AA	11,627	99.92
<b>Total Bonds</b>	<b>11,627</b>	<b>99.92</b>

\*ratings supplied by Standard & Poor's

## 13. Shareholders' Funds

This Fund has an institutional share class, a C share class and an S share class.

The annual ACD charge on the institutional share class is nil, 0.12% on the C share class and 0.04% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 297 to 299. The distribution per share class is given in the Distribution Tables on pages 301 to 304. All share classes within the OEIC have the same rights on winding up.

## 14. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

## 15. Portfolio Transaction Costs

The purchases and sales of securities incurred no direct transaction costs during the year or previous period.

Total purchases for the year were £545,192 (15.5.18: £914,253).

Total sales for the year were £389,527 (15.5.18: £803,719)

At the balance sheet date the portfolio dealing spread was 0.13% (15.5.18: 0.14%), being the difference between the respective bid and offer prices for the Fund's investments.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

## 16. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the period ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	11,627	-	-	11,627
	11,627	-	-	11,627

### For the period ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	10,534	-	-	10,534
	10,534	-	-	10,534

## 17. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £1,162,667 (15.5.18: £1,053,408).

### Currency risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to non-Sterling currency, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

### Interest rate risk sensitivity:

If the interest rate at 15 May 2019 had increased or decreased by 1 basis point with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £30,943 (15.5.18: £23,146).

# Sterling Corporate Bond Index Fund

## Investment Objective

To match the return of the Markit iBoxx GBP Non-Gilts Index.

## Investment Policy

To invest in a representative sample of the Sterling denominated bonds that make up the Markit iBoxx GBP Non-Gilts Index. The bonds that make up the index are investment grade and issued by public and private corporations, non-United Kingdom Government and government-backed entities. Certain covered bonds and other collateralised bonds are also included in the index.

The Fund may also invest, as a lesser proportion of the overall portfolio, in Sterling denominated bonds that are not in the index, which may include bonds issued by the Government of the United Kingdom.

The Fund may use financial derivative instruments for hedging purposes and cash flow management with a level of risk that is consistent with the overall risk profile of the Fund. The Fund does not intend to use financial derivative instruments extensively.

The Fund may hold cash and collective investment schemes, including collective investment schemes managed or operated by the ACD or an associate of the ACD, to manage day-to-day cash flow requirements.

## Investment Strategy

The strategy is to use an optimised replication approach to track the Markit iBoxx GBP Non-Gilts Index. The optimised replication strategy involves the acquisition of a subset of the component securities of the index and possibly of some securities of the index that are not included in the index that are designed to help the Fund track the performance of the Index.

The aim of optimised replication is to construct a portfolio that closely matches the characteristics of the index but which: a) provides flexibility to manage the Fund's transaction costs and b) provides flexibility to maintain the Fund's characteristics during different market environments and differing levels of asset availability.

The Fund may use derivatives, typically exchange traded futures, with the aim of generating returns that are consistent with the index in respect of cash flowing in to the Fund.

## Portfolio Activity

Sterling corporate bond prices increased over the period despite widening credit spreads (yield difference versus a UK gilt of the same maturity) on the back of significantly falling interest rates. The 2 year gilt yields fell by 11 basis points, while the 10 year gilt yields decreased by even 43 basis points.

Over the period the investment grade corporate credit spreads increased from 1.30% to 1.51% based on a widening in all rating segments, led by the BBB segment where the spreads increased by 29 basis points (from 1.55% to 1.84%).

After a strong increase at the beginning of the period, a strong recovery was seen in the first months of 2019 and only some widening tendencies again towards the end of the period.

Generally, the fundamentals of sterling investment grade corporates are broadly solid, however the UK economy is facing the uncertainties associated with Brexit and the reduction in business investment. This impact would be more significant for sectors/companies with larger exposures to the UK economy while any changes in the future trade and relationship agreements with the Eurozone would impact sectors differently. Technicals look balanced as issuance has been low relative to other markets while the sector has seen outflows recently.

On a broader basis, we see the overall world picture as less positive for companies, but with no recession fears and Fed on a dovish tone, spreads should move gradually lower over the next months.

## Investment Performance

During the period under review, the value of the shares in the Fund increased by 4.46% and the value of the Markit iBoxx GBP Non-Gilts Index rose by 4.55%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

## Tracking Error

Tracking error - 0.27%

The tracking error is based on gross returns from our internal performance system for the period to 15.5.19.

## Fund Particulars

as at 16 May 2019

	Institutional Income	Institutional Accumulation	Income C
Price	98.25p xd	107.1p	99.29p xd
Distribution payable (on 15 July 2019) per share net	0.831507p	0.908116p	0.819794p
Current net estimated yield	3.46%	3.37%	3.27%
Annual ACD charge	0.00%	0.00%	0.12%
	Accumulation C	Income S	Accumulation S
Price	106.7p	98.36p xd	107.0p
Distribution payable (on 15 July 2019) per share net	0.867345p	0.822423p	0.893886p
Current net estimated yield	3.19%	3.42%	3.27%
Annual ACD charge	0.12%	0.04%	0.04%

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UNITED KINGDOM - 39.86% (43.22%)</b>			
<b>Government Bonds - 1.45% (2.82%)</b>			
LCR Finance 4.5% 7/12/2038	£300,000	435	0.19
LCR Finance 5.1% 7/3/2051	£270,000	477	0.21
Network Rail 4.75% 29/11/2035	£1,500,000	2,148	0.95
Treasury 1.50% 22/7/2047	£240,000	234	0.10
<b>Total Government Bonds</b>		<b>3,294</b>	<b>1.45</b>
<b>Corporate Bonds - 37.15% (39.19%)</b>			
3i Group 5.75% 3/12/2032	£300,000	376	0.17
Anglian Water 2.75% 26/10/2029	£217,000	227	0.10
Anglian Water 4.5% 22/2/2026	£400,000	433	0.19
Anglian Water 5.837% 30/7/2022	£305,000	347	0.15
Annington Finance 2.646% 12/7/2025	£106,000	106	0.05
Annington Finance 3.184% 12/7/2029	£364,000	369	0.16
Annington Finance 3.685% 12/7/2034	£162,000	167	0.07
Annington Finance 3.935% 12/7/2047	£600,000	630	0.28
Arqiva Finance 4.04% 30/6/2035	£450,000	460	0.20
Artesian Finance 6% 30/9/2033	£400,000	569	0.25
Aspire Defence Finance 4.674% 31/3/2040	£1,000,000	1,133	0.50
Assura Financing 3% 19/7/2028	£300,000	310	0.14
Aviva 6.125% variable rate perpetual	£1,200,000	1,281	0.56
Aviva 6.625% variable rate 3/6/2041	£1,000,000	1,085	0.48
Aviva 6.875% variable rate 20/5/2058	£400,000	508	0.22
BAE Systems 4.125% 8/6/2022	£440,000	468	0.21
Barclays Bank 10% 21/5/2021	£900,000	1,038	0.46
Barclays Bank 2.375% variable rate 6/10/2023	£560,000	555	0.24
Barclays Bank 3.25% 12/2/2027	£800,000	802	0.35
Barclays Bank 3.25% 17/1/2033	£382,000	358	0.16
BAT International Finance 4% 4/9/2026	£1,100,000	1,182	0.52
BAT International Finance 6% 24/11/2034	£750,000	954	0.42
BG Energy Capital 5% 4/11/2036	£400,000	560	0.25
BP Capital Markets 2.03% 14/2/2025	£550,000	560	0.25
BP Capital Markets 2.274% 3/7/2026	£500,000	514	0.23
British Telecommunications 3.125% 21/11/2031	£133,000	135	0.06
British Telecommunications 3.625% 21/11/2047	£200,000	200	0.09
British Telecommunications 6.375% 23/6/2037	£450,000	626	0.28
Broadgate 4.821% 5/7/2033	£420,000	544	0.24
Broadgate 5.098% 5/4/2035	£300,000	324	0.14
Cadent Finance 2.625% 22/9/2038	£500,000	480	0.21
Cadent Finance 2.75% 22/9/2046	£500,000	476	0.21
Cadent Finance 5.625% variable rate 18/6/2073	£500,000	538	0.24
Canary Wharf 5.952% 22/1/2035	£200,000	283	0.12
Centrica 4.25% 12/9/2044	£740,000	842	0.37
Circle Anglia 5.2% 2/3/2044	£161,000	225	0.10
Circle Anglia 7.25% 12/11/2038	£150,000	250	0.11

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Clarion Funding 2.625% 18/1/2029	£500,000	510	0.22
Close Brothers Finance 2.75% 19/10/2026	£500,000	512	0.23
Clydesdale Bank 4.625% 8/6/2026	£800,000	963	0.42
Compass Group 2% 3/7/2029	£165,000	166	0.07
Compass Group 2% 5/9/2025	£123,000	126	0.06
Connect Plus M25 Issuer 2.607% 31/3/2039	£500,000	516	0.23
Coventry Building Society 5.875% 28/9/2022	£650,000	738	0.32
CYBG 3.125% variable rate 22/6/2025	£262,000	252	0.11
CYBG 4% variable rate 25/9/2026	£160,000	159	0.07
Direct Line 9.25% variable rate 27/4/2042	£139,000	164	0.07
Eastern Power Networks 5.75% 8/3/2024	£1,000,000	1,170	0.51
Eversholt Funding 6.697% 22/2/2035	£750,000	955	0.42
FCE Bank 2.759% 13/11/2019	£200,000	201	0.09
Firstgroup 5.25% 29/11/2022	£750,000	806	0.35
Friends Life Holdings 8.25% 21/4/2022	£1,000,000	1,179	0.52
GlaxoSmithKline 5.25% 10/4/2042	£900,000	1,272	0.56
GlaxoSmithKline 6.375% 9/3/2039	£500,000	774	0.34
GlaxoSmithKline Capital 4.25% 18/12/2045	£600,000	758	0.33
Great Rolling Stock 6.875% 27/7/2035	£500,000	473	0.21
Hammerson 6% 23/2/2026	£300,000	349	0.15
+HSBC Bank 4.75% 24/3/2046	£500,000	590	0.26
+HSBC Holdings 2.175% variable rate 27/6/2023	£485,000	486	0.21
+HSBC Holdings 2.625% 16/8/2028	£500,000	500	0.22
+HSBC Holdings 6% 29/3/2040	£550,000	708	0.31
+HSBC Holdings 6.75% 11/9/2028	£800,000	1,021	0.45
+HSBC Holdings 7% (London listed) 7/4/2038	£550,000	775	0.34
Hutchison Whampoa Finance 5.625% 24/11/2026	£500,000	622	0.27
Imperial Brands 5.5% 28/9/2026	£510,000	594	0.26
Imperial Brands 8.125% 15/3/2024	£500,000	629	0.28
Imperial Brands 9% 17/2/2022	£600,000	711	0.31
InterContinental Hotels 3.875% 28/11/2022	£500,000	534	0.24
Intu Metrocentre Finance 4.125% 6/12/2028	£700,000	708	0.31
Intu SGS Finance 4.25% 17/9/2035	£770,000	765	0.34
Juturna (Euro Loan Conduit No.16) 5.0636% 10/8/2033	£600,000	619	0.27
Land Securities 1.974% 8/2/2026	£162,000	163	0.07
Land Securities 2.75% 22/9/2059	£200,000	202	0.09
Land Securities 5.391% 31/3/2027	£450,000	536	0.24
Legal and General Group 5.125% variable rate 14/11/2048	£167,000	179	0.08
Legal and General Group 5.5% variable rate 27/6/2064	£500,000	540	0.24
Liberty Living Finance 2.625% 28/11/2024	£100,000	100	0.04
Lloyds Banking Group 5.125% 7/3/2025	£850,000	1,019	0.45
Lloyds Banking Group 6% 8/2/2029	£600,000	819	0.36
Lloyds Banking Group 6.5% 17/9/2040	£385,000	616	0.27
Lloyds Banking Group 7.625% 22/4/2025	£500,000	639	0.28
London & Quadrant 2.25% 20/7/2029	£242,000	236	0.10
London & Quadrant 2.625% 28/2/2028	£300,000	303	0.13



## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
London & Quadrant 2.75% 20/7/2057	£152,000	136	0.06
London & Quadrant 3.75% 27/10/2049	£250,000	275	0.12
Longstone Finance 4.791% 19/4/2036	£350,000	232	0.10
Manchester Airport Group Funding 2.875% 31/3/2039	£369,000	368	0.16
Manchester Airport Group Funding 4.75% 31/3/2034	£250,000	312	0.14
Marks & Spencer 3% 8/12/2023	£100,000	101	0.04
Marks & Spencer 4.75% 12/6/2025	£500,000	540	0.24
Meadowhall Finance 4.986% 12/1/2032	£600,000	525	0.23
Mitchells & Butler 5.965% 15/12/2023	£396,000	113	0.05
Morrison Supermarkets 4.75% 4/7/2029	£340,000	397	0.17
Motability Operations Group 2.375% 14/3/2032	£339,000	343	0.15
Motability Operations Group 3.625% 10/3/2036	£700,000	813	0.36
National Grid Electricity Transmission 2.75% 6/2/2035	£100,000	104	0.05
Nationwide Building Society 5.625% 28/1/26	£500,000	633	0.28
NewRiver REIT 3.5% 7/3/2028	£185,000	182	0.08
Next 3.625% 18/5/2028	£500,000	512	0.23
NIE Finance 6.375% 2/6/2026	£400,000	509	0.22
Northern Gas 5.625% 23/3/2040	£600,000	856	0.38
Northern Powergrid 7.25% 15/12/2020	£540,000	645	0.28
Northumbrian Water Finance 1.625% 11/10/2026	£1,200,000	1,151	0.51
Northumbrian Water Finance 2.375% 5/10/2027	£464,000	466	0.21
Notting Hill Housing Trust 3.25% 12/10/2048	£500,000	493	0.22
Orbit Capital 3.375% 14/6/2048	£500,000	525	0.23
Peabody Capital No Two 4.625% 12/12/2053	£200,000	264	0.12
Pension Insurance Corporation 5.625% 20/12/2030	£500,000	494	0.22
Places for People Treasury 2.875% 17/8/2026	£400,000	396	0.17
Principality Building Society 2.375% 23/11/2023	£170,000	168	0.07
Prs Finance 2% 23/1/2029	£300,000	308	0.14
Prudential 5% variable rate 20/7/2055	£200,000	218	0.10
Prudential 5.625% variable rate 20/10/2051	£177,000	187	0.08
Prudential 5.7% variable rate 19/12/2063	£585,000	697	0.31
Quadrant Housing 7.93% Step 10/2/2033	£500,000	671	0.30
RAC Bond 4.65% 6/5/2023	£850,000	851	0.37
RL Finance Bonds 6.125% variable rate 30/11/2043	£200,000	222	0.10
Rolls-Royce 3.375% 18/6/2026	£350,000	374	0.16
Royal Bank of Scotland 2.875% variable rate 19/9/2026	£600,000	598	0.26
Sanctuary Capital 5% 26/4/2047	£400,000	558	0.25
Santander UK Group Holdings 2.92% variable rate 8/5/2026	£400,000	405	0.18
Santander UK Group Holdings 3.625% 14/1/2026	£550,000	579	0.25
Santander UK Group Holdings 5.125% 14/4/2021	£1,500,000	1,610	0.71
Santander UK Group Holdings 5.75% 2/3/2026	£500,000	635	0.28
Scottish & Southern Energy 8.375% 20/11/2028	£500,000	746	0.33
Segro 2.375% 11/10/2029	£250,000	248	0.11
Segro 2.875% 11/10/2037	£250,000	246	0.11
Severn Trent Utilities Finance 1.125% 7/9/2021	£689,000	685	0.30
Severn Trent Utilities Finance 6.25% 7/6/2029	£600,000	807	0.36

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Sky 2.875% 24/11/2020	£500,000	512	0.23
Society of Lloyds 4.875% variable rate 7/2/2047	£100,000	107	0.05
Southern Gas Networks 4.875% 21/3/2029	£765,000	936	0.41
SPD Finance UK 5.875% 17/7/2026	£700,000	863	0.38
SSE 3.625% variable rate 16/9/2077	£250,000	250	0.11
SSE 3.875% variable rate perpetual	£1,000,000	1,010	0.44
Standard Chartered 4.375% 18/1/2038	£500,000	619	0.27
Telereal Securitisation 5.5534% 10/12/2031	£250,000	230	0.10
Telereal Securitisation 6.1645% 10/12/2033	£340,000	385	0.17
Thames Water 5.125% 28/9/2037	£416,000	529	0.23
THFC 5.2% 11/10/2043	£780,000	1,067	0.47
Tritax Big Box REIT 2.625% 14/12/2026	£109,000	109	0.05
Tritax Big Box REIT 3.125% 14/12/2031	£109,000	110	0.05
Unilever 1.125% 3/2/2022	£322,000	322	0.14
Unite (USAF) II 3.374% 30/6/2023	£650,000	689	0.30
Unite (USAF) II 3.921% 30/6/2030	£675,000	743	0.33
United Utilities 2% 14/2/2025	£318,000	319	0.14
United Utilities 5.75% 25/3/2022	£750,000	843	0.37
University of Cambridge 2.35% 27/6/2078	£500,000	506	0.22
University of Oxford 2.544% 8/12/2117	£300,000	301	0.13
Virgin Money 3.375% variable rate 24/4/2026	£264,000	264	0.12
Vodafone 3% 12/8/2056	£500,000	414	0.18
Vodafone 3.375% 8/8/2049	£700,000	632	0.28
Wales & West Utilities Finance 3% 3/8/2038	£250,000	263	0.12
Wellcome Trust 2.517% 7/2/2118	£300,000	295	0.13
Wellcome Trust 4% 9/5/2059	£200,000	301	0.13
Western Power Distribution 2.375% 16/5/2029	£422,000	420	0.18
Western Power Distribution 3.5% 16/10/2026	£300,000	309	0.14
Western Power Distribution 5.75% 16/4/2032	£460,000	613	0.27
Western Power Distribution 5.75% Step 10/12/2040	£315,000	478	0.21
WM Treasury 2 3.25% 20/10/2048	£500,000	522	0.23
Yorkshire Building Society 3.375% variable rate 13/9/2028	£140,000	135	0.06
Yorkshire Building Society 3.5% 21/4/2026	£150,000	159	0.07
Zurich Finance 6.625% variable rate perpetual	£340,000	376	0.17
<b>Total Corporate Bonds</b>		<b>84,401</b>	<b>37.15</b>
<b>Public Authorities - 1.26% (1.21%)</b>			
Equity Release Funding 3 5.05% 26/4/2033	£400,000	495	0.22
Transport for London 2.25% 9/8/2022	£700,000	721	0.32
Transport for London 3.625% 15/5/2045	£850,000	1,029	0.45
Transport for London 4% 12/9/2033	£500,000	612	0.27
<b>Total Public Authorities</b>		<b>2,857</b>	<b>1.26</b>
<b>Total United Kingdom</b>		<b>90,552</b>	<b>39.86</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UNITED STATES - 11.57% (12.58%)</b>			
<b>Corporate Bonds - 11.57% (12.58%)</b>			
American Honda Finance 1.3% 21/3/2022	£500,000	499	0.22
American International Group 5% 26/4/2023	£700,000	778	0.34
Amgen 5.5% 7/12/2026	£820,000	1,005	0.44
Apple 3.05% 31/7/2029	£800,000	889	0.39
Apple 3.6% 31/7/2042	£250,000	304	0.13
AT&T 2.9% 4/12/2026	£100,000	102	0.05
AT&T 4.875% 1/6/2044	£800,000	936	0.41
AT&T 7% 30/4/2040	£600,000	881	0.39
Bank of America 2.3% 25/7/2025	£500,000	503	0.22
Bank of America 7% 31/7/2028	£600,000	822	0.36
Brown Forman 2.6% 7/7/2028	£1,000,000	1,038	0.46
Citi Group 2.75% 24/1/2024	£255,000	261	0.12
Citi Group 5.15% 21/5/2026	£300,000	354	0.16
Citi Group 7.375% 1/9/2039	£450,000	752	0.33
Comcast 5.5% 23/11/2029	£440,000	575	0.25
Digital Stout Holding 3.75% 17/10/2030	£200,000	207	0.09
Digital Stout Holding 4.25% 17/1/2025	£600,000	649	0.29
Digital Stout Holding 4.75% 13/10/2023	£500,000	550	0.24
General Motors Financial 2.25% 6/9/2024	£323,000	313	0.14
Goldman Sachs 3.125% 25/7/2029	£1,000,000	1,016	0.45
Goldman Sachs 7.25% 10/4/2028	£850,000	1,145	0.50
JP Morgan Chase 3.5% 18/12/2026	£350,000	385	0.17
McDonalds 4.125% 11/6/2054	£200,000	245	0.11
Met Life Global Funding 3.5% 30/9/2026	£700,000	778	0.34
Metropolitan Life Global Funding 1.625% 9/6/2022	£250,000	251	0.11
Morgan Stanley 2.625% 9/3/2027	£368,000	371	0.16
Nestle Holdings 1% 11/6/2021	£375,000	375	0.17
Pfizer 2.735% 15/6/2043	£1,155,000	1,199	0.53
Procter and Gamble 1.8% 3/5/2029	£385,000	387	0.17
Prologis 2.25% 30/6/2029	£375,000	369	0.16
Time Warner Cable 5.75% 2/6/2031	£650,000	772	0.34
Toyota Motor Credit 1% 27/9/2022	£350,000	347	0.15
Toyota Motor Credit 1.125% 7/9/2021	£253,000	253	0.11
UPS 5.125% 12/2/2050	£250,000	380	0.17
Verizon Communications 4.75% 17/2/2034	£500,000	618	0.27
Walgreens Boots Alliance 2.875% 20/11/2020	£1,000,000	1,019	0.45
Wal-Mart Stores 5.25% 28/9/2035	£420,000	597	0.26
Wal-Mart Stores 5.625% 27/3/2034	£400,000	574	0.25
Wells Fargo 1.375% 30/6/2022	£440,000	435	0.19
Wells Fargo 2% 28/7/2025	£1,000,000	983	0.43
Wells Fargo 2.125% 20/12/2023	£600,000	602	0.27
Wells Fargo 4.875% 29/11/2035	£300,000	369	0.16
Welltower 4.5% 1/12/2034	£450,000	517	0.23
Welltower 4.8% 20/11/2028	£500,000	580	0.26
Westfield America Manage 2.625% 30/3/2029	£300,000	301	0.13
<b>Total Corporate Bonds</b>		<b>26,286</b>	<b>11.57</b>
<b>Total United States</b>		<b>26,286</b>	<b>11.57</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>AUSTRALIA - 1.94% (1.99%)</b>			
<b>Corporate Bonds - 1.94% (1.99%)</b>			
BHP Billiton Finance 4.3% 25/9/2042	£580,000	753	0.33
National Australia Bank 0.875% 26/6/2020	£1,000,000	996	0.44
Scentre Management 3.875% 16/7/2026	£500,000	542	0.24
SGSP Australia Assets 5.125% 11/2/2021	£800,000	847	0.37
Toyota Finance 1.625% 11/7/2022	£750,000	759	0.33
Westpac Banking 2.625% 14/12/2022	£500,000	520	0.23
<b>Total Corporate Bonds</b>		<b>4,417</b>	<b>1.94</b>
<b>Total Australia</b>		<b>4,417</b>	<b>1.94</b>
<b>AUSTRIA - 0.22% (0.27%)</b>			
<b>Government Bonds - 0.22% (0.27%)</b>			
Oesterreichische Kontrollbank 0.75% 7/3/2022	£500,000	495	0.22
<b>Total Government Bonds</b>		<b>495</b>	<b>0.22</b>
<b>Total Austria</b>		<b>495</b>	<b>0.22</b>
<b>BELGIUM - 0.63% (0.80%)</b>			
<b>Corporate Bonds - 0.63% (0.80%)</b>			
Anheuser-Busch InBev 2.25% 24/5/2029	£513,000	497	0.22
Anheuser-Busch InBev 2.85% 25/5/2037	£339,000	326	0.14
Anheuser-Busch InBev 9.75% 30/7/2024	£450,000	620	0.27
<b>Total Corporate Bonds</b>		<b>1,443</b>	<b>0.63</b>
<b>Total Belgium</b>		<b>1,443</b>	<b>0.63</b>
<b>BERMUDA - 0.12% (0.16%)</b>			
<b>Corporate Bonds - 0.12% (0.16%)</b>			
Hiscox 6.125% variable rate 24/11/2045	£250,000	275	0.12
<b>Total Corporate Bonds</b>		<b>275</b>	<b>0.12</b>
<b>Total Bermuda</b>		<b>275</b>	<b>0.12</b>
<b>CANADA - 0.85% (0.50%)</b>			
<b>Corporate Bonds - 0.10% (0.13%)</b>			
Bank of Montreal 1.375% 29/12/2021	£235,000	235	0.10
<b>Total Corporate Bonds</b>		<b>235</b>	<b>0.10</b>
<b>Public Authorities - 0.75% (0.37%)</b>			
Province of Quebec Canada 0.875% 24/5/2022	£700,000	693	0.31
Province of Quebec Canada 1.5% 15/12/2023	£1,000,000	1,007	0.44
<b>Total Public Authorities</b>		<b>1,700</b>	<b>0.75</b>
<b>Total Canada</b>		<b>1,935</b>	<b>0.85</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>CAYMAN ISLANDS - 1.90% (2.37%)</b>			
<b>Corporate Bonds - 1.90% (1.94%)</b>			
DWR Cymru Financing 2.5% 31/3/2036	£159,000	163	0.07
Phoenix Group 5.75% variable rate perpetual	£312,000	271	0.12
Southern Water 6.192% 31/3/2029	£761,000	1,026	0.45
Thames Water Utilities Cayman Finance 1.875% 24/1/2024	£184,000	182	0.08
Thames Water Utilities Cayman Finance 2.375% 3/5/2023	£248,000	244	0.11
Thames Water Utilities Cayman Finance 2.625% 24/1/2032	£234,000	228	0.10
Thames Water Utilities Cayman Finance 4% 19/6/2025	£500,000	546	0.24
Thames Water Utilities Cayman Finance 7.738% 9/4/2058	£250,000	470	0.21
Yorkshire Water Services 3.625% 1/8/2029	£1,050,000	1,173	0.52
<b>Total Corporate Bonds</b>		<b>4,303</b>	<b>1.90</b>
<b>Public Authorities - 0.00% (0.43%)</b>			
<b>Total Cayman Islands</b>		<b>4,303</b>	<b>1.90</b>
<b>CHANNEL ISLANDS - 3.24% (4.20%)</b>			
<b>Government Bonds - 0.26% (0.31%)</b>			
States of Guernsey 3.375% 12/12/2046	£500,000	582	0.26
<b>Total Government Bonds</b>		<b>582</b>	<b>0.26</b>
<b>Corporate Bonds - 2.98% (3.89%)</b>			
AA Bond 4.2487% 31/7/2043	£570,000	580	0.26
AA Bond 4.875% 31/7/2043	£602,000	600	0.26
CPUK Finance 7.239% 28/2/2042	£400,000	483	0.21
Credit Suisse Funding 3% 27/5/2022	£800,000	828	0.36
Gatwick Airport 6.125% 2/3/2028	£700,000	866	0.38
Gatwick Funding 3.125% 28/9/2041	£179,000	182	0.08
Gatwick Funding 5.75% 23/1/2037	£250,000	344	0.15
Heathrow Funding 4.625% 31/10/2046	£250,000	325	0.14
Heathrow Funding 5.875% 13/5/2041	£440,000	646	0.28
Heathrow Funding 6.45% 10/12/2031	£575,000	818	0.36
Heathrow Funding 6.75% 3/12/2026	£500,000	659	0.29
Heathrow Funding 7.125% 14/2/2024	£396,000	477	0.21
<b>Total Corporate Bonds</b>		<b>6,808</b>	<b>2.98</b>
<b>Total Channel Islands</b>		<b>7,390</b>	<b>3.24</b>
<b>DENMARK - 0.64% (1.25%)</b>			
<b>Corporate Bonds - 0.64% (1.25%)</b>			
Dong Energy 4.875% 12/1/2032	£750,000	937	0.41
Dong Energy 5.75% 9/4/2040	£250,000	363	0.16
Orsted 2.125% 17/5/2027	£158,000	158	0.07
<b>Total Corporate Bonds</b>		<b>1,458</b>	<b>0.64</b>
<b>Total Denmark</b>		<b>1,458</b>	<b>0.64</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>FRANCE - 7.08% (7.17%)</b>			
<b>Corporate Bonds - 5.04% (5.17%)</b>			
AXA 5.625% variable rate 16/1/2054	£725,000	812	0.36
Banque Federative du Credit 0.875% 8/6/2020	£600,000	597	0.26
Banque Federative du Credit 1.375% 20/12/2021	£300,000	298	0.13
BNP Paribas 2.375% 20/11/2019	£500,000	503	0.22
BNP Paribas 3.375% 23/1/2026	£200,000	208	0.09
BPCE 5.25% 16/4/2029	£300,000	351	0.16
Credit Agricole London 5.5% 17/12/2021	£747,000	826	0.36
Dexia Credit Local 2% 17/6/2020	£800,000	807	0.36
Électricité de France 5.5% 17/10/2041	£1,500,000	2,070	0.91
Électricité de France 5.875% variable rate perpetual	£200,000	204	0.09
Électricité de France 6% 23/1/2114	£700,000	1,047	0.46
Électricité de France 6% variable rate perpetual	£600,000	621	0.27
GDF Suez 5% 1/10/2060	£500,000	769	0.34
Orange 3.25% 15/1/2032	£200,000	212	0.09
Orange 5.375% 22/11/2050	£200,000	287	0.13
Orange 5.75% variable rate perpetual	£500,000	545	0.24
Orange 5.875% variable rate perpetual	£550,000	592	0.26
Total Capital International 1.75% 7/7/2025	£340,000	345	0.15
Veolia Environnement 6.125% 29/10/2037	£250,000	370	0.16
<b>Total Corporate Bonds</b>		<b>11,464</b>	<b>5.04</b>
<b>Public Authorities - 2.04% (2.00%)</b>			
Caisse Francaise de Financemen 5.5% 16/7/2026	£183,000	231	0.10
SNCF Reseau 4.83% 25/3/2060	£300,000	501	0.22
SNCF Reseau 5.25% 7/12/2028	£1,300,000	1,697	0.75
SNCF Reseau 5.5% 1/12/2021	£2,000,000	2,214	0.97
<b>Total Public Authorities</b>		<b>4,643</b>	<b>2.04</b>
<b>Total France</b>		<b>16,107</b>	<b>7.08</b>
<b>GERMANY - 6.70% (6.04%)</b>			
<b>Government Bonds - 4.34% (1.85%)</b>			
Kredit Fuer Wiederaufbau 1% 15/12/2022	£1,500,000	1,496	0.66
Kredit Fuer Wiederaufbau 1.125% 7/12/2021	£1,000,000	1,002	0.44
Kredit Fuer Wiederaufbau 1.25% 29/12/2023	£2,000,000	2,011	0.89
Kredit Fuer Wiederaufbau 5% 9/6/2036	£550,000	824	0.36
Kredit Fuer Wiederaufbau 5.5% 18/6/2025	£500,000	624	0.27
Kredit Fuer Wiederaufbau 5.55% 7/6/2021	£800,000	875	0.39
Kredit Fuer Wiederaufbau 5.75% 7/6/2032	£700,000	1,047	0.46
Kredit Fuer Wiederaufbau 6% 7/12/2028	£500,000	705	0.31
Landwirtschaftliche Rentenbank 1.375% 16/12/2024	£450,000	454	0.20
Landwirtschaftliche Rentenbank 1.375% 8/9/2025	£800,000	807	0.36
<b>Total Government Bonds</b>		<b>9,845</b>	<b>4.34</b>

## Portfolio Statement

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Corporate Bonds - 1.70% (4.19%)</b>			
BASF 1.375% 21/6/2022	£222,000	224	0.10
BASF 1.75% 11/3/2025	£583,000	590	0.26
Bayerische Landesbank 1.25% 20/12/2021	£300,000	299	0.13
Deutsche Bahn Finance 2.75% 20/6/2022	£500,000	521	0.23
Deutsche Bahn Finance 3.125% 24/7/2026	£500,000	548	0.24
Deutsche Bank 1.75% 16/12/2021	£900,000	883	0.39
Deutsche Bank 1.875% 28/2/2020	£300,000	299	0.13
Landeskreditbank Baden-Wuerttemberg 1.375% 15/12/2023	£500,000	504	0.22
<b>Total Corporate Bonds</b>		<b>3,868</b>	<b>1.70</b>
<b>Public Authorities - 0.66% (0.00%)</b>			
FMS Wertmanagement 1.125% 15/9/2021	£500,000	501	0.22
FMS Wertmanagement 1.125% 7/9/2023	£1,000,000	999	0.44
<b>Total Public Authorities</b>		<b>1,500</b>	<b>0.66</b>
<b>Total Germany</b>		<b>15,213</b>	<b>6.70</b>
<b>IRELAND - 2.14% (3.39%)</b>			
<b>Corporate Bonds - 1.40% (1.72%)</b>			
FCA Bank 1.625% 29/9/2021	£500,000	492	0.22
Freshwater Finance 4.607% 17/10/2036	£120,000	151	0.07
GE Capital UK Funding 4.125% 13/9/2023	£500,000	535	0.24
GE Capital UK Funding 4.375% 31/7/2019	£200,000	201	0.09
GE Capital UK Funding 5.875% 18/1/2033	£700,000	858	0.38
GE Capital UK Funding 8% 14/1/2039	£500,000	754	0.33
PGH Capital 4.125% 20/7/2022	£154,000	158	0.07
<b>Total Corporate Bonds</b>		<b>3,149</b>	<b>1.40</b>
<b>Financials - 0.74% (1.67%)</b>			
+*HSBC Global Sterling Liquidity Fund	£1,674,797	1,675	0.74
<b>Total Financials</b>		<b>1,675</b>	<b>0.74</b>
<b>Total Ireland</b>		<b>4,824</b>	<b>2.14</b>
<b>ITALY - 1.12% (0.63%)</b>			
<b>Government Bonds - 0.51% (0.33%)</b>			
Italy (Government) 6% 4/8/2028	£1,000,000	1,153	0.51
<b>Total Government Bonds</b>		<b>1,153</b>	<b>0.51</b>
<b>Corporate Bonds - 0.61% (0.30%)</b>			
Assicurazioni Generali 6.269% perpetual	£200,000	205	0.09
Enel 5.75% 22/6/2037	£250,000	317	0.14
Enel 7.75% variable rate 10/9/2075	£800,000	855	0.38
<b>Total Corporate Bonds</b>		<b>1,377</b>	<b>0.61</b>
<b>Total Italy</b>		<b>2,530</b>	<b>1.12</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>JAPAN - 0.70% (0.89%)</b>			
<b>Government Bonds - 0.44% (0.58%)</b>			
Japan Finance 5.75% 9/8/2019	£1,000,000	1,010	0.44
<b>Total Government Bonds</b>		<b>1,010</b>	<b>0.44</b>
<b>Corporate Bonds - 0.26% (0.31%)</b>			
East Japan Railway 4.75% 8/12/2031	£450,000	590	0.26
<b>Total Corporate Bonds</b>		<b>590</b>	<b>0.26</b>
<b>Total Japan</b>		<b>1,600</b>	<b>0.70</b>
<b>LUXEMBOURG - 0.70% (0.30%)</b>			
<b>Corporate Bonds - 0.70% (0.30%)</b>			
Gazprom 5.338% 25/9/2020	£1,000,000	1,044	0.46
Glencore Finance Europe 5.5% 3/4/2022	£485,000	538	0.24
<b>Total Corporate Bonds</b>		<b>1,582</b>	<b>0.70</b>
<b>Total Luxembourg</b>		<b>1,582</b>	<b>0.70</b>
<b>MEXICO - 0.99% (0.91%)</b>			
<b>Government Bonds - 0.20% (0.26%)</b>			
United Mexican States 5.625% 19/3/2114	£450,000	461	0.20
<b>Total Government Bonds</b>		<b>461</b>	<b>0.20</b>
<b>Corporate Bonds - 0.79% (0.65%)</b>			
America Movil 4.375% 7/8/2041	£600,000	744	0.33
America Movil 6.375% variable rate 6/9/2073	£1,000,000	1,052	0.46
<b>Total Corporate Bonds</b>		<b>1,796</b>	<b>0.79</b>
<b>Total Mexico</b>		<b>2,257</b>	<b>0.99</b>
<b>NETHERLANDS - 7.78% (6.63%)</b>			
<b>Corporate Bonds - 7.25% (6.63%)</b>			
ABN AMRO Bank 1.375% 7/6/2022	£700,000	698	0.31
ABN AMRO Bank 1% 30/6/2020	£200,000	199	0.09
Aegon 6.125% 15/12/2031	£250,000	348	0.15
Allianz Finance II 4.5% 13/3/2043	£400,000	556	0.25
BMW Finance 0.875% 16/8/2022	£750,000	735	0.32
BMW International Investment 1.875% 11/9/2023	£571,000	574	0.25
Daimler 1% 20/12/2019	£375,000	374	0.16
Daimler 1.5% 13/1/2022	£191,000	191	0.08
Daimler 2.75% 4/12/2020	£633,000	645	0.28
Daimler International Finance 1.5% 18/8/2021	£400,000	400	0.18
Daimler International Finance 2% 4/9/2023	£200,000	201	0.09
Deutsche Telekom 1.25% 6/10/2023	£1,000,000	984	0.43
Deutsche Telekom 2.25% 13/4/2029	£500,000	487	0.21
Deutsche Telekom 2.5% 10/10/2025	£100,000	102	0.05
E.ON International Finance 5.875% 30/10/2037	£1,500,000	2,079	0.92
E.ON International Finance 6.75% 27/1/2039	£100,000	153	0.07



**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Enel Finance 5.75% 14/9/2040	£800,000	1,033	0.45
Innogy Finance 5.625% 6/12/2023	£800,000	935	0.41
Innogy Finance 6.125% 6/7/2039	£500,000	720	0.32
Koninklijke 5.75% 17/9/2029	£440,000	506	0.22
Lafarge Holcim Sterling Finance 3% 12/5/2032	£144,000	139	0.06
Rabobank Nederland 4% 19/9/2022	£500,000	541	0.24
Rabobank Nederland 5.375% 3/8/2060	£300,000	512	0.23
Siemens Financieringsmat 2.75% 10/9/2025	£500,000	537	0.24
Swiss Reinsurance 6.3024% variable perpetual	£300,000	300	0.13
Volkswagen Financial Services 1.75% 12/9/2022	£750,000	747	0.33
Volkswagen Financial Services 1.875% 7/9/2021	£300,000	301	0.13
Volkswagen Financial Services 2.25% 12/4/2025	£373,000	366	0.16
Volkswagen Financial Services 2.625% 22/7/2019	£1,100,000	1,103	0.49
<b>Total Corporate Bonds</b>		<b>16,466</b>	<b>7.25</b>
<b>Public Authorities - 0.53% (0.00%)</b>			
Bank Nederlandse Gemeenten 1.0% 17/6/2022	£800,000	797	0.35
Bank Nederlandse Gemeenten 1.625% 26/8/2025	£400,000	406	0.18
<b>Total Public Authorities</b>		<b>1,203</b>	<b>0.53</b>
<b>Total Netherlands</b>		<b>17,669</b>	<b>7.78</b>
<b>NORWAY - 1.06% (0.40%)</b>			
<b>Corporate Bonds - 0.80% (0.40%)</b>			
Equinor 6.875% 11/3/2031	£1,200,000	1,826	0.80
<b>Total Corporate Bonds</b>		<b>1,826</b>	<b>0.80</b>
<b>Public Authorities - 0.26% (0.00%)</b>			
Kommunalbanken 1.125% 15/12/2021	£600,000	600	0.26
<b>Total Public Authorities</b>		<b>600</b>	<b>0.26</b>
<b>Total Norway</b>		<b>2,426</b>	<b>1.06</b>
<b>SINGAPORE - 0.26% (0.00%)</b>			
<b>Public Authorities - 0.26% (0.00%)</b>			
Temasek Financial 5.125% 26/7/2040	£400,000	596	0.26
<b>Total Public Authorities</b>		<b>596</b>	<b>0.26</b>
<b>Total Singapore</b>		<b>596</b>	<b>0.26</b>
<b>SOUTH KOREA - 0.22% (0.27%)</b>			
<b>Public Authorities - 0.22% (0.27%)</b>			
Korea Development Bank 1.75% 15/12/2022	£500,000	501	0.22
<b>Total Public Authorities</b>		<b>501</b>	<b>0.22</b>
<b>Total South Korea</b>		<b>501</b>	<b>0.22</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>SPAIN - 0.37% (0.47%)</b>			
<b>Corporate Bonds - 0.37% (0.47%)</b>			
Telefonica Emisiones S.A.U 5.289% 9/12/2022	£750,000	839	0.37
<b>Total Corporate Bonds</b>		<b>839</b>	<b>0.37</b>
<b>Total Spain</b>		<b>839</b>	<b>0.37</b>
<b>SUPRANATIONAL - 7.61% (4.37%)</b>			
<b>Supranational Bonds - 7.61% (4.37%)</b>			
Asian Development Bank 1.375% 15/12/2023	£500,000	505	0.22
European Investment Bank 0.875% 15/3/2021	£1,500,000	1,499	0.66
European Investment Bank 1.0% 21/9/2026	£1,000,000	978	0.43
European Investment Bank 1.375% 7/3/2025	£750,000	756	0.33
European Investment Bank 2.5% 31/10/2022	£1,000,000	1,049	0.46
European Investment Bank 3.875% 8/6/2037	£500,000	662	0.29
European Investment Bank 4.25% 7/12/2021	£500,000	541	0.24
European Investment Bank 4.5% 7/3/2044	£400,000	610	0.27
European Investment Bank 4.625% 12/10/2054	£400,000	691	0.30
European Investment Bank 5% 15/4/2039	£600,000	924	0.41
European Investment Bank 5.5% 15/4/2025	£1,300,000	1,613	0.71
European Investment Bank 5.625% 7/6/2032	£800,000	1,174	0.52
European Investment Bank 6% 7/12/2028	£1,500,000	2,104	0.93
IBRD 0.375% 15/6/2021	£1,000,000	988	0.44
IBRD 0.75% 7/12/2021	£1,200,000	1,192	0.52
Inter American Development Bank 1.25% 15/12/2023	£500,000	502	0.22
International Finance 1.25% 15/12/2023	£500,000	502	0.22
Nordic Investment Bank 1.125% 16/3/2022	£1,000,000	1,003	0.44
<b>Total Supranational Bonds</b>		<b>17,293</b>	<b>7.61</b>
<b>Total Supranational</b>		<b>17,293</b>	<b>7.61</b>
<b>SWEDEN - 0.98% (0.95%)</b>			
<b>Corporate Bonds - 0.98% (0.95%)</b>			
Skandinaviska Enskilda 1.25% 5/8/2022	£600,000	594	0.26
Svenska Handelsbanken 1.625% 18/6/2022	£472,000	474	0.21
Swedbank 1.25% 29/12/2021	£201,000	199	0.09
Vattenfall 6.125% 16/12/2019	£350,000	360	0.16
Vattenfall 6.875% 15/4/2039	£360,000	592	0.26
<b>Total Corporate Bonds</b>		<b>2,219</b>	<b>0.98</b>
<b>Total Sweden</b>		<b>2,219</b>	<b>0.98</b>
<b>SWITZERLAND - 0.34% (0.43%)</b>			
<b>Corporate Bonds - 0.34% (0.43%)</b>			
Credit Suisse Group 2.125% variable rate 12/9/2025	£100,000	98	0.04
UBS London 1.25% 10/12/2020	£693,000	692	0.30
<b>Total Corporate Bonds</b>		<b>790</b>	<b>0.34</b>
<b>Total Switzerland</b>		<b>790</b>	<b>0.34</b>

**Portfolio Statement**

as at 15 May 2019

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Futures - 0.01% (0.00%)</b>			
ICF Long Gilt June 2019	£13	12	0.01
<b>Total Futures</b>		<b>12</b>	<b>0.01</b>
<b>Portfolio of investments</b>		<b>225,012</b>	<b>99.03</b>
<b>Net other assets</b>		<b>2,214</b>	<b>0.97</b>
<b>Net assets</b>		<b>227,226</b>	<b>100.00</b>

+related party

\*investment scheme registered outside the UK

Figures in brackets denote the comparative percentage holdings as at 15 May 2018.

Unless otherwise stated, all investments are listed securities.

The counterparty for the future is HSBC.

## Comparative Tables

for the year ended 15 May 2019

<b>Institutional Income#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	96.80p	100.70p	100.00p
Return before operating charges*	4.46p	0.06p	2.01p
Operating charges**	(0.05p)	(0.04p)	(0.05p)
Return after operating charges*	4.41p	0.02p	1.96p
Distributions on income shares	(3.40p)	(3.92p)	(1.26p)
Closing net asset value per share	97.81p	96.80p	100.70p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.56%	0.02%	1.96%
<b>Other information</b>			
Closing net asset value	£149,874,971	£162,575,254	£211,425,785
Closing number of shares	153,222,895	167,989,225	209,861,646
Operating charges - OCF	0.05%	0.04%	0.08%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	99.72p	102.70p	102.00p
Lowest share price	94.69p	98.75p	97.65p

<b>Institutional Accumulation#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	101.90p	102.00p	100.00p
Return before operating charges*	4.85p	(0.06p)	2.03p
Operating charges**	(0.05p)	(0.04p)	(0.03p)
Return after operating charges*	4.80p	(0.10p)	2.00p
Distributions on accumulation shares	(3.61p)	(4.01p)	(1.27p)
Retained distributions on accumulation shares	3.61p	4.01p	1.27p
Closing net asset value per share	106.70p	101.90p	102.00p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.71%	(0.10%)	2.00%
<b>Other information</b>			
Closing net asset value	£2,660,612	£5,894,302	£59,304
Closing number of shares	2,494,423	5,785,785	58,162
Operating charges - OCF	0.05%	0.04%	0.05%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	107.10p	104.60p	102.70p
Lowest share price	101.50p	101.10p	97.64p

#The Fund launched on 24 October 2016.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income C#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	96.80p	100.80p	100.00p
Return before operating charges*	5.48p	(0.04p)	2.07p
Operating charges**	(0.17p)	(0.16p)	(0.10p)
Return after operating charges*	5.31p	(0.20p)	1.97p
Distributions on income shares	(3.25p)	(3.80p)	(1.17p)
Closing net asset value per share	98.86p	96.80p	100.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	5.49%	(0.20%)	1.97%
<b>Other information</b>			
Closing net asset value	£4,549,032	£1,755,821	£1,727,075
Closing number of shares	4,601,667	1,813,318	1,713,497
Operating charges - OCF	0.18%	0.16%	0.17%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	100.10p	102.80p	102.10p
Lowest share price	95.69p	98.80p	97.63p

<b>Accumulation C#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	101.70p	101.90p	100.00p
Return before operating charges*	4.68p	(0.04p)	1.99p
Operating charges**	(0.18p)	(0.16p)	(0.09p)
Return after operating charges*	4.50p	(0.20p)	1.90p
Distributions on accumulation shares	(3.41p)	(3.88p)	(1.17p)
Retained distributions on accumulation shares	3.41p	3.88p	1.17p
Closing net asset value per share	106.20p	101.70p	101.90p
*after direct transaction costs of:***	0.00p	0.00p	0.00p
<b>Performance</b>			
Return after charges	4.42%	(0.20%)	1.90%
<b>Other information</b>			
Closing net asset value	£12,144,617	£84,488	£65,962
Closing number of shares	11,436,747	83,110	64,701
Operating charges - OCF	0.18%	0.16%	0.17%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices</b>			
Highest share price	106.60p	104.50p	102.70p
Lowest share price	101.10p	101.00p	97.63p

#The Fund launched on 24 October 2016.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

for the year ended 15 May 2019

<b>Income S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	96.80p	100.40p	N/A
Return before operating charges*	4.58p	(0.26p)	N/A
Operating charges**	(0.09p)	(0.05p)	N/A
Return after operating charges*	4.49p	(0.31p)	N/A
Distributions on income shares	(3.36p)	(3.29p)	N/A
Closing net asset value per share	97.93p	96.80p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	4.64%	(0.31%)	N/A
<b>Other information</b>			
Closing net asset value	£22,797,761	£11,536,615	N/A
Closing number of shares	23,280,378	11,918,010	N/A
Operating charges - OCF	0.10%	0.08%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	99.74p	101.90p	N/A
Lowest share price	94.79p	98.77p	N/A

<b>Accumulation S#</b>	<b>15.5.19</b>	<b>15.5.18</b>	<b>15.5.17</b>
Change in net assets per share			
Opening net asset value per share	101.80p	102.10p	N/A
Return before operating charges*	4.80p	(0.25p)	N/A
Operating charges**	(0.10p)	(0.05p)	N/A
Return after operating charges*	4.70p	(0.30p)	N/A
Distributions on accumulation shares	(3.50p)	(3.38p)	N/A
Retained distributions on accumulation shares	3.50p	3.38p	N/A
Closing net asset value per share	106.50p	101.80p	N/A
*after direct transaction costs of:***	0.00p	0.00p	N/A
<b>Performance</b>			
Return after charges	4.62%	(0.29%)	N/A
<b>Other information</b>			
Closing net asset value	£35,198,628	£338,673	N/A
Closing number of shares	33,051,662	332,719	N/A
Operating charges - OCF	0.10%	0.08%	N/A
Direct transaction costs	0.00%	0.00%	N/A
<b>Prices</b>			
Highest share price	106.90p	104.20p	N/A
Lowest share price	101.30p	101.10p	N/A

#The Income S and Accumulation S shares classes launched on 10 October 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the year ended 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	2		4,140		(5,767)
Revenue	3	5,465		5,370	
Expenses	4	(155)		(89)	
Net revenue before taxation		5,310		5,281	
Taxation	5	-		-	
Net revenue after taxation			5,310		5,281
Total return/(deficit) before distributions			9,450		(486)
Distributions	6		(7,696)		(8,197)
Change in net assets attributable to shareholders from investment activities			1,754		(8,683)

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 15 May 2019

	15.5.19		15.5.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		182,185		213,278
Amounts receivable on creation of shares	74,896		35,520	
Amounts payable on cancellation of shares	(33,477)		(58,320)	
		41,419		(22,800)
Dilution adjustment		200		208
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		1,754		(8,683)
Retained distribution on accumulation shares		1,668		182
Closing net assets attributable to shareholders		227,226		182,185

## Balance Sheet

as at 15 May 2019

	Notes	15.5.19		15.5.18	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			225,012		182,528
Current assets					
Debtors	8	3,614		3,968	
Cash and bank balances		393		2,828	
Total current assets			4,007		6,796
Total assets			229,019		189,324
<b>Liabilities</b>					
Investment liabilities			-		(1)
Creditors					
Distribution payable on income shares		(1,503)		(3,915)	
Other creditors	9	(290)		(3,223)	
Total creditors			(1,793)		(7,138)
Total liabilities			(1,793)		(7,139)
Net assets attributable to shareholders			227,226		182,185

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 February 2019				
Group 2: Shares purchased from 16 February 2019 to 15 May 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.7.19</i>	<i>Distribution paid 15.7.18</i>
<b>Institutional Income</b>				
Group 1	0.831507	-	0.831507	2.155247
Group 2	0.552961	0.278546	0.831507	2.155247
<b>Institutional Accumulation</b>				
Group 1	0.908116	-	0.908116	2.220537
Group 2	0.406031	0.502085	0.908116	2.220537
<b>Income C</b>				
Group 1	0.819794	-	0.819794	2.125437
Group 2	0.381096	0.438698	0.819794	2.125437
<b>Accumulation C</b>				
Group 1	0.867345	-	0.867345	2.182108
Group 2	0.384699	0.482646	0.867345	2.182108
<b>Income S</b>				
Group 1	0.822423	-	0.822423	2.143763
Group 2	0.421945	0.400478	0.822423	2.143763
<b>Accumulation S</b>				
Group 1	0.893886	-	0.893886	2.205044
Group 2	0.406088	0.487798	0.893886	2.205044



**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 November 2018				
Group 2: Shares purchased from 16 November 2018 to 15 February 2019				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.4.19</i>	<i>Distribution paid 15.4.18</i>
<b>Institutional Income</b>				
Group 1	0.860000	-	0.860000	0.590000
Group 2	0.420000	0.440000	0.860000	0.590000
<b>Institutional Accumulation</b>				
Group 1	0.910000	-	0.910000	0.600000
Group 2	0.330000	0.580000	0.910000	0.600000
<b>Income C</b>				
Group 1	0.830000	-	0.830000	0.560000
Group 2	0.710000	0.120000	0.830000	0.560000
<b>Accumulation C</b>				
Group 1	0.880000	-	0.880000	0.570000
Group 2	0.610000	0.270000	0.880000	0.570000
<b>Income S</b>				
Group 1	0.850000	-	0.850000	0.580000
Group 2	0.260000	0.590000	0.850000	0.580000
<b>Accumulation S</b>				
Group 1	0.900000	-	0.900000	0.600000
Group 2	0.300000	0.600000	0.900000	0.600000

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 August 2018				
Group 2: Shares purchased from 16 August 2018 to 15 November 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.1.19</i>	<i>Distribution paid 15.1.18</i>
<b>Institutional Income</b>				
Group 1	0.850000	-	0.850000	0.590000
Group 2	0.450000	0.400000	0.850000	0.590000
<b>Institutional Accumulation</b>				
Group 1	0.910000	-	0.910000	0.600000
Group 2	0.820000	0.090000	0.910000	0.600000
<b>Income C</b>				
Group 1	0.830000	-	0.830000	0.560000
Group 2	0.450000	0.380000	0.830000	0.560000
<b>Accumulation C</b>				
Group 1	0.870000	-	0.870000	0.570000
Group 2	0.470000	0.400000	0.870000	0.570000
<b>Income S†</b>				
Group 1	0.850000	-	0.850000	0.570000
Group 2	0.680000	0.170000	0.850000	0.570000
<b>Accumulation S†</b>				
Group 1	0.900000	-	0.900000	0.570000
Group 2	0.760000	0.140000	0.900000	0.570000
†The Income S and the Accumulation S share classes launched on 10 October 2017.				

**Distribution Tables (pence per share)**

for the year ended 15 May 2019

Group 1: Shares purchased prior to 16 May 2018 Group 2: Shares purchased from 16 May 2018 to 15 August 2018				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.10.18</i>	<i>Distribution paid 15.10.17</i>
<b>Institutional Income</b>				
Group 1	0.860000	-	0.860000	0.580000
Group 2	0.560000	0.300000	0.860000	0.580000
<b>Institutional Accumulation</b>				
Group 1	0.880000	-	0.880000	0.590000
Group 2	0.480000	0.400000	0.880000	0.590000
<b>Income C</b>				
Group 1	0.770000	-	0.770000	0.550000
Group 2	0.560000	0.210000	0.770000	0.550000
<b>Accumulation C</b>				
Group 1	0.790000	-	0.790000	0.560000
Group 2	0.650000	0.140000	0.790000	0.560000
<b>Income S†</b>				
Group 1	0.840000	-	0.840000	N/A
Group 2	0.310000	0.530000	0.840000	N/A
<b>Accumulation S†</b>				
Group 1	0.810000	-	0.810000	N/A
Group 2	0.580000	0.230000	0.810000	N/A
†The Income S and the Accumulation S share classes launched on 10 October 2017.				

## Notes to the Financial Statements

for the year ended 15 May 2019

	<b>15.5.19</b>	<b>15.5.18</b>
	<b>£'000</b>	<b>£'000</b>
<b>1. Accounting Policies</b>		
The accounting policies are set out on pages 9 and 10.		
<b>2. Net Capital Gains/(Losses)</b>		
The net capital gains/(losses) during the year comprise:		
Transaction charges	(3)	(3)
Gains/(losses) on derivative contracts	106	(136)
Gains/(losses) on non-derivative securities	4,037	(5,628)
Net capital gains/(losses)	<b>4,140</b>	<b>(5,767)</b>
<b>3. Revenue</b>		
Interest on bonds and other debt securities	<b>5,462</b>	5,366
Deposit interest	(3)	3
Bank interest	6	1
Total revenue	<b>5,465</b>	<b>5,370</b>
<b>4. Expenses</b>		
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Authorised Corporate Director's charge	<b>37</b>	4
Safe custody fee	<b>26</b>	27
	<b>63</b>	31
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	<b>26</b>	26
<b>Other expenses:</b>		
Audit fee	<b>6</b>	7
Report and accounts fee	(1)	1
License fee	<b>61</b>	24
	<b>66</b>	32
Total expenses	<b>155</b>	<b>89</b>

**15.5.19**                      15.5.18  
**£'000**                      £'000

## 5. Taxation

### a) Analysis of charge in year:

Corporation tax	-	-
Total tax for the year (note 5b)	-	-

### b) Factors affecting taxation charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%).

The differences are explained below:

Net revenue before taxation	<b>5,310</b>	5,281
Corporation tax at 20%	<b>1,062</b>	1,056
Effects of:		
Tax deductible interest distributions	<b>(1,062)</b>	(1,056)
Current tax charge for the year (note 5a)	-	-

### c) Provision for deferred taxation

At 15 May 2019, there is no potential deferred tax asset (15.5.18: £nil) in relation to surplus management expenses.

## 6. Distributions

The distributions take account of amounts received on the issue of shares and amounts deducted on the cancellation of shares, and comprise:

Interim dividend distribution	<b>5,879</b>	4,009
Final dividend distribution	<b>1,921</b>	4,052
	<b>7,800</b>	8,061
Add: Amounts deducted on cancellation of shares	<b>149</b>	264
Deduct: Amounts received on issue of shares	<b>(253)</b>	(128)
Net distribution for the year	<b>7,696</b>	8,197

## 7. Movement Between Net Revenue and Distributions

Net revenue after taxation	<b>5,310</b>	5,281
Effective yield transferred from capital	<b>2,386</b>	2,916
Net distribution for the year	<b>7,696</b>	8,197

## 8. Debtors

Amounts receivable for creation of shares	<b>209</b>	365
Sales awaiting settlement	-	457
Accrued revenue	<b>3,405</b>	3,146
Total debtors	<b>3,614</b>	3,968

## 9. Other Creditors

Amounts payable for cancellation of shares	<b>122</b>	2,789
Purchases awaiting settlement	<b>157</b>	398
Accrued expenses	<b>11</b>	36
Total other creditors	<b>290</b>	3,223

**10. Reconciliation of Shares**

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
Opening shares issued at 16.5.18	167,989,225	5,785,785	1,813,318	83,110	11,918,010	332,719
<b>Share movements 16.5.18 to 15.5.19</b>						
Shares issued	1,955,005	3,457,712	4,519,951	16,232,817	11,373,440	36,314,735
Shares cancelled	(16,220,623)	(6,749,074)	(2,228,421)	(4,879,180)	(11,072)	(3,595,792)
Shares converted	(500,712)	-	496,819	-	-	-
Closing shares issued at 15.5.19	153,222,895	2,494,423	4,601,667	11,436,747	23,280,378	33,051,662

**11. Ultimate Controlling Party and Transactions**

The Authorised Corporate Director (ACD) is regarded as a controlling party of the Fund by virtue of having the ability to act in concert in respect of Fund operations. The ultimate controlling party of the ACD is HSBC Group plc.

This entity and its subsidiaries are also related parties of the Fund.

At the year end, the ACD and its associates held the following of the Fund's shares in issue:

	<i>Institutional Income</i>	<i>Institutional Accumulation</i>	<i>Income C</i>	<i>Accumulation C</i>	<i>Income S</i>	<i>Accumulation S</i>
	%	%	%	%	%	%
As at 15.5.19	93.08	100.00	0.63	-	-	-
As at 15.5.18	39.31	100.00	6.39	59.98	-	-

Details of all other material related party transactions during the year and any payment amounts outstanding at the balance sheet date are disclosed in notes 8 and 9 to the financial statements and the Statement of Change in Net Assets Attributable to Shareholders and the Portfolio Statement.

The balance due from/to the ACD (including amounts due to associates and agents) at the year end was £77,533 (15.5.18: £2,435,297), further details of such amounts can be found in notes 8 and 9.

At the year end, the Fund held £5,755,428 (15.5.18: £6,269,884) in Authorised Investment Funds managed by HSBC Holdings, the parent company of the ACD. During the period, transactions in Authorised Investment Funds managed by HSBC Holdings totalled £30,228,425 (15.5.18: £70,564,409).

The ACD does not have information to determine if individuals' holdings within the nominee accounts are material. Related party transactions are disclosed within notes 3 and 4. Investments in related parties are disclosed in the Portfolio Statement.

## 12. Financial Instruments

The financial instrument risks and risk management policies are set out on pages 11 and 12.

### Interest Rate Risk

The interest rate profile of the Fund's financial assets and liabilities at 15 May 2019 was:

	<i>Floating rate financial assets/ (liabilities)**</i>		<i>Fixed rate financial assets</i>		<i>Financial assets/(liabilities) not carrying interest</i>		<i>Total</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Sterling	<b>1,542</b>	19,160	<b>222,176</b>	163,154	<b>3,508</b>	(129)	<b>227,226</b>	182,185
Total	<b>1,542</b>	19,160	<b>222,176</b>	163,154	<b>3,508</b>	(129)	<b>227,226</b>	182,185

\*\*Floating rate interest was earned at rates based on LIBOR (London Interbank Offered Rate) or international equivalent.

	<i>Fixed rate financial assets weighted average interest rate</i>		<i>Fixed rate financial assets weighted average period for which rate is fixed</i>	
	<b>15.5.19</b>	15.5.18	<b>15.5.19</b>	15.5.18
	%	%	<b>Years</b>	Years
Sterling	<b>2.13</b>	2.60	<b>11.83</b>	12.70

At the year end, 0.17% (15.5.18: 1.55%) of the Fund's assets by value were interest-bearing.

Interest rates are based upon LIBOR (London Interbank Offered Rate).

The bond ratings for the portfolio at 15 May 2019 were:

<b>Investment</b>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings*		
AAA	39,690	17.77
AA+	1,919	0.86
AA	17,239	7.72
AA-	13,559	6.07
A+	14,037	6.29
A	19,550	8.75
A-	27,236	12.20
BBB+	39,640	17.75
BBB	31,206	13.97
BBB-	13,824	6.19
BB+	205	0.09
BB	825	0.37
Unrated	4,395	1.97
<b>Total Bonds</b>	<b>223,325</b>	<b>100.00</b>

\*ratings supplied by Standard & Poor's

### 13. Shareholders' Funds

This Fund has an institutional share class, a C share class and an S share class.

The annual ACD charge on the institutional share class is nil, 0.12% on the C share class and 0.04% on the S share class.

The net asset value of the share class, the net asset value per share and the number of shares in each class are given in the Comparative Tables on pages 324 to 326. The distribution per share class is given in the Distribution Tables on pages 328 to 331. All share classes within the OEIC have the same rights on winding up.

### 14. Financial Derivatives

The Fund has used financial derivatives for hedging and meeting investment objectives including risk reduction and implementation of investment policies.

The use of derivatives can create additional counterparty risks. Details of the policy adopted by the ACD for managing counterparty and other risks are set out in the Notes to the Financial Statements.

The type of derivatives held at the year end were index futures.

Details of the individual contracts are shown on the portfolio statement on pages 311 to 313, there is no counterparty exposure at the year end.

The economic exposure of future derivative contracts is equal to the market value. The value of exposure and the related counterparty are disclosed in the Portfolio Statement.

Eligible collateral types are approved by the ACD and may consist of cash, UK gilts, certificates of deposit, treasury bills, sovereign debt, eurosterling bonds and equities.

At 15 May 2019, there was no collateral held in respect of the above derivatives (15.5.18: £nil).

### 15. Contingent Liabilities and Commitments

At the year end, the Fund had no contingent liabilities or commitments (15.5.18: none).

### 16. Portfolio Transaction Costs

The purchases and sales of securities incurred no direct transaction costs during the year or previous period.

Total purchases for the year were £81,260,461 (15.5.18: £100,563,218).

Total sales for the year were £40,438,017 (15.5.18: £115,736,898).

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs: Broker commissions, fees and taxes.**

**Indirect transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the Fund's underlying investments.**

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the Fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the Balance Sheet date the portfolio dealing spread was 0.62% (15.5.18: 0.62%) being the difference between the respective bid and offer prices for the Fund's investments.



## 17. Fair Value of Investments

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following classifications:

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

### For the year ended 15 May 2019

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	15,803	207,522	-	223,325
Money market funds	-	1,675	-	1,675
Derivatives	12	-	-	12
	15,815	209,197	-	225,012

### For the year ended 15 May 2018

Category	1	2	3	Total
	£'000	£'000	£'000	£'000
Investment Assets				
Bonds	10,187	169,299	-	179,486
Money market funds	-	3,042	-	3,042
	10,187	172,341	-	182,528
Investment Liabilities				
Derivatives	(1)	-	-	(1)
	(1)	-	-	(1)

## 18. Sensitivity Analysis

### Price risk sensitivity:

If the price of investments at 15 May 2019 had increased or decreased by 10% with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £22,501,242 (15.5.18: £18,252,698).

### Currency risk sensitivity:

At the balance sheet date, the Fund did not have a significant exposure to non-Sterling currency, therefore no sensitivity analysis is disclosed (15.5.18: no significant exposure).

### Interest rate risk sensitivity:

If the interest rate at 15 May 2019 had increased or decreased by 1 basis point with all other variables held constant, this would have increased or decreased the net assets attributable to shareholders by £179,111 (15.5.18: £147,369).

# Employee Remuneration Disclosure

## Remuneration Policy

HSBC Index Tracker Investment Funds are managed by HSBC Global Asset Management (UK) Limited, which is a wholly owned subsidiary of HSBC Holdings plc.

The firm's remuneration practices and policies are governed by the HSBC Group Remuneration Committee in compliance with the relevant regulatory requirements. For details please refer to the HSBC Group Remuneration Policy as published on our website (<http://www.hsbc.com/our-approach/remuneration>).

HSBC Global Asset Management (UK) Limited's remuneration requirements as specified by the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive are covered in the specific remuneration policy published in the HSBC Global Asset Management website (<http://www.global.assetmanagement.hsbc.com/about-us/governance-structure>).

## Remuneration Disclosures

The following tables show the remuneration details, including fixed and variable remuneration, made by HSBC Global Asset Management (UK) Limited to its employees and UCITS Identified staff (Material Risk Takers) for performance year 2018. Individuals have been identified as Material Risk Takers based on the criteria set out in the Financial Conduct Authority's (FCA) UCITS Remuneration Code. The disclosures reflect the requirements of the FCA's COLL Sourcebook.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>Total Employees</b>	343.00	31,608,000.00	15,198,000.00
<b>HSBC Global Asset Management (UK) Ltd</b>			
HSBC Index Tracker - Employees	23.00	7,549,000.00	6,050,000.00
of which Executive and non-executive members of the management body of the management company	7.00	3,648,000.00	3,589,000.00
Senior Management	5.00	1,279,000.00	1,000,000.00
Other Risk Taker	4.00	1,402,000.00	911,000.00
Control Functions, and staff responsible for heading the administration and marketing	7.00	1,220,000.00	550,000.00
<b>FTSE 100*</b>			
Employees	1.36	445,745.51	357,234.11
of which Executive and non-executive members of the management body of the management company	0.41	215,403.31	211,919.54
Senior Management	0.30	75,521.06	59,046.96
Other Risk Taker	0.24	82,783.84	53,791.78
Control Functions, and staff responsible for heading the administration and marketing	0.41	72,037.29	32,475.83
<b>FTSE All-Share*</b>			
Employees	2.85	936,472.55	750,517.81
of which Executive and non-executive members of the management body of the management company	0.87	452,543.63	445,224.53
Senior Management	0.62	158,663.19	124,052.53
Other Risk Taker	0.50	173,921.65	113,011.85
Control Functions, and staff responsible for heading the administration and marketing	0.87	151,344.09	68,228.89

\*the individual fund's figures have been calculated using the net asset value as at 15 May 2019, these have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>FTSE 250*</b>			
Employees	1.93	634,205.98	508,272.11
of which Executive and non-executive members of the management body of the management company	0.59	306,475.48	301,518.78
Senior Management	0.42	107,451.24	84,011.92
Other Risk Taker	0.34	117,784.71	76,534.86
Control Functions, and staff responsible for heading the administration and marketing	0.59	102,494.54	46,206.56
<b>FTSE All-World*</b>			
Employees	3.39	1,114,230.70	892,978.63
of which Executive and non-executive members of the management body of the management company	1.03	538,443.99	529,735.59
Senior Management	0.74	188,780.11	147,599.77
Other Risk Taker	0.59	206,934.88	134,463.39
Control Functions, and staff responsible for heading the administration and marketing	1.03	180,071.74	81,179.87
<b>European Index*</b>			
Employees	2.24	734,417.18	588,584.44
of which Executive and non-executive members of the management body of the management company	0.68	354,901.82	349,161.91
Senior Management	0.49	124,429.67	97,286.68
Other Risk Taker	0.39	136,395.93	88,628.17
Control Functions, and staff responsible for heading the administration and marketing	0.68	118,689.75	53,507.68
<b>American Index*</b>			
Employees	6.71	2,202,643.83	1,765,266.29
of which Executive and non-executive members of the management body of the management company	2.04	1,064,411.80	1,047,196.81
Senior Management	1.46	373,186.05	291,779.55
Other Risk Taker	1.17	409,074.93	265,811.17
Control Functions, and staff responsible for heading the administration and marketing	2.04	355,971.05	160,478.75
<b>Japan Index*</b>			
Employees	2.92	958,138.29	767,881.39
of which Executive and non-executive members of the management body of the management company	0.89	463,013.44	455,525.01
Senior Management	0.63	162,333.93	126,922.54
Other Risk Taker	0.51	177,945.41	115,626.44
Control Functions, and staff responsible for heading the administration and marketing	0.89	154,845.50	69,807.40

\*the individual fund's figures have been calculated using the net asset value as at 15 May 2019, these have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>Pacific Index*</b>			
Employees	0.80	262,644.26	210,491.16
of which Executive and non-executive members of the management body of the management company	0.24	126,920.95	124,868.23
Senior Management	0.17	44,498.87	34,791.93
Other Risk Taker	0.14	48,778.28	31,695.45
Control Functions, and staff responsible for heading the administration and marketing	0.24	42,446.15	19,135.56
<b>UK Gilt Index*</b>			
Employees	0.37	122,465.29	98,147.44
of which Executive and non-executive members of the management body of the management company	0.11	59,180.47	58,223.33
Senior Management	0.08	20,748.86	16,222.72
Other Risk Taker	0.06	22,744.25	14,778.90
Control Functions, and staff responsible for heading the administration and marketing	0.11	19,791.71	8,922.49
<b>Index-Linked Gilt*</b>			
Employees	0.02	6,697.82	5,367.84
of which Executive and non-executive members of the management body of the management company	0.01	3,236.67	3,184.32
Senior Management	0.00	1,134.79	887.25
Other Risk Taker	0.00	1,243.92	808.28
Control Functions, and staff responsible for heading the administration and marketing	0.01	1,082.44	487.99
<b>Sterling Corporate Bond*</b>			
Employees	0.40	131,338.61	105,258.78
of which Executive and non-executive members of the management body of the management company	0.12	63,468.44	62,441.95
Senior Management	0.09	22,252.23	17,398.15
Other Risk Taker	0.07	24,392.20	15,849.71
Control Functions, and staff responsible for heading the administration and marketing	0.12	21,225.74	9,568.98

\*the individual fund's figures have been calculated using the net asset value as at 15 May 2019, these have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

## Statement of Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Company and of the net income or expense and net gains or losses on the property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

# Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the HSBC Index Tracker Investment Funds OEIC ("the Company")

## For the Year 16 May 2018 to 15 May 2019

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Limited  
Quartermile 3,  
10 Nightingale Way  
Edinburgh  
EH3 9EG

31 July 2019



Ewan Gillies (Officer)



Faron Jackson (Assistant Vice President)

# Independent Auditor's Report to the Shareholders of the HSBC Index Tracker Investment Funds OEIC ('the Company')

## Opinion

We have audited the financial statements of the Company for the year ended 15 May 2019 which comprise the Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub-funds listed on page 3 and the accounting policies set out on pages 9 and 10. In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub-funds as at 15 May 2019 and of the net revenue and the net capital gains/losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

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## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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## The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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## Going concern

The Authorised Corporate Director has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its sub-funds or to cease their operations, and as they have concluded that the Company and its sub-funds' financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks to the company's and its sub-funds' business model, including the impact of Brexit, and analysed how those risks might affect the company's and its sub-funds' financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company or its sub-funds will continue in operation.

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### Other information

The Authorised Corporate Director is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

### Authorised Corporate Director's (HSBC Global Asset Management (UK) Limited) responsibilities

As explained more fully in their statement set out on page 341 the Authorised Corporate Director is responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
31 July 2019





## General Information

### How to Buy, Sell or Switch your Investment

- Call our Dealers on 0800 358 3011\*
- or
- Write to our Administration Office at: HSBC Global Asset Management (UK) Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG.

### Switching your Investment

- Some discounts are available for switching between our OEIC Funds.
- Switching from one OEIC Fund to another may create a capital gains tax liability.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current KIID (in conjunction with the Supplementary Information Document (SID)) and Prospectus accompanied by the latest Annual Report and the most recent Interim Report, if published thereafter. Further details of our switching discounts may be obtained by:-

- Telephoning our Customer Services, on 0800 358 3011\*

### Minimum Additional Subscription

- The minimum additional subscription is £500 for retail, £1,000 for the institutional A share class, £1,000,000 for the institutional and C share classes and £10,000,000 for the Z share classes.

### Selling your Investment

You can sell or make a withdrawal at any time.

- You must take at least £100 each time.
- We reserve the right to request that you leave the minimum investment of £1,000 for retail holdings, £1,000,000 for P and Institutional 'A' holdings and £10,000,000 for Institutional holdings or close the investment.
- Settlement is normally made within 3 business days from the receipt of your instructions.

### When we will Buy or Sell your Investment

Share prices are calculated at 12 noon each business day. The price at which shares are bought or sold depends on when we receive your instructions.

- Before 12 noon. That day's share prices will be used.
- After 12 noon. The following business day's prices will be used.

We will send you a contract note within 24 hours of the transaction. This confirms the transaction was made.

### Cancellation Rights

- In certain circumstances we will send you a cancellation notice. If so this will be sent within 7 days of making your investment.
- Return this notice to us within 30 days if you do not wish to proceed with your investment.
- It is possible to receive back less than your original investment, if the value of your shares has fallen.

### Publication of Prices

The prices of shares are updated daily on the following website: [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

Alternatively you can call our Investments Helpline on 0800 358 3011\*.

\* To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us. Lines are open Monday to Friday from 9am to 5pm, excluding public holidays.

## Prospectus

The Prospectus provides further details on our OEICs. For a copy of the latest Prospectus (available free of charge):-

- Telephone our Customer Services on 0800 358 3011\*
- Write to our Administration Office

## Income

Income is distributed or accumulated in the following way:-

- You will receive income payments net of tax. The payment dates for each of the Funds are detailed in the table on pages 357 to 359.
- If you hold accumulation shares, income will be retained within the Fund. No additional shares will be bought. The price of shares will reflect the net income received.

We must disclose details of such distributions to HM Revenue and Customs (HMRC). The distribution also needs to be disclosed on your tax return.

## Income Tax

A tax voucher is sent to all shareholders when distributions are paid or accumulated which will aid completion of tax returns.

### Interest Distributions:

Income that is distributed from our funds as interest is paid or accumulated gross of tax to all shareholders.

A Personal Savings Allowance currently applies for UK individual taxpayers. This means that no tax is payable on savings income, which includes interest distributions, of up to £1,000 for basic rate taxpayers and up to £500 for higher rate taxpayers.

This allowance is not available for additional rate taxpayers. UK taxpayers, including basic rate taxpayers, are liable to pay UK tax on savings income above the allowance, subject to the starting rate of tax for savings.

For UK corporate shareholders, interest distributions will be paid without the deduction of tax. Such shareholders will be subject to corporation tax on the gross amount of the distribution or accumulation.

For non-UK resident shareholders, interest distributions will be paid without the deduction of tax. Tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

### Dividend Distributions:

A dividend allowance applies for UK resident individual shareholders which charges the first £2,000 of dividends received in the tax year at 0%. A UK resident individual shareholder will have to pay income tax at the applicable basic, higher or additional rate (depending on the shareholder's individual tax position) on dividend income in excess of the £2,000 allowance. Note that dividend income within the £2,000 allowance will still count towards basic, higher and additional rate bands and may therefore affect the rate of income tax that a shareholder pays on dividends they receive in excess of the £2,000 allowance.

Where a corporate shareholder receives a dividend distribution from a Fund, such a shareholder should apportion the amount of the distribution (by way of a formula) between that part representing the Fund's income subject to corporation tax and that part representing the Fund's other income. Only that part which represents the income subject to corporation tax in the Fund will be liable to corporation tax (in the hands of the corporate shareholder) and will be treated as an annual payment received after deduction of income tax at the basic rate. That deemed income tax will be available to offset against the corporation tax liability of the shareholder or may be repaid subject to certain restrictions.

For non-UK resident shareholders, tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

This information is based on our understanding of current UK law and HM Customs and Revenue practice which may be subject to retrospective change. The future basis and rates of taxation may change without warning. Shareholders are recommended to consult their professional advisers if they are in any doubt as to their individual tax position.

**Capital Gains Tax**

You will not need to pay capital gains tax unless your net gains from all sources exceed the annual exemption limit. The limit for the 2019/2020 tax year is £12,000.

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To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

\*Lines are open Monday to Friday from 9am to 5pm (excluding public holidays).

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## Important Notes

**The Annual Report covers the year 16 May 2018 to 15 May 2019.**

**Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.**

**Past performance should not be seen as an indication of future returns.**

**Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.**

**Where overseas securities are held the prices and income may also be affected by changes in currency exchange rates. It is possible that the value of an investment may fall below its original level.**

**The value and relative yield of fixed interest securities (including bonds) are strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. Higher-yielding securities are more likely to default.**

**The long-term nature of investment in property and the income generated tend to make this type of investment less volatile than equities although it can be difficult to buy and/or sell quickly. Where the underlying Funds invest directly in property, the property in the Fund may not be readily realisable, and the Manager of the Fund may apply a deferral on redemption requests. The value of property is generally a matter of the valuer's opinion rather than fact. Listed property securities are part of the equity market and are more volatile than direct (unlisted) property, which can mean that the price of shares and the income from them can fluctuate, sometimes dramatically.**

**Please note any reference to "Fund" or "Funds" means a sub-fund of the Company.**

**This report is issued in the UK by HSBC Global Asset Management (UK) Limited, authorised and regulated by the Financial Conduct Authority.**

**There are risks involved in investing in HSBC Index Tracker Investment Funds. Please refer to the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for further details.**

**The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 15 May 2019. Both law and practice may of course change.**

The views expressed are those of HSBC Global Asset Management (UK) Limited and do not constitute investment advice. No liability can be accepted for recipients acting independently on its content.

The Company is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella company, in that the Company proposes to issue shares linked to different Funds which have been established. The Company is a UCITS scheme.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

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# Important Changes to the Company and/or Fund Documentation

## Amendments to the Prospectus

The Prospectus has been amended to include the changes detailed below.

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## Definitions

The Administrator Northern Trust Global Services Limited changed name to Northern Trust Global Services SE as from the 8 October 2018.

UK Valuations Committee has changed it's name to Pricing and Valuation Committee.

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## Directory

The Registrar and Administrator Northern Trust Global Services Limited changed name to Northern Trust Global Services SE as from the 8 October 2018.

The Registered Office of the Depositary moved address to Quartermile 3, 10 Nightingale Way, Edinburgh EH3 9EG on 12 February 2018.

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## Risks

New risk wording for the 'United Kingdom leaving the European Union' has been added.

On 29 March 2017, the Government of the United Kingdom (UK) formally notified the European Union (EU) of its intention to leave the Union (i.e. "Brexit"). As things stand, the UK will formally leave the EU on 29 March 2019. The UK and EU27 have reached a political agreement to include a transition period lasting until end-2020 in the withdrawal agreement, during which EU law would continue to apply to the UK as if it were a member state. However, a number of issues around the UK's withdrawal remain subject to further negotiation and the overall Article 50 withdrawal agreement will only come into effect once it is approved by the European Council and ratified by the European and UK Parliaments.

The UK's future economic and political relationship with the EU (and with other non-EU countries by agreement) remains uncertain. This uncertainty is likely to generate further global currency and asset price volatility. This may negatively impact the returns of the Funds and their investments resulting in greater costs if the Funds decide to employ currency hedging policies. Ongoing uncertainty could adversely impact the general economic outlook and as such this may impact negatively on the ability of the Fund and its investments to execute their strategies effectively, and may also result in increased costs to the Fund.

It is possible there will be more divergence between UK and EU regulations post-Brexit, limiting what cross-border activities can take place. This will possibly affect the Fund's ability to receive investment advice or portfolio management services or increase the costs for such services.

The nature and extent of the impact of any Brexit related changes are uncertain, but may be significant.

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## Management and Administration

The FCA moved address to 12 Endeavour Square, London E21 1JN on 1 July 2018.

The list of directors of the ACD and any significant activities not connected to the ACD have been updated.

The Registered Office of the Depositary moved address to Quartermile 3, 10 Nightingale Way, Edinburgh EH3 9EG on 12 February 2018.

The former 'Order Execution Policy' name has been amended to 'Best Execution Policy' to align with the document name on the Company website.

The Registrar and Administrator Northern Trust Global Services Limited changed name to Northern Trust Global Services SE as from the 8 October 2018.

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## **Fees and Expenses**

The tables showing ongoing charges figures have been updated and the dilution adjustment figures have been updated.

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## **Taxation**

This has been updated to reflect changes in tax law.

UK Resident Individual Shareholders

### **Interest Distribution**

From 6 April 2017, Interest Distributions are no longer paid after the deduction of income tax at source. Also, since 6 April 2016, a Personal Saving Allowance exempts from tax the first £1,000 (in tax year 2018/2019) of savings income for basic rate taxpayers and the first £500 (in tax year 2018/19) for higher rate taxpayers. All UK taxpayers (including basic rate taxpayers) will therefore be liable to pay UK tax on an interest distribution made or treated as made by the Company, subject to the Personal Savings Allowance and, where applicable, the starting savings rate for savings.

### **Dividend Distribution**

From 6 April 2016, there is no longer a 10% tax credit on UK dividend distributions. Instead a dividend allowance applies for UK resident individual Shareholders which charges the first £2,000 (in tax year 2018/2019) of dividends received in the tax year at 0%. A UK resident individual Shareholder will have to pay income tax at the applicable basic, higher or additional rate (depending on the Shareholder's individual tax position) on dividend income in excess of the £2,000 allowance. Note that dividend income within the £2,000 allowance will still count towards basic, higher and additional rate bands and may therefore affect the rate of income tax that a Shareholder pays on dividends they receive in excess of the £2,000 allowance.

### **Accumulation/Reinvestment Option**

Where a distribution is accumulated or reinvested, the distribution is treated as if it was actually received by the Shareholder on the distribution date. Where a distribution is reinvested the Shareholder will acquire further Shares which have an acquisition cost equal to the value of the distribution. Where income is accumulated in relation to Accumulation Shares the amount of notional distribution (excluding equalisation) increases the allowable expenditure on the Shares for the purposes of capital gains tax.

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## **Appendix 1 - Individual Fund Information**

### **Risk Categories**

The risk categories summary section for each sub fund has been updated to include the "United Kingdom leaving the European Union.

Wording has been updated for all of the funds to reflect the latest Benchmark Regulation wording.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. It is directly applicable law across the EU. The majority of its provisions applied from 1 January 2018. The Benchmarks Regulation applies principally to administrators and also, in some respects, to contributors and certain users of benchmarks which in certain circumstances can include investment funds such as the sub-funds of the Company.

The Benchmarks Regulation will among other things: (i) require benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and make significant changes to the way in which benchmarks falling within scope of the EU Benchmarks Regulation are governed (including reforms of governance and control arrangements, obligations in relation to input data, certain transparency and record-keeping requirements and detailed codes of conduct for contributors); and (ii) prevent certain uses of benchmarks provided by unauthorised administrators by supervised entities in the EU.

Potential effects of the Benchmarks Regulation include (among other things): an index which is a benchmark could not be used by a Fund in certain ways if such index's administrator does not obtain authorisation or, if based in a non-EU jurisdiction, the administrator is not otherwise recognised as equivalent; and the methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could (among other things) have the effect of reducing or increasing the rate or level, or affecting the volatility, of the published rate or level of the benchmark.

If any proposed changes change the way in which the benchmarks are calculated or a benchmark is discontinued or is not otherwise permitted to be used by the sub-funds of the Company, this could adversely affect a sub-fund and its Net Asset Value.

The European Securities and Markets Authority maintains a register of benchmark administrators under the Benchmarks Regulation, however benchmark administrators may be taking advantage of transitional arrangements.

A plan has been adopted by the ACD to address the contingency of a benchmark changing materially or ceasing to be provided in accordance with the Benchmarks Regulation.

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## **Appendix 2 – Historical Fund Performance**

The table showing the historic performance of each of the Funds of the Company has been updated.

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## **Important Information – Index-Linked Gilt Index Fund Closure**

Shareholders in the Index-Linked Gilt Index Fund have been informed that the Fund will be wound up with effect from 2 August 2019. This Fund is no longer available for investment.

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## Other Information

### Equalisation

Revenue received by the Fund during the distribution period is reflected in the price of shares until the revenue is distributed. The cost of Group 2 shares bought during a distribution period will therefore include an element of revenue.

Equalisation represents the average amount of accrued revenue included in the purchase price of all Group 2 shares sold in the period, which is refunded as part of a shareholder's first distribution. This amount is treated as a capital repayment for tax purposes. It is not liable to income or corporation tax and is deducted from the original cost of the shares for capital gains tax purposes.

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### Index Tracking

The Funds aim to achieve their objectives by investing in an optimised portfolio of the constituents, of the relevant Index, providing an efficient exposure to this index. In replicating the index the ACD reserves the right to exercise the full powers of the Funds in relation to borrowing and efficient portfolio management as and when it considers that the circumstances which then exist make it appropriate to do so. The Scheme property may also not consist of the exact composition and weighting of the underlying index in circumstances where the ACD determines that this is expedient for reasons of poor liquidity or excessive cost to the Funds.

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### Additional notes for Hong Kong residents

The following sub-funds referred to in this document are not authorised in Hong Kong and are not available to Hong Kong residents:

FTSE All-Share Index

FTSE All-World Index

FTSE 250 Index

UK Gilt Index

Index-Linked Gilt Index Fund

Sterling Corporate Bond Index

Five other sub-funds of the HSBC Index Tracker Investment Funds, namely FTSE 100 Index, European Index, American Index, Japan Index and Pacific Index are authorised in Hong Kong (authorisation does not imply official approval or recommendation), and no soft commission arrangement was entered into by the Authorised Corporate Director and the Investment Manager in respect of the sub-funds' transactions during the year.

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## Corporate Shareholders

A corporate shareholder will receive the distribution shown below on their annual consolidated tax voucher as follows:

Fund	Date payable/paid	Share class	Investment income	
			Franked	Unfranked
Sterling Corporate Bond Index Fund	15.7.19	Institutional Income	0.00%	100.00%
	15.7.19	Institutional Accumulation	0.00%	100.00%
	15.7.19	Income C	0.00%	100.00%
	15.7.19	Accumulation C	0.00%	100.00%
	15.7.19	Income S	0.00%	100.00%
	15.7.19	Accumulation S	0.00%	100.00%
	15.4.19	Institutional Income	0.00%	100.00%
	15.4.19	Institutional Accumulation	0.00%	100.00%
	15.4.19	Income C	0.00%	100.00%
	15.4.19	Accumulation C	0.00%	100.00%
	15.4.19	Income S	0.00%	100.00%
	15.4.19	Accumulation S	0.00%	100.00%
UK Gilt Index Fund	15.7.19	Retail Income	0.00%	100.00%
	15.7.19	Retail Accumulation	0.00%	100.00%
	15.7.19	Institutional Income	0.00%	100.00%
	15.7.19	Income C	0.00%	100.00%
	15.7.19	Accumulation C	0.00%	100.00%
	15.7.19	Income S	0.00%	100.00%
	15.7.19	Accumulation S	0.00%	100.00%
	15.4.19	Retail Income	0.00%	100.00%
	15.4.19	Retail Accumulation	0.00%	100.00%
	15.4.19	Institutional Income	0.00%	100.00%
	15.4.19	Income C	0.00%	100.00%
	15.4.19	Accumulation C	0.00%	100.00%
	15.4.19	Income S	0.00%	100.00%
	15.4.19	Accumulation S	0.00%	100.00%
Index Linked Gilt Index Fund	15.7.19	Institutional Income	0.00%	0.00%
	15.7.19	Institutional Accumulation	0.00%	0.00%
	15.7.19	Income C	0.00%	0.00%
	15.7.19	Accumulation C	0.00%	0.00%
	15.7.19	Income S	0.00%	0.00%
	15.7.19	Accumulation S	0.00%	0.00%
	15.4.19	Institutional Income	0.00%	100.00%
	15.4.19	Institutional Accumulation	0.00%	100.00%
	15.4.19	Income C	0.00%	100.00%
	15.4.19	Accumulation C	0.00%	100.00%
	15.4.19	Income S	0.00%	100.00%
	15.4.19	Accumulation S	0.00%	100.00%
FTSE All World Index Fund	15.7.19	Income C	100.00%	0.00%
	15.7.19	Accumulation C	100.00%	0.00%
	15.7.19	Institutional Income	95.76%	4.24%
	15.7.19	Institutional Accumulation	95.32%	4.68%
	15.7.19	Income S	98.49%	1.51%
	15.7.19	Accumulation S	98.48%	1.52%

All other Funds in this OEIC have a 100% franked distribution shown on their annual consolidated tax voucher.

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## Risk and Reward Profile

Fund	Rating*	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>←</div> <div>→</div> </div> <div>Typically lower rewards</div> <div>Typically higher rewards</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> </div>
FTSE 100 Index Fund	5	
FTSE All-Share Index Fund	5	
FTSE 250 Index Fund	5	
FTSE All-World Index Fund	5	
European Index Fund	5	
American Index Fund	5	
Japan Index Fund	5†	
Pacific Index Fund	5	
UK Gilt Index Fund	4	
Index-Linked Gilt Index Fund	5††	
Sterling Corporate Bond Index Fund	4	

†Previous risk rating for this Fund was 6, until 24 December 2018.

††Shareholders in the Index-Linked Gilt Index Fund have been informed that the Fund will be wound up with effect from 2 August 2019. This Fund is no longer available for investment.

### \*More About this Rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk).

# Directory

**The Company**

HSBC Index Tracker Investment Funds, 8 Canada Square, London, E14 5HQ

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**Authorised Corporate Director (ACD) and Head Office**

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

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**Investment Manager**

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

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**Depositary**

State Street Trustees Limited, Quartermile 3, 10 Nightingale Way, Edinburgh, EH3 9EG

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**Regulator**

Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN (WEF 1 July 2018)

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**Auditor**

KPMG LLP, 15 Canada Square, London E14 5GL

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**Registrar**

HSBC Global Asset Management (UK) Limited (delegated to Northern Trust Global Services Limited)

50 Bank Street, Canary Wharf, London, E14 5NT

Telephone: 0800 358 3011\*

+44 800 358 3011 (Overseas)\*

\*Lines are open 9am to 5pm Monday to Friday (excluding public holidays).

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**Administrator** (delegated to Northern Trust Global Services Limited) - postal address

PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG

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**Website**

[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

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To help us continually improve our services, and in the interests of security, we may monitor and/or record your communications with us.

## Quick Reference Guide to HSBC Index Tracker Investment Funds

Name of OEIC Fund	FTSE 100 Index Fund	FTSE All-Share Index Fund	FTSE 250 Index Fund	FTSE All-World Index Fund
Number of distributions per year	2	2	1	1
Distribution dates	15 Jul 15 Jan	15 Jul 15 Jan	15 Jul	15 Jul
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A	N/A
Authorised Corporate Director charge % †	0.10	0.04	0.10	0.10
Available as an ISA	Yes	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes	Yes
Historic research of files*	£25 per hour including VAT - all Funds			
Duplicate tax voucher*	£25 per voucher including VAT - all Funds			
Duplicate tax vouchers* (more than one)	£25 per voucher including VAT - all Funds			

\*Charges for additional services. The ACD reserves the right to apply these charges and amend them subject to the annual rate of the retail price index.

†The above information relates only to the C share classes. Other share classes may differ.

## Quick Reference Guide to HSBC Index Tracker Investment Funds

Name of OEIC Fund	European Index Fund	American Index Fund	Japan Index Fund	Pacific Index Fund
Number of distributions per year	1	1	1	1
Distribution dates	15 Jul	15 Jul	15 Jul	15 Jul
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A	N/A
Authorised Corporate Director charge % †	0.03	0.04	0.10	0.10
Available as an ISA	Yes	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes	Yes
Historic research of files*	£25 per hour including VAT - all Funds			
Duplicate tax voucher*	£25 per voucher including VAT - all Funds			
Duplicate tax vouchers* (more than one)	£25 per voucher including VAT - all Funds			

\*Charges for additional services. The ACD reserves the right to apply these charges and amend them subject to the annual rate of the retail price index.

†The above information relates only to the C share classes. Other share classes may differ.

## Quick Reference Guide to HSBC Index Tracker Investment Funds

Name of OEIC Fund	UK Gilt Index Fund	Index-Linked Gilt Index Fund	Sterling Corporate Bond Index Fund
Number of distributions per year	4	4	4
Distribution dates	15 Jul 15 Oct 15 Jan 15 Apr	15 Jul 15 Oct 15 Jan 15 Apr	15 Jul 15 Oct 15 Jan 15 Apr
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A
Authorised Corporate Director charge % †	0.10	0.12	0.12
Available as an ISA	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes
Historic research of files*	£25 per hour including VAT - all Funds		
Duplicate tax voucher*	£25 per voucher including VAT - all Funds		
Duplicate tax vouchers* (more than one)	£25 per voucher including VAT - all Funds		

\*Charges for additional services. The ACD reserves the right to apply these charges and amend them subject to the annual rate of the retail price index.

†The above information relates only to the C share classes. Other share classes may differ.

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**[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)**

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