

HSBC Investment Funds

Interim Report and Accounts

15 July 2019



Company Information

Company

HSBC Investment Funds
Registered in England with
Company Number IC000073

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).

HSBC Global Asset Management (UK) Limited - Directors

C.S. Cheetham

A.S. Clark

A.C. Corfield

P.G.P. Dew

P.J.F. Glaze

M.G. McDonald

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Market Review

**Welcome to the Interim Report for the HSBC Investment Funds Open-Ended Investment Company (OEIC).
The report covers the period 16 January 2019 to 15 July 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).**

Economic Overview

The US-China trade war was a key market influence over the period, with the US threatening additional tariffs on \$300 billion of Chinese imports that were not yet subject to duties. However, these additional tariffs were postponed after signs of progress at the G20 summit in Japan. While US economic indicators were reasonably resilient, the global economic outlook is still uncertain in Europe, the UK and Japan. And while emerging markets, overall, appear to be ahead of their developed market counterparts in terms of GDP growth, concerns persist about a Chinese slowdown. The effects of the trade dispute were compounded by concerns about Brexit, the impact of which – in the event of a ‘no deal’ departure – is still uncertain.

In terms of monetary policy, the US Federal Reserve (Fed) kept interest rates on hold during the review period. Given the uncertainty over global economic growth, investors anticipate that the Fed’s policymakers could well change their plans for interest-rate rises and instead cut rates in the second half of 2019.

Other central banks seem likely to stay dovish – the European Central Bank (ECB) has ended its quantitative easing (QE) programme, but the bank made it clear that it could reinstate QE to support the eurozone’s economy. The ECB also indicated that interest rates would be unlikely to be raised until the second half of 2020. The Bank of Japan (BoJ) stayed accommodative, as Japan’s economy has yet to achieve the levels of inflation or wage growth that are apparent in the US, the UK and – to a lesser extent – the eurozone.

Eurozone GDP growth for the first quarter was 0.4%, with annual growth of 1.2%. However, growth did pick up from the previous quarter: the German economy grew 0.4%, after being flat in the previous period, while Italy emerged from a recession with its economy expanding by 0.1%.

Meanwhile, the Bank of England (BoE) held interest rates steady at 0.75%. The UK economy continued to be overshadowed by Brexit-related uncertainty, which has caused a slump in sterling, and affected business and consumer confidence.

Global Equities

Global equity markets made double-digit gains in sterling terms over the review period. Although the pace of growth in the global economy slowed, policymakers sought to reassure investors, indicating that they could lower interest rates if necessary. Despite having raised rates four times in 2018, the Fed kept interest rates in a range of 2.25–2.50%. The ECB and the BoE also held their respective interest rates steady.

The US–China trade dispute rumbled on, causing a sell-off in May after President Trump increased tariffs from 10% to 25% on \$200 million worth of Chinese goods. China responded in kind, and equity markets sold off. Later that month, President Trump announced more restrictions, this time on goods from Mexico. By the end of June, however, President Trump and President Xi has agreed to restart talks, having reached a truce at the G20 summit, and the US and Mexican governments had agreed a deal to avoid the extra tariffs.

On the political front, markets were reassured by the results of the European parliamentary elections (held 23–26 May). All eurozone members voted, and although some Eurosceptic and far right parties gained ground, there were gains for green and liberal parties. In the UK, politicians could not agree on a Brexit deal, prompting Prime Minister Theresa May to seek an extension from March to 31 October. Following a poor showing in the EU parliamentary elections, Mrs May resigned as leader of the Conservative Party. By the end of June, the field of potential replacements was narrowed down to two – Boris Johnson and Jeremy Hunt.

Elsewhere, India’s general election – in which over 600 million people voted – resulted in a decisive victory for Narendra Modi’s Bharatiya Janata Party (BJP). Mr Modi was sworn in for a second term as prime minister, and looks set to continue his programme of economic reforms.

UK Equities

UK equities rose in sterling terms over the review period. These gains came despite the dampening effects of the US-China trade war, with the weaker pound boosting the performance of export oriented stocks listed on the FTSE 100. Meanwhile, Brexit uncertainty was ever-present. Prime Minister Theresa May's draft agreement was defeated in Parliament on multiple occasions, with her resignation as leader of the Conservative Party triggering a leadership election. A delay was agreed to the scheduled departure date of 29 March – the next deadline is 31 October, but Mrs May's likely successor as prime minister, Boris Johnson, seemingly favours a 'hard Brexit'.

The UK economy has, however, proved resilient: GDP growth was 0.5% in the first quarter, at an annual rate of 1.8%. This was the strongest growth rate since the third quarter of 2017, although the figure was distorted by stockpiling at the start of the year, as manufacturers prepared for a 'no deal' Brexit.

UK Bonds

The UK fixed-income market produced positive returns over the period, with uncertainty around Brexit and the outlook for the UK economy proving supportive for bond markets.

The BoE left interest rates unchanged, keeping the benchmark interest rate at 0.75%. The UK's economy registered 0.5% quarterly growth in the first quarter – ahead of the 0.2% in the previous three months. Despite this, the central bank's policymakers revised down its forecast for second-quarter GDP growth to zero. Meanwhile, the UK's inflation rate remained subdued, falling back to the 2.0% mark by May, having been at 3.0% in early 2018.

The 10-year government bond yield moved downwards over the period, as equity markets experienced volatility. 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 eased temporarily, causing gilt yields to spike. Overall, the UK 10-year yield fell from 1.31% to 0.80% over the six months to 15 July 2019.

European Ex-UK Equities

European equities made notable gains over the period, having been buoyed by supportive comments from the ECB and corporate earnings that exceeded expectations. Although the ECB kept interest rates on hold, policymakers appeared to take a more accommodative stance over the period. This culminated in remarks made in mid-June by the ECB's president, Mario Draghi, who said that the bank could start a new series of asset purchases to support the eurozone's economy. These remarks boosted European equities and pushed down the benchmark German bund yield to a new low. On the political front, green and liberal parties took votes from centre parties in Europe's parliamentary elections. Nevertheless, the results were well received by investors, as pro-EU parties continued to hold sway.

In terms of economic data, the initial GDP growth estimate for the eurozone was confirmed at 0.4%, quarter on quarter, in the first three months of 2019, with a 1.2% year-on-year rise. The composite purchasing managers' index picked up over the second quarter, as services activity increased but manufacturing production shrank further. In Germany, both consumer confidence and business confidence – as measured by the Ifo index – weakened in June; the government recently lowered its GDP growth forecast for this year to 0.5%, citing rising global headwinds. Meanwhile, Spain's economy grew 0.7% in the first quarter of 2019, while France's GDP growth was unchanged at 0.3%.

US Equities

US equities fared well during the review period. The Fed's policymakers softened their stance on interest-rate rises in January, and in March stated outright that they planned to leave interest rates in their current range of 2.25–2.50% for the rest of 2019, given slowing economic growth. Investors reacted favourably to this news, which helped propel US stocks higher. Meanwhile, President Trump and President Xi appeared to reach an accord on trade, with the former postponing tariffs that had been due to take effect from 1 March. The prospect of an imminent trade deal, and a conclusion to the trade war, also helped US equities to march higher. But in May, optimism around trade dwindled as President Trump increased tariffs from 10% to 25% on \$200 billion of Chinese imports, prompting China to retaliate in kind. Markets were unnerved by this escalation, with US stocks suffering their first monthly fall of 2019 in May. In the same month, the US yield curve inverted, sowing further unease among investors – historically, an inverted yield curve has been an early indicator of recession. In June, however, US stocks recovered their footing. Late in the month, President Trump and President Xi met at the G20 summit in Japan, agreeing to resume their dialogue and forgo further measures.

Japan Equities

Japanese stocks lagged regional Asian peers, against a backdrop of slowing exports and lower growth in China. Nonetheless, Japanese equities gained in sterling terms.

The BoJ made no changes to interest rates or to its asset-purchase programme over the period. First-quarter GDP growth was 0.6%, helped by a positive contribution from net exports and an upward revision to capital expenditure. On an annualised basis, the Japanese economy grew by 2.2%, after growth of 1.8% in the preceding quarter. Towards the end of the period, the economy was helped by a rebound in consumer and business spending. However, an announced hike in the consumption tax could affect household spending.

Meanwhile, the export-dependent economy is also likely to be impacted by the stronger yen. The yen's value was boosted by its 'safe haven' status in the face of rising global risks, especially given the Fed's more dovish tone, which pushed down the value of the US dollar. The BoJ continued to sound a cautious note at its policy meeting, citing the detrimental effects of the US-China trade dispute. Concerns have intensified about a Chinese slowdown, with several Japanese exporters revising down their profit forecasts.

Asia (Ex-Japan) Equities

Asia Pacific stocks advanced over the period, overcoming uncertainty caused by the US-China trade dispute. Early in the period, talks between the US and China were extended, indicating a mutual will to reach a resolution. The US initially postponed further tariff increases on \$200 billion worth of Chinese goods, saying that progress was being made in talks. This news aided Asian equities, which recovered from the pronounced volatility seen at the end of 2018. The accord was not to last, however; in May, President Trump tweeted that China had shirked its obligations. He then imposed tariffs from 10% to 25% on \$200 billion of Chinese imports, prompting retaliation from China. In late June, a fragile truce was agreed when both leaders met at the G20 summit in Japan. Despite the anxiety caused by the trade dispute, Chinese stocks made gains in sterling terms over the six months. Elsewhere in the region, the standout performer was Australia, which enjoyed strong share-price gains. In May, the centre-right Liberal-National Coalition led by Scott Morrison, emerged victorious from the Australian general election. The party had trailed in the polls, and its surprise win was well received by equity investors. Financial stocks fared particularly well, as the rival Labor party had been campaigning for financial reform. Another factor supporting Australian stocks was the Reserve Bank of Australia's decision to cut interest rates by 0.25% in June – the first cut in over three years.

Emerging Markets Equities

Emerging markets were supported by various central banks, both in developed and local markets, as they adopted a more dovish approach to monetary policy. Fresh stimulus measures in China also helped to boost emerging market equities. However, the US-China trade dispute caused bouts of volatility, including a sell-off in May.

Latin American equities gained in sterling terms, slightly outperforming emerging markets over the review period. Brazil made a strong start to the year, as markets continued to be buoyed by election of market-friendly Jair Bolsonaro as president. The prospect of pension reforms also propelled Brazilian stocks higher: the reforms are a key part of Bolsonaro's bid to improve Brazil's fiscal position. In May, Mexican stocks sagged after President Trump threatened to impose tariffs of 25% on imports from Mexico. Suspension of the tariffs was dependent on Mexico doing more to prevent people entering the US via the border. In June, the US president dialled back this rhetoric, saying that Mexico had agreed a deal.

Elsewhere, Indian stocks were up over the period. The Reserve Bank of India has cut interest rates three times this year to boost the slowing economy. However, corporate earnings growth has been encouraging. Following the general election in April, Prime Minister Modi secured a second term in office; his pro-business agenda has gone down well with investors.

The above information refers to past performance and should not be seen as a reliable indication of future returns. Information provided by HSBC Global Asset Management (UK) Limited, 15 July 2019.

Balanced

Investment Objective

To obtain capital growth in the longer-term together with income.

Investment Policy*

The Fund invests in a range of asset classes including equities, bonds, fixed interest securities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property and hedge funds. The portfolio will be diversified globally by investing both in the UK and overseas.

Investments will primarily be held indirectly via collective investment schemes, (including schemes which track indices as part of their underlying objective) or directly held in securities. The collective investment schemes in which the Fund may invest will, where possible, be those managed or operated by the ACD or an associate of the ACD.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management purposes and hedging purposes, as well as for investment purposes. Investing in derivatives means, in particular, maintaining positions in these investments for the long term rather than just for tactical short-term purposes.

However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund.

*The full policy can be found in the prospectus.

Investment Strategy*

The Fund invests in a range of asset classes in order to meet its investment aim. The allocation to these asset classes will vary over time to reflect both the longer-term investment return expectations and the shorter-term tactical market view.

The desired allocation to each asset class will be achieved by investing in either collective investment schemes or direct securities. The Fund is actively managed but it may invest in collective investment schemes and classes of direct securities that in turn are managed with the aim of tracking an index, known as passive management. As at the date of this prospectus it is estimated that approximately 35% of the value of the Fund is invested directly in equities that aim to match the return of an index; or collective investment schemes which in turn are passively managed and individually track a range of market specific, regional and global indices. It should be noted that this percentage will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

There is no limit to the percentage which can be invested in collective investment schemes and there is no limit to the percentage of the Fund which can be invested in other collective investment schemes managed by the ACD, or an associate.

*The full strategy can be found in the prospectus.

Portfolio Activity

Both bond and equity markets posted very strong gains over the first half of 2019, propelled by the US Federal Reserve and the European Central Bank softening their rhetoric around monetary tightening and positive progress in the US-China trade dispute.

The HSBC Balanced OEIC has participated enthusiastically in the market rally year to date; capturing the majority of the market upswing, while providing stability during the few months of negative returns.

The Fund slightly underperformed its benchmark over the period. While at a headline level the Fund's pro-risk positioning has added value, the decision to be overweight Emerging Market equity and Emerging Market debt in local currency both detracted.

The portfolio continues to be positioned overweight equities and underweight fixed income. However, profits were taken from the equity positions, resulting in a moderation in the Fund's equity overweight. The Fund maintains its overweight positions in EMD local currency and EM equity given attractive valuations and constructive FX forecasts.

Key portfolio trades in H1 2019:

January: opened a small position in Treasury Inflation-Protected Securities and US Financials on expectations of rising inflation and interest rates.

February: closed overweight to US financials and initiated position in Chinese equity in anticipation of policy stimulus.

March: increased allocation to UK equity due to Brexit related overselling.

May: closed overweights in China and Japan, introduced small allocation to ABS.

June: overweight to EM equity was trimmed and a position in Indian local currency debt was added.

Largest Net Sales: HSBC FTSE All World Index Fund and HSBC Japan Index Fund.

Largest Net Purchases: HSBC American Index Fund, HSBC European Index Fund and HSBC Multi Factor ICAV.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 10.93%.

(Source: Morningstar Direct, GBP, 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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Income C
Price	148.5p xd	228.6p	148.3p xd
Distribution payable (on 15 September 2019) per share net	1.610000p	2.460000p	2.300000p
Current net estimated yield	1.51%	1.49%	2.44%
Annual ACD charge	1.50%	1.50%	0.55%
		Accumulation C	Institutional Accumulation
Price		241.4p	243.4p
Distribution payable (on 15 September 2019) per share net		3.690000p	4.460000p
Current net estimated yield		2.39%	3.00%
Annual ACD charge		0.55%	0.00%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED KINGDOM - 58.67% (43.86%)			
Antofagasta	128,535	1,153	0.32
Ashmore Group	200,852	1,036	0.28
AstraZeneca	41,133	2,604	0.71
Aviva	488,045	2,070	0.56
BAE Systems	351,422	1,785	0.49
Barclays	1,407,265	2,206	0.60
BHP Billiton	183,834	3,687	1.01
BP	1,079,382	5,851	1.59
British American Tobacco	124,727	3,648	0.99
Bunzl	60,052	1,291	0.35
Coats Group	1,743,369	1,393	0.38
Compass Group	129,374	2,523	0.69
Croda International	25,117	1,219	0.33
Diageo	54,979	1,870	0.51
easyJet	172,820	1,721	0.47
Essentra	262,737	1,115	0.30
FDM Group	57,288	520	0.14
GlaxoSmithKline	280,309	4,593	1.25
Great Portland Estates	96,785	673	0.18
Halfords Group	193,105	417	0.11
+HSBC Holdings	627,854	4,187	1.14
+HSBC American Index Fund	5,197,283	33,751	9.20
+HSBC Corporate Bond Fund	3,320,143	7,709	2.10
+HSBC European Index Fund	2,524,522	23,907	6.51
+HSBC FTSE All-Share Index Fund	3,096,127	10,942	2.98
+HSBC FTSE All World Index Fund	12,383,729	20,668	5.63
+HSBC Gilt & Fixed Interest Fund	17,257,751	12,936	3.53
+^HSBC Japan Index Fund	6,922,084	9,151	2.49
+HSBC Merit UK Equity Fund	1,081,341	4,087	1.11
+HSBC Pacific Index Fund	3,667,405	11,692	3.19
Ibstock	459,905	1,094	0.30
Landsec	80,271	673	0.18
Next	10,578	579	0.16
Prudential	233,333	4,065	1.11
QinetiQ	404,192	1,141	0.31
Reckitt Benckiser	33,630	2,202	0.60
Rentokil Initial	521,098	2,177	0.59
Rio Tinto	23,833	1,160	0.32
Royal Bank of Scotland	831,207	1,905	0.52
Royal Dutch Shell B	239,879	6,219	1.69
Sage Group	242,665	1,976	0.54
Segro	127,753	962	0.26
SSP Group	196,238	1,348	0.37
Tesco	935,649	2,246	0.61
Unilever	91,977	4,622	1.26

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
Vodafone Group	374,170	487	0.13
Weir Group	62,892	944	0.26
WHSmith	56,001	1,163	0.32
Total United Kingdom		215,368	58.67
UNITED STATES - 0.00% (9.60%)			
#Consolidated Packaging	8,526	-	0.00
#Flight International	62	-	0.00
#Marriott International	96,061	-	0.00
Total United States		-	0.00
AUSTRALIA - 0.00% (0.05%)			
BELGIUM - 0.00% (0.16%)			
BERMUDA - 0.00% (0.05%)			
CANADA - 0.00% (0.03%)			
CAYMAN ISLANDS - 0.00% (0.72%)			
CHANNEL ISLANDS - 0.76% (0.71%)			
Ferguson	47,699	2,791	0.76
Total Channel Islands		2,791	0.76
CHINA (INCLUDING HONG KONG) - 0.00% (0.95%)			
DENMARK - 0.00% (0.29%)			
FRANCE - 0.00% (1.73%)			
GERMANY - 0.00% (1.13%)			
INDIA - 0.00% (0.13%)			
INDONESIA - 0.00% (0.09%)			
IRELAND - 8.41% (4.31%)			
DCC (London listed)	28,283	1,965	0.54
+^HSBC Global Liquidity Fund	5,250,491	5,250	1.43
+^HSBC Multi Factor Worldwide Equity Fund	2,020,293	17,022	4.64
+^HSBC Sterling Liquidity Fund	692	1	0.00
^iShares Core MSCI Emerging Markets IMI UCITS ETF	249,694	5,667	1.54
Smurfit Kappa Group	36,393	966	0.26
Total Ireland		30,871	8.41

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
ISRAEL - 0.00% (0.01%)			
ITALY - 0.00% (0.61%)			
JAPAN - 0.00% (0.50%)			
LIBERIA - 0.00% (0.01%)			
LUXEMBOURG - 30.05% (26.49%)			
+^HSBC GIF Economic Scale Index GEM Equity Fund	1,237,997	10,949	2.98
+^HSBC GIF Economic Scale US Equity Fund	148,716	5,745	1.57
+^HSBC GIF Frontier Markets Fund	248,864	3,617	0.99
+^HSBC GIF Global Asset-Backed Bond Fund	439,660	3,525	0.96
+^HSBC GIF Global Emerging Markets Bond Fund	2,253,357	18,095	4.93
+^HSBC GIF Global Emerging Markets Local Debt	3,322,986	25,104	6.84
+^HSBC GIF Global Government Bond Fund	1,163,586	10,802	2.94
+^HSBC GIF Global High Yield Bond Fund	1,075,143	8,826	2.40
+^HSBC GIF Global Real Estate Equity	2,031,768	17,733	4.83
+^HSBC GIF India Fixed Income	267,949	2,278	0.62
^Lyxor Core US TIPS UCITS ETF	44,032	3,619	0.99
Total Luxembourg		110,293	30.05
MALAYSIA - 0.00% (0.08%)			
NETHERLANDS - 0.00% (0.95%)			
SINGAPORE - 0.00% (0.04%)			
SOUTH KOREA - 0.00% (0.43%)			
SPAIN - 0.00% (0.28%)			
SWEDEN - 0.00% (0.12%)			
SWITZERLAND - 0.00% (1.23%)			
TAIWAN - 0.00% (0.42%)			
THAILAND - 0.00% (0.06%)			

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
FORWARD FOREIGN EXCHANGE CONTRACTS - (0.33%) (0.08%)			
#Sold \$119,374,373 for £94,240,543 (settled 31/7/2019)		(1,081)	(0.30)
#Sold €14,035,899 for £12,603,039 (settled 31/7/2019)		(37)	(0.01)
#Sold ¥ 861,513,384 for £6,299,101 (settled 31/7/2019)		(80)	(0.02)
Total Forward Foreign Exchange Contracts		(1,198)	(0.33)
Portfolio of investments		358,125	97.56
Net other assets		8,952	2.44
Net assets		367,077	100.00

+related party

#unlisted

^investment scheme registered outside the UK

*ratings supplied by Standard & Poor's

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed securities.

Total purchases for the period, including transaction charges, were £173,256,192.

Total sales for the period, net of transaction charges, were £188,029,595.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	136.40p	147.30p	140.40p	118.40p
Return before operating charges*	13.98p	(6.47p)	11.22p	25.72p
Operating charges**	(1.17p)	(2.33p)	(2.35p)	(2.13p)
Return after operating charges*	12.81p	(8.80p)	8.87p	23.59p
Distributions on income shares	(1.61p)	(2.10p)	(1.97p)	(1.59p)
Closing net asset value per share	147.60p	136.40p	147.30p	140.40p
*after direct transaction costs of:***	0.05p	0.09p	0.14p	0.21p
Performance				
Return after charges	9.39%	(5.97%)	6.32%	19.92%
Other information				
Closing net asset value	£2,209,796	£2,078,940	£2,377,825	£2,421,429
Closing number of shares	1,497,301	1,524,650	1,614,574	1,724,994
Operating charges - OCF	1.73%	1.72%	1.75%	1.70%
Direct transaction costs	0.03%	0.06%	0.10%	0.17%
Prices				
Highest share price	150.10p	147.50p	148.60p	140.60p
Lowest share price	135.60p	132.00p	136.70p	114.10p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	207.30p	220.70p	207.50p	173.00p
Return before operating charges*	21.38p	(9.89p)	16.70p	37.63p
Operating charges**	(1.78p)	(3.51p)	(3.50p)	(3.13p)
Return after operating charges*	19.60p	(13.40p)	13.20p	34.50p
Distributions on accumulation shares	(2.46p)	(3.15p)	(2.92p)	(2.33p)
Retained distributions on accumulation shares	2.46p	3.15p	2.92p	2.33p
Closing net asset value per share	226.90p	207.30p	220.70p	207.50p
*after direct transaction costs of:***	0.07p	0.14p	0.20p	0.31p
Performance				
Return after charges	9.45%	(6.07%)	6.36%	19.94%
Other information				
Closing net asset value	£43,262,397	£40,746,078	£46,722,925	£46,436,672
Closing number of shares	19,069,361	19,652,616	21,173,725	22,383,335
Operating charges - OCF	1.73%	1.72%	1.75%	1.70%
Direct transaction costs	0.03%	0.06%	0.10%	0.17%
Prices				
Highest share price	228.30p	222.70p	222.00p	207.20p
Lowest share price	206.30p	200.00p	201.90p	166.40p

**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 six months ended 15 July 2019 (unaudited)

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	136.10p	147.00p	140.10p	118.20p
Return before operating charges*	13.98p	(6.47p)	11.23p	25.63p
Operating charges**	(0.48p)	(0.95p)	(0.96p)	(0.87p)
Return after operating charges*	13.50p	(7.42p)	10.27p	24.76p
Distributions on income shares	(2.30p)	(3.48p)	(3.37p)	(2.86p)
Closing net asset value per share	147.30p	136.10p	147.00p	140.10p
*after direct transaction costs of:***	0.05p	0.09p	0.14p	0.21p
Performance				
Return after charges	9.92%	(5.05%)	7.33%	20.95%
Other information				
Closing net asset value	£15,777,816	£15,354,776	£17,795,166	£17,844,376
Closing number of shares	10,709,661	11,282,484	12,105,747	12,738,241
Operating charges - OCF	0.75%	0.74%	0.77%	0.72%
Direct transaction costs	0.03%	0.06%	0.10%	0.17%
Prices				
Highest share price	150.50p	147.30p	149.00p	141.00p
Lowest share price	135.30p	132.30p	136.40p	113.70p

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	217.90p	229.70p	213.80p	176.60p
Return before operating charges*	22.47p	(10.30p)	17.38p	38.52p
Operating charges**	(0.77p)	(1.50p)	(1.48p)	(1.32p)
Return after operating charges*	21.70p	(11.80p)	15.90p	37.20p
Distributions on accumulation shares	(3.69p)	(5.47p)	(5.17p)	(4.29p)
Retained distributions on accumulation shares	3.69p	5.47p	5.17p	4.29p
Closing net asset value per share	239.60p	217.90p	229.70p	213.80p
*after direct transaction costs of:***	0.07p	0.14p	0.21p	0.32p
Performance				
Return after charges	9.96%	(5.14%)	7.44%	21.10%
Other information				
Closing net asset value	£3,163,628	£2,838,763	£3,013,311	£2,670,208
Closing number of shares	1,320,436	1,302,673	1,311,967	1,248,693
Operating charges - OCF	0.75%	0.74%	0.77%	0.72%
Direct transaction costs	0.03%	0.06%	0.10%	0.17%
Prices				
Highest share price	241.00p	233.00p	231.00p	213.50p
Lowest share price	217.00p	210.10p	208.20p	170.00p

**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 six months ended 15 July 2019 (unaudited)

Institutional Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	219.10p	229.40p	212.20p	174.10p
Return before operating charges*	22.53p	(10.25p)	17.24p	38.15p
Operating charges**	(0.03p)	(0.05p)	(0.04p)	(0.05p)
Return after operating charges*	22.50p	(10.30p)	17.20p	38.10p
Distributions on accumulation shares	(4.46p)	(6.92p)	(6.57p)	(5.50p)
Retained distributions on accumulation shares	4.46p	6.92p	6.57p	5.50p
Closing net asset value per share	241.60p	219.10p	229.40p	212.20p
*after direct transaction costs of:***	0.07p	0.14p	0.21p	0.32p
Performance				
Return after charges	10.27%	(4.49%)	8.11%	21.88%
Other information				
Closing net asset value	£302,662,876	£284,974,425	£317,038,216	£312,196,904
Closing number of shares	125,256,885	130,084,399	138,204,929	147,127,293
Operating charges - OCF	0.10%	0.09%	0.12%	0.07%
Direct transaction costs	0.03%	0.06%	0.10%	0.17%
Prices				
Highest share price	243.00p	233.60p	230.70p	211.90p
Lowest share price	218.00p	211.10p	206.60p	167.60p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		28,443		(10,197)
Revenue	7,086		7,437	
Expenses	(448)		(475)	
Net revenue before taxation	6,638		6,962	
Taxation	(498)		(266)	
Net revenue after taxation		6,140		6,696
Total return/(deficit) before distributions		34,583		(3,501)
Distributions		(6,469)		(6,764)
Change in net assets attributable to shareholders from investment activities		28,114		(10,265)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		345,993		386,947
Amounts receivable on creation of shares	650		570	
Amounts payable on cancellation of shares	(13,784)		(12,078)	
		(13,134)		(11,508)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		28,114		(10,265)
Retained distribution on accumulation shares		6,104		6,396
Closing net assets attributable to shareholders		367,077		371,570

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		359,323		329,206
Current assets				
Debtors	3,863		2,559	
Cash and bank balances	6,380		15,105	
Total current assets		10,243		17,664
Total assets		369,566		346,870
Liabilities				
Investment liabilities		(1,198)		(107)
Creditors				
Distribution payable on income shares	(270)		(137)	
Other creditors	(1,021)		(633)	
Total creditors		(1,291)		(770)
Total liabilities		(2,489)		(877)
Net assets attributable to shareholders		367,077		345,993

Distribution Table (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 July 2019				
Retail Income				
Group 1	1.610000	-	1.610000	1.630000
Group 2	1.470000	0.140000	1.610000	1.630000
Retail Accumulation				
Group 1	2.460000	-	2.460000	2.450000
Group 2	1.620000	0.840000	2.460000	2.450000
Income C				
Group 1	2.300000	-	2.300000	2.330000
Group 2	1.820000	0.480000	2.300000	2.330000
Accumulation C				
Group 1	3.690000	-	3.690000	3.640000
Group 2	1.900000	1.790000	3.690000	3.640000
Institutional Accumulation				
Group 1	4.460000	-	4.460000	4.360000
Group 2	4.460000	0.000000	4.460000	4.360000

UK Growth & Income

Investment Objective

To provide long-term capital and income growth by investing predominantly within the UK.

Investment Policy

To invest predominantly in UK equities, fixed interest and other securities.

Investment Strategy

To provide long-term capital and income growth through active stock selection to create a portfolio of about 40 stocks. The stock selection process is based on quantitative and qualitative factors, with fundamental research being the most important aspect.

Portfolio Activity

During the period the FTSE All Share advanced by 12.9%. The Information Technology and Materials sectors were the best performers, whilst Communication Services lagged. Over the same time, the Fund outperformed the index.

Allocation effects, residual to stock selection, were positive given an underweight exposure to Utilities and Communication Services. Partially offsetting this was an overweight exposure to Industrials.

At the stock level, contributors to relative performance included Ashmore Group, which gained after seeing major inflows over the period, resulting in the share price hitting a record high. Additionally, Sage Group gained steadily throughout the year given solid organic growth and a large increase in software subscriptions.

Detractors included easyJet, which felt pressure, along with others in the industry, on the back of a slowdown in traffic, exacerbated by Brexit. Furthermore, Coats Group fell as profits were hit by one-off costs associated with the company's reorganisation program.

During the year major purchases included Bunzl, easyJet, FDM Group, and Next, whilst Ascential, BT Group, Card Factory, Informa, Ryanair Holdings and John Wood Group were sold.

Your portfolio aims to deliver diversified exposure to UK equities, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management. We believe this disciplined approach should help investors navigate short-term uncertainties.

Investment Performance

During the period under review, the value of the share in the Fund increased by 12.09%.

(Source: Morningstar Direct, GBP, 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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Retail B Income	Retail B Accumulation
Price	70.07p xd	140.7p	77.16p xd	155.0p
Distribution payable (on 15 September 2019) per share net	1.520000p	2.990000p	1.670000p	3.300000p
Current net estimated yield	4.00%	3.89%	4.00%	3.88%
Annual ACD charge	1.50%	1.50%	0.60%	0.60%
		CTF Accumulation	Income C	Accumulation C
Price		143.4p	74.34p xd	147.5p
Distribution payable (on 15 September 2019) per share net		3.050000p	1.610000p	3.130000p
Current net estimated yield		3.89%	4.00%	3.88%
Annual ACD charge		1.15%	0.80%	0.80%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Oil & Gas - 13.71% (13.28%)			
BP	12,238,568	66,345	6.91
Royal Dutch Shell A	2,516,085	65,204	6.80
Total Oil & Gas		131,549	13.71
Basic Materials - 8.04% (7.55%)			
Antofagasta	1,478,502	13,265	1.38
BHP Group	1,952,284	39,153	4.08
Croda International	267,862	13,002	1.36
Rio Tinto	240,579	11,710	1.22
Total Basic Materials		77,130	8.04
Industrials - 18.16% (19.27%)			
BAE Systems	3,843,592	19,525	2.04
Bunzl	659,351	14,169	1.48
Coats Group	18,266,894	14,595	1.52
DCC (London listed)	221,107	15,362	1.60
Essentra	2,834,264	12,029	1.25
Ferguson NewCo	504,938	29,549	3.08
Ibstock	5,386,920	12,810	1.34
QinetiQ	4,337,666	12,250	1.28
Rentokil Initial	5,290,855	22,100	2.30
Smurfit Kappa Group	434,653	11,536	1.20
Weir Group	687,261	10,316	1.07
Total Industrials		174,241	18.16
Consumer Goods - 15.03% (12.44%)			
British American Tobacco	1,341,976	39,253	4.09
Diageo	562,696	19,137	2.00
Reckitt Benckiser	361,344	23,661	2.47
SSP Group	2,140,889	14,708	1.53
Unilever	942,946	47,383	4.94
Total Consumer Goods		144,142	15.03
Healthcare - 8.36% (8.56%)			
AstraZeneca	449,126	28,434	2.96
GlaxoSmithKline	3,162,261	51,817	5.40
Total Healthcare		80,251	8.36
Consumer Services - 11.00% (10.94%)			
Compass Group	1,315,366	25,650	2.67
easyJet	1,974,651	19,660	2.05
Halfords Group	1,571,921	3,395	0.35
Next	115,370	6,320	0.66
Tesco	10,175,000	24,430	2.55
WHSmith	650,366	13,502	1.41
Wolters Kluwer certificates	215,043	12,569	1.31
Total Consumer Services		105,526	11.00

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
Telecommunications - 0.68% (2.62%)			
Vodafone Group	4,996,473	6,505	0.68
Total Telecommunications		6,505	0.68
Financials - 19.62% (20.74%)			
Ashmore Group	2,177,948	11,238	1.17
Aviva	4,890,395	20,745	2.16
Barclays	14,278,117	22,385	2.33
Great Portland Estates	1,048,470	7,295	0.76
+HSBC Holdings (London listed)	6,609,199	44,077	4.60
Land Securities	869,547	7,285	0.76
Prudential	2,492,240	43,415	4.53
Royal Bank of Scotland	9,287,843	21,288	2.22
Segro REIT	1,386,511	10,438	1.09
Total Financials		188,166	19.62
Technology - 4.07% (2.88%)			
FDM Group	629,003	5,705	0.59
Microsoft	119,697	13,290	1.39
Sage Group	2,459,252	20,023	2.09
Total Technology		39,018	4.07
Portfolio of investments		946,528	98.67
Net other assets		12,794	1.33
Net assets		959,322	100.00

+related party

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed equities.

Total purchases for the period, including transaction charges, were £152,758,816.

Total sales for the period, net of transaction charges, were £143,164,423.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	64.03p	74.57p	72.60p	64.47p
Return before operating charges*	7.76p	(6.57p)	6.02p	11.71p
Operating charges**	(0.55p)	(1.14p)	(1.20p)	(1.13p)
Return after operating charges*	7.21p	(7.71p)	4.82p	10.58p
Distributions on income shares	(1.52p)	(2.83p)	(2.85p)	(2.45p)
Closing net asset value per share	69.72p	64.03p	74.57p	72.60p
*after direct transaction costs of:***	0.06p	0.15p	0.20p	0.22p
Performance				
Return after charges	11.26%	(10.34%)	6.64%	16.41%
Other information				
Closing net asset value	£7,161,650	£7,120,639	£9,380,149	£33,198,426
Closing number of shares	10,272,062	11,121,075	12,578,951	45,726,050
Operating charges - OCF	1.64%	1.64%	1.64%	1.64%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	71.68p	75.42p	76.91p	73.41p
Lowest share price	63.28p	62.54p	70.37p	60.70p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	125.80p	140.60p	131.80p	113.00p
Return before operating charges*	15.29p	(12.62p)	11.01p	20.79p
Operating charges**	(1.09p)	(2.18p)	(2.21p)	(1.99p)
Return after operating charges*	14.20p	(14.80p)	8.80p	18.80p
Distributions on accumulation shares	(2.99p)	(5.38p)	(5.21p)	(4.32p)
Retained distributions on accumulation shares	2.99p	5.38p	5.21p	4.32p
Closing net asset value per share	140.00p	125.80p	140.60p	131.80p
*after direct transaction costs of:***	0.11p	0.28p	0.36p	0.39p
Performance				
Return after charges	11.29%	(10.53%)	6.68%	16.64%
Other information				
Closing net asset value	£36,823,917	£34,992,948	£42,563,385	£45,193,224
Closing number of shares	26,310,824	27,820,775	30,271,585	34,301,078
Operating charges - OCF	1.64%	1.64%	1.64%	1.64%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	140.80p	142.20p	140.80p	131.40p
Lowest share price	124.30p	120.40p	127.70p	106.40p

**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 six months ended 15 July 2019 (unaudited)

Retail B Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	70.15p	80.85p	77.90p	68.51p
Return before operating charges*	8.52p	(7.14p)	6.51p	12.51p
Operating charges**	(0.22p)	(0.47p)	(0.49p)	(0.50p)
Return after operating charges*	8.30p	(7.61p)	6.02p	12.01p
Distributions on income shares	(1.67p)	(3.09p)	(3.07p)	(2.62p)
Closing net asset value per share	76.78p	70.15p	80.85p	77.90p
*after direct transaction costs of:***	0.06p	0.16p	0.21p	0.23p
Performance				
Return after charges	11.83%	(9.41%)	7.73%	17.53%
Other information				
Closing net asset value	£93,737,657	£87,126,771	£105,300,370	£105,209,207
Closing number of shares	122,089,206	124,208,556	130,241,889	135,065,386
Operating charges - OCF	0.60%	0.60%	0.60%	0.62%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	78.90p	82.06p	82.84p	78.77p
Lowest share price	69.35p	68.43p	75.53p	64.53p

Retail B Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	137.90p	152.50p	141.50p	120.20p
Return before operating charges*	16.74p	(13.71p)	11.89p	22.19p
Operating charges**	(0.44p)	(0.89p)	(0.89p)	(0.89p)
Return after operating charges*	16.30p	(14.60p)	11.00p	21.30p
Distributions on accumulation shares	(3.30p)	(5.88p)	(5.63p)	(4.63p)
Retained distributions on accumulation shares	3.30p	5.88p	5.63p	4.63p
Closing net asset value per share	154.20p	137.90p	152.50p	141.50p
*after direct transaction costs of:***	0.12p	0.31p	0.39p	0.41p
Performance				
Return after charges	11.82%	(9.57%)	7.77%	17.72%
Other information				
Closing net asset value	£3,750,968	£3,518,413	£5,289,011	£5,380,358
Closing number of shares	2,432,402	2,551,857	3,467,134	3,802,932
Operating charges - OCF	0.60%	0.60%	0.60%	0.62%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	155.10p	154.80p	152.80p	141.00p
Lowest share price	136.30p	131.90p	137.20p	113.20p
**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 six months ended 15 July 2019 (unaudited)

CTF Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	127.90p	142.40p	133.30p	114.20p
Return before operating charges*	15.58p	(12.80p)	11.17p	20.97p
Operating charges**	(0.78p)	(1.70p)	(2.07p)	(1.87p)
Return after operating charges*	14.80p	(14.50p)	9.10p	19.10p
Distributions on accumulation shares	(3.05p)	(5.47p)	(5.28p)	(4.38p)
Retained distributions on accumulation shares	3.05p	5.47p	5.28p	4.38p
Closing net asset value per share	142.70p	127.90p	142.40p	133.30p
*after direct transaction costs of:***	0.11p	0.29p	0.37p	0.39p
Performance				
Return after charges	11.57%	(10.18%)	6.83%	16.73%
Other information				
Closing net asset value	£618,539,164	£545,987,595	£588,158,438	£532,685,483
Closing number of shares	433,571,397	426,882,268	412,960,153	399,660,437
Operating charges - OCF	1.15%	1.15%	1.50%	1.52%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	143.50p	144.10p	142.60p	132.90p
Lowest share price	126.40p	122.40p	129.20p	107.50p

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	67.69p	78.25p	75.62p	66.66p
Return before operating charges*	8.22p	(6.91p)	6.30p	12.14p
Operating charges**	(0.33p)	(0.67p)	(0.70p)	(0.65p)
Return after operating charges*	7.89p	(7.58p)	5.60p	11.49p
Distributions on income shares	(1.61p)	(2.98p)	(2.97p)	(2.53p)
Closing net asset value per share	73.97p	67.69p	78.25p	75.62p
*after direct transaction costs of:***	0.06p	0.16p	0.21p	0.23p
Performance				
Return after charges	11.66%	(9.69%)	7.41%	17.23%
Other information				
Closing net asset value	£174,916,387	£166,200,366	£203,685,900	£187,981,195
Closing number of shares	236,470,580	245,548,885	260,296,821	248,584,862
Operating charges - OCF	0.91%	0.91%	0.91%	0.92%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	76.03p	79.34p	80.32p	76.46p
Lowest share price	66.92p	66.04p	73.32p	62.79p

**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 six months ended 15 July 2019 (unaudited)

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	131.50p	145.90p	135.70p	115.60p
Return before operating charges*	15.93p	(13.14p)	11.47p	21.24p
Operating charges**	(0.63p)	(1.26p)	(1.27p)	(1.14p)
Return after operating charges*	15.30p	(14.40p)	10.20p	20.10p
Distributions on accumulation shares	(3.13p)	(5.60p)	(5.39p)	(4.43p)
Retained distributions on accumulation shares	3.13p	5.60p	5.39p	4.43p
Closing net asset value per share	146.80p	131.50p	145.90p	135.70p
*after direct transaction costs of:***	0.11p	0.29p	0.37p	0.40p
Performance				
Return after charges	11.63%	(9.87%)	7.52%	17.39%
Other information				
Closing net asset value	£24,392,326	£22,993,075	£28,026,784	£27,936,741
Closing number of shares	16,616,400	17,491,615	19,211,671	20,585,177
Operating charges - OCF	0.91%	0.91%	0.91%	0.92%
Direct transaction costs	0.08%	0.21%	0.27%	0.32%
Prices				
Highest share price	147.70p	147.90p	146.10p	135.30p
Lowest share price	130.00p	125.70p	131.60p	108.90p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		84,396		(27,085)
Revenue	21,069		20,694	
Expenses	(4,919)		(5,534)	
Net revenue before taxation	16,150		15,160	
Taxation	(200)		(206)	
Net revenue after taxation		15,950		14,954
Total return/(deficit) before distributions		100,346		(12,131)
Distributions		(20,662)		(20,391)
Change in net assets attributable to shareholders from investment activities		79,684		(32,522)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		867,940		982,404
Amounts receivable on creation of shares	14,612		15,691	
Amounts payable on cancellation of shares	(17,525)		(18,976)	
		(2,913)		(3,285)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		79,684		(32,522)
Retained distribution on accumulation shares		14,611		13,935
Closing net assets attributable to shareholders		959,322		960,532

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		946,528		853,032
Current assets				
Debtors	6,460		5,937	
Cash and bank balances	17,222		19,637	
Total current assets		23,682		25,574
Total assets		970,210		878,606
Liabilities				
Creditors				
Distribution payable on income shares	(6,002)		(5,217)	
Other creditors	(4,886)		(5,449)	
Total liabilities		(10,888)		(10,666)
Net assets attributable to shareholders		959,322		867,940

Distribution Table (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 July 2019				
Retail Income				
Group 1	1.520000	-	1.520000	1.550000
Group 2	0.820000	0.700000	1.520000	1.550000
Retail Accumulation				
Group 1	2.990000	-	2.990000	2.910000
Group 2	0.820000	2.170000	2.990000	2.910000
Retail B Income				
Group 1	1.670000	-	1.670000	1.680000
Group 2	1.050000	0.620000	1.670000	1.680000
Retail B Accumulation				
Group 1	3.300000	-	3.300000	3.180000
Group 2	1.340000	1.960000	3.300000	3.180000
CTF Accumulation				
Group 1	3.050000	-	3.050000	2.960000
Group 2	1.500000	1.550000	3.050000	2.960000
Income C				
Group 1	1.610000	-	1.610000	1.620000
Group 2	1.010000	0.600000	1.610000	1.620000
Accumulation C				
Group 1	3.130000	-	3.130000	3.030000
Group 2	1.900000	1.230000	3.130000	3.030000

Income

Investment Objective

To provide an above average yield together with capital growth by investing predominantly in the UK.

Investment Policy

To invest mainly in UK equities and a range of convertible stocks.

Investment Strategy

To provide an above average yield together with capital growth through active stock selection to create a portfolio of about 40 stocks. The stock selection process is based on quantitative and qualitative factors, with fundamental research being the most important aspect.

Portfolio Activity

During the period the FTSE All Share advanced by 12.9%. The Information Technology and Materials sectors were the best performers, whilst Communication Services lagged. Over the same time, the Fund outperformed the index.

Allocation effects, residual to stock selection, were positive given an underweight exposure to Utilities and overweight Information Technology. Partially offsetting this was an underweight exposure to Consumer Staples.

At the stock level, contributors to relative performance included Ashmore Group, which gained after seeing major inflows over the period, resulting in the share price hitting a record high. Additionally, Unilever continued its positive momentum following a solid earnings release in April, driven by sales growth in emerging markets.

Detractors included easyJet, which felt pressure, along with others in the industry, on the back of a slowdown in traffic, exacerbated by Brexit. Furthermore, Coats Group fell as profits were hit by one-off costs associated with the company's reorganisation program.

During the year major purchases included Bunzl, easyJet, FDM Group and Next, whilst Ascential, BT Group, Card Factory, Centrica, Informa, Ryanair Holdings and John Wood Group were sold.

Your portfolio aims to deliver diversified exposure to UK equities, with a portfolio yield higher than the market index, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management. We believe this disciplined approach should help investors navigate short-term uncertainties.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 12.26%.

(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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Income C	Accumulation C
Price	315.8p xd	675.6p	336.5p xd	709.0p
Distribution payable (on 15 September 2019) per share net	7.090000p	14.850000p	7.540000p	15.550000p
Current net estimated yield	4.19%	4.06%	4.18%	4.05%
Annual ACD charge	1.50%	1.50%	0.80%	0.80%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Oil & Gas - 15.08% (15.85%)			
BP	2,334,147	12,653	7.47
Royal Dutch Shell A	496,938	12,878	7.61
Total Oil & Gas		25,531	15.08
Basic Materials - 8.90% (7.94%)			
Antofagasta	273,315	2,452	1.45
BHP Group	374,791	7,516	4.44
Croda International	54,438	2,642	1.56
Rio Tinto	50,634	2,465	1.45
Total Basic Materials		15,075	8.90
Industrials - 16.45% (15.55%)			
BAE Systems	890,113	4,522	2.67
Bunzl	117,977	2,535	1.50
Coats Group	3,528,749	2,819	1.66
DCC (London listed)	40,664	2,825	1.67
Essentra	499,967	2,122	1.25
Ferguson	92,516	5,414	3.20
Ibstock	1,029,003	2,447	1.45
Rentokil Initial	804,466	3,360	1.98
Weir Group	120,987	1,816	1.07
Total Industrials		27,860	16.45
Consumer Goods - 12.50% (9.76%)			
British American Tobacco	258,186	7,552	4.46
Diageo	73,698	2,506	1.48
SSP Group	291,846	2,005	1.19
Unilever	180,986	9,095	5.37
Total Consumer Goods		21,158	12.50
Healthcare - 9.47% (9.17%)			
AstraZeneca	84,560	5,354	3.16
GlaxoSmithKline	652,127	10,686	6.31
Total Healthcare		16,040	9.47
Consumer Services - 11.82% (12.16%)			
Compass Group	253,467	4,943	2.92
easyJet	370,955	3,693	2.18
Halfords Group	314,511	679	0.40
Next	20,964	1,148	0.68
Tesco	1,818,827	4,367	2.58
WHSmith	127,308	2,643	1.56
Wolters Kluwer certificates	43,558	2,546	1.50
Total Consumer Services		20,019	11.82

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Telecommunications - 1.42% (3.90%)			
Vodafone Group	1,847,719	2,406	1.42
Total Telecommunications		2,406	1.42
Utilities - 0.00% (1.00%)			
Financials - 20.48% (21.39%)			
Ashmore Group	400,825	2,068	1.22
Aviva	1,019,612	4,325	2.56
Barclays	2,465,054	3,865	2.28
Great Portland Estates	199,555	1,389	0.82
+HSBC Holdings (London listed)	1,352,402	9,019	5.33
Land Securities	144,991	1,215	0.72
Prudential	411,545	7,169	4.23
Royal Bank of Scotland	1,633,463	3,744	2.21
Segro REIT	249,802	1,881	1.11
Total Financials		34,675	20.48
Technology - 4.27% (3.04%)			
FDM Group	112,547	1,021	0.60
Microsoft	23,327	2,590	1.53
Sage Group	445,456	3,627	2.14
Total Technology		7,238	4.27
Portfolio of investments		170,002	100.39
Net other liabilities		(665)	(0.39)
Net assets		169,337	100.00

+related party

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed securities.

Total purchases for the period, including transaction charges, were £24,397,822.

Total sales for the period, net of transaction charges, were £30,067,131.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	288.40p	339.20p	332.20p	294.20p
Return before operating charges*	35.39p	(32.25p)	26.52p	55.82p
Operating charges**	(2.50p)	(5.21p)	(5.49p)	(5.16p)
Return after operating charges*	32.89p	(37.46p)	21.03p	50.66p
Distributions on income shares	(7.09p)	(13.34p)	(14.03p)	(12.66p)
Closing net asset value per share	314.20p	288.40p	339.20p	332.20p
*after direct transaction costs of:***	0.22p	0.50p	0.65p	0.72p
Performance				
Return after charges	11.40%	(11.04%)	6.33%	17.22%
Other information				
Closing net asset value	£24,648,624	£24,275,916	£31,206,198	£86,047,755
Closing number of shares	7,845,966	8,419,023	9,199,673	25,905,632
Operating charges - OCF	1.64%	1.64%	1.64%	1.65%
Direct transaction costs	0.07%	0.16%	0.19%	0.23%
Prices				
Highest share price	323.70p	343.30p	351.10p	336.50p
Lowest share price	285.40p	282.10p	320.40p	277.30p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	603.20p	679.90p	638.90p	544.20p
Return before operating charges*	74.14p	(66.14p)	51.74p	104.35p
Operating charges**	(5.24p)	(10.56p)	(10.74p)	(9.65p)
Return after operating charges*	68.90p	(76.70p)	41.00p	94.70p
Distributions on accumulation shares	(14.85p)	(27.01p)	(27.27p)	(23.64p)
Retained distributions on accumulation shares	14.85p	27.01p	27.27p	23.64p
Closing net asset value per share	672.10p	603.20p	679.90p	638.90p
*after direct transaction costs of:***	0.47p	1.01p	1.26p	1.34p
Performance				
Return after charges	11.42%	(11.28%)	6.42%	17.40%
Other information				
Closing net asset value	£25,324,288	£23,496,912	£28,889,810	£29,256,983
Closing number of shares	3,767,784	3,895,321	4,248,891	4,579,147
Operating charges - OCF	1.64%	1.64%	1.64%	1.65%
Direct transaction costs	0.07%	0.16%	0.19%	0.23%
Prices				
Highest share price	677.30p	688.20p	680.90p	637.10p
Lowest share price	597.10p	577.90p	616.40p	513.00p

**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 six months ended 15 July 2019 (unaudited)

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	306.10p	357.50p	347.50p	305.50p
Return before operating charges*	37.63p	(34.22p)	27.98p	58.19p
Operating charges**	(1.49p)	(3.08p)	(3.25p)	(3.01p)
Return after operating charges*	36.14p	(37.30p)	24.73p	55.18p
Distributions on income shares	(7.54p)	(14.10p)	(14.73p)	(13.18p)
Closing net asset value per share	334.70p	306.10p	357.50p	347.50p
*after direct transaction costs of:***	0.24p	0.53p	0.68p	0.75p
Performance				
Return after charges	11.81 %	(10.43 %)	7.12 %	18.06 %
Other information				
Closing net asset value	£116,184,078	£109,758,435	£136,121,021	£88,135,106
Closing number of shares	34,710,039	35,857,580	38,080,690	25,364,248
Operating charges - OCF	0.92 %	0.92 %	0.92 %	0.92 %
Direct transaction costs	0.07 %	0.16 %	0.19 %	0.23 %
Prices				
Highest share price	344.80p	362.70p	368.30p	352.00p
Lowest share price	303.00p	299.40p	335.30p	288.20p

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	630.70p	705.80p	658.40p	556.70p
Return before operating charges*	77.67p	(68.95p)	53.61p	107.25p
Operating charges**	(3.07p)	(6.15p)	(6.21p)	(5.55p)
Return after operating charges*	74.60p	(75.10p)	47.40p	101.70p
Distributions on accumulation shares	(15.55p)	(28.13p)	(28.19p)	(24.26p)
Retained distributions on accumulation shares	15.55p	28.13p	28.19p	24.26p
Closing net asset value per share	705.30p	630.70p	705.80p	658.40p
*after direct transaction costs of:***	0.49p	1.05p	1.30p	1.37p
Performance				
Return after charges	11.83 %	(10.64 %)	7.20 %	18.27 %
Other information				
Closing net asset value	£3,180,395	£3,165,579	£3,950,725	£3,777,705
Closing number of shares	450,916	501,914	559,760	573,754
Operating charges - OCF	0.92 %	0.92 %	0.92 %	0.92 %
Direct transaction costs	0.07 %	0.16 %	0.19 %	0.23 %
Prices				
Highest share price	710.60p	716.10p	706.80p	656.50p
Lowest share price	624.50p	604.00p	635.40p	525.10p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		15,463		(5,276)
Revenue	3,942		4,230	
Expenses	(942)		(1,057)	
Net revenue before taxation	3,000		3,173	
Taxation	(41)		(42)	
Net revenue after taxation		2,959		3,131
Total return/(deficit) before distributions		18,422		(2,145)
Distributions		(3,883)		(4,172)
Change in net assets attributable to shareholders from investment activities		14,539		(6,317)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		160,697		200,168
Amounts receivable on creation of shares	2,447		2,126	
Amounts payable on cancellation of shares	(8,986)		(9,482)	
		(6,539)		(7,356)
Dilution adjustment		10		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		14,539		(6,317)
Retained distribution on accumulation shares		630		667
Closing net assets attributable to shareholders		169,337		187,162

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		170,002		160,310
Current assets				
Debtors	1,302		982	
Cash and bank balances	2,259		3,336	
Total current assets		3,561		4,318
Total assets		173,563		164,628
Liabilities				
Creditors				
Distribution payable on income shares	(3,173)		(2,853)	
Other creditors	(1,053)		(1,078)	
Total liabilities		(4,226)		(3,931)
Net assets attributable to shareholders		169,337		160,697

Distribution Table (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 July 2019				
Retail Income				
Group 1	7.090000	-	7.090000	7.190000
Group 2	4.150000	2.940000	7.090000	7.190000
Retail Accumulation				
Group 1	14.850000	-	14.850000	14.420000
Group 2	6.980000	7.870000	14.850000	14.420000
Income C				
Group 1	7.540000	-	7.540000	7.590000
Group 2	3.790000	3.750000	7.540000	7.590000
Accumulation C				
Group 1	15.550000	-	15.550000	14.990000
Group 2	5.770000	9.780000	15.550000	14.990000

Monthly Income

Investment Objective

To provide a monthly income rising over time together with capital growth.

Investment Policy

To invest predominantly in a combination of UK equities and fixed income securities.

Investment Strategy

The long-term allocation target is 70% equities and 30% fixed income. The Fund invests in many of the higher-yielding equities in the UK market.

Portfolio Activity

During the period the FTSE All Share advanced by 12.9%. The Information Technology and Materials sectors were the best performers, whilst Communication Services lagged. Over the same time, the Fund outperformed the index.

Allocation effects, residual to stock selection, were positive given an underweight exposure to Utilities and overweight Information Technology. Partially offsetting this was an underweight exposure to Consumer Staples.

At the stock level, contributors to relative performance included Ashmore Group, which gained after seeing major inflows over the period, resulting in the share price hitting a record high. Additionally, Unilever continued its positive momentum following a solid earnings release in April, driven by sales growth in emerging markets.

Detractors included easyJet, which felt pressure, along with others in the industry, on the back of a slowdown in traffic, exacerbated by Brexit. Furthermore, Coats Group fell as profits were hit by one-off costs associated with the company's reorganisation program.

During the year major purchases included Bunzl, easyJet, FDM Group and Next, whilst Ascential, BT Group, Card Factory, Centrica, Informa, Ryanair Holdings and John Wood Group were sold.

Your portfolio aims to deliver diversified exposure to UK equities, with a portfolio yield higher than the market index, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management. We believe this disciplined approach should help investors navigate short-term uncertainties.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 10.77%.

(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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Income C	Accumulation C
Price	145.0p xd	311.2p	152.0p xd	323.2p
Distribution payable (on 15 August 2019) per share net	0.450000p	0.950000p	0.470000p	0.990000p
Current net estimated yield	3.92%	3.82%	3.91%	3.82%
Annual ACD charge	1.25%	1.25%	0.55%	0.55%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED KINGDOM - 77.74% (76.09%)			
Government Bonds - 2.93% (2.26%)			
Treasury 1.625% 22/10/2028	£1,250,000	1,343	0.98
Treasury 3.25% 22/1/2044	£600,000	831	0.60
Treasury 3.5% 22/1/2045	£900,000	1,306	0.95
Treasury 3.75% 22/7/2052	£340,000	556	0.40
Total Government Bonds		4,036	2.93
Corporate Bonds - 8.23% (8.38%)			
Affinity Water Programme Finance 4.5% 31/3/2036	£300,000	397	0.29
Aviva 6.625% variable rate 3/6/2041	£450,000	489	0.35
Barclays Bank 10% 21/5/2021	£800,000	919	0.67
BAT International 7.25% 12/3/2024	£500,000	618	0.45
Centrica 4.375% 13/3/2029	£281,000	327	0.24
Eastern Power Networks 5.75% 8/3/2024	£891,000	1,053	0.76
Hammerson 6% 23/2/2026	£500,000	584	0.42
Imperial Brands 4.875% 7/6/2032	£112,000	134	0.10
Imperial Brands 8.125% 15/3/2024	£500,000	638	0.46
Legal and General Group 5.5% variable rate 27/6/2064	£221,000	252	0.18
Manchester Airport Group Funding 4.75% 31/3/2034	£317,000	407	0.30
Morrison (WM) Supermarkets 4.75% 4/7/2029	£293,000	352	0.26
Prudential 5.7% variable rate 19/12/2063	£300,000	353	0.26
RL Finance No.2 6.125% variable rate 30/11/2043	£250,000	282	0.20
Severn Trent Water Utilities 3.625% 16/1/2026	£633,000	701	0.51
Southern Gas 4.875% 21/12/2020	£624,000	656	0.48
SSE 3.875% variable rate perpetual	£178,000	181	0.13
Tesco Property Finance 5.4111% 13/7/2044	£500,000	606	0.44
United Utilities 5.625% 20/12/2027	£430,000	562	0.41
Vodafone Group 5.625% 4/12/2025	£250,000	307	0.22
Western Power Distribution 3.875% 17/10/2024	£755,000	835	0.61
Zurich Finance 6.625% variable rate perpetual	£600,000	676	0.49
Total Corporate Bonds		11,329	8.23
Permanent Interest Bearing Securities - 0.56% (0.56%)			
Leeds Building Society 13.375% perpetual	£380,000	775	0.56
Total Permanent Interest Bearing Securities		775	0.56
Oil & Gas - 10.74% (11.06%)			
BP	1,333,170	7,227	5.25
Royal Dutch Shell A	291,497	7,554	5.49
Total Oil & Gas		14,781	10.74

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Basic Materials - 6.20% (5.53%)			
Antofagasta	153,073	1,373	1.00
BHP Group	215,286	4,318	3.14
Croda International	29,895	1,451	1.05
Rio Tinto	28,588	1,391	1.01
Total Basic Materials		8,533	6.20
Industrials - 8.17% (7.72%)			
BAE Systems	502,862	2,555	1.85
Bunzl	68,287	1,467	1.07
Coats Group	2,029,334	1,621	1.18
Essentra	280,769	1,192	0.87
Ibstock	630,552	1,499	1.09
Rentokil Initial	448,784	1,875	1.36
Weir Group	69,031	1,036	0.75
Total Industrials		11,245	8.17
Consumer Goods - 8.89% (7.03%)			
British American Tobacco	149,761	4,380	3.18
Diageo	47,630	1,620	1.18
SSP	167,466	1,150	0.83
Unilever	101,309	5,091	3.70
Total Consumer Goods		12,241	8.89
Healthcare - 6.72% (6.54%)			
AstraZeneca	48,114	3,046	2.21
GlaxoSmithKline	378,444	6,201	4.51
Total Healthcare		9,247	6.72
Consumer Services - 7.39% (6.84%)			
Compass Group	145,861	2,844	2.07
easyJet	218,436	2,175	1.58
Halfords Group	167,030	361	0.26
Next	12,108	663	0.48
Tesco	1,096,467	2,633	1.91
WHSmith	71,945	1,494	1.09
Total Consumer Services		10,170	7.39
Telecommunications - 1.19% (2.85%)			
Vodafone Group	1,261,721	1,643	1.19
Total Telecommunications		1,643	1.19

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Utilities - 0.00% (0.70%)			
Financials - 14.75% (15.40%)			
Ashmore Group	228,910	1,181	0.86
Aviva	591,862	2,511	1.82
Barclays	1,414,660	2,218	1.61
Great Portland Estates	114,010	793	0.58
+HSBC Holdings (London listed)	829,778	5,534	4.02
Land Securities	94,557	792	0.58
Prudential	236,681	4,123	2.99
Royal Bank of Scotland Group	906,832	2,078	1.51
Segro REIT	143,271	1,079	0.78
Total Financials		20,309	14.75
Technology - 1.97% (1.22%)			
FDM Group	65,144	591	0.43
Sage Group	260,967	2,125	1.54
Total Technology		2,716	1.97
Total United Kingdom		107,025	77.74
UNITED STATES - 3.64% (3.40%)			
Corporate Bonds - 2.59% (2.51%)			
AT&T 4.25% 1/6/2043	£600,000	683	0.50
AT&T 5.2% 18/11/2033	£200,000	253	0.18
Goldman Sachs Group 4.25% 29/1/2026	£761,000	856	0.62
Metlife Global 2.875% 11/1/2023	£750,000	790	0.58
Time Warner Cable 5.25% 15/7/2042	£300,000	347	0.25
Wells Fargo & Co. 4.875% 29/11/2035	£500,000	637	0.46
Total Corporate Bonds		3,566	2.59
Technology - 1.05% (0.89%)			
Microsoft	12,970	1,440	1.05
Total Technology		1,440	1.05
Total United States		5,006	3.64
AUSTRALIA - 0.85% (0.86%)			
Corporate Bonds - 0.85% (0.86%)			
APT Pipelines 4.25% 26/11/2024	£420,000	471	0.34
BHP Billiton Finance 6.5% variable rate 22/10/2077	£117,000	133	0.10
Macquarie Bank 3.5% 18/12/2020	£545,000	563	0.41
Total Corporate Bonds		1,167	0.85
Total Australia		1,167	0.85

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
BELGIUM - 0.19% (0.19%)			
Corporate Bonds - 0.19% (0.19%)			
Anheuser-Busch Inbev 4% 24/9/2025	£230,000	262	0.19
Total Corporate Bonds		262	0.19
Total Belgium		262	0.19
CAYMAN ISLANDS - 0.83% (1.11%)			
Corporate Bonds - 0.83% (1.11%)			
Yorkshire Power 7.25% 4/8/2028	£800,000	1,144	0.83
Total Corporate Bonds		1,144	0.83
Total Cayman Islands		1,144	0.83
CHANNEL ISLANDS - 3.65% (3.10%)			
Corporate Bonds - 1.33% (1.08%)			
Credit Suisse Funding Limited 3% 27/5/2022	£361,000	377	0.28
Gatwick Funding Limited 6.5% 2/3/2043	£109,000	174	0.13
Glencore Finance Europe 5.5% 3/4/2022	£250,000	277	0.20
Heathrow Funding 4.625% 31/10/2046	£500,000	679	0.49
Heathrow Funding 7.125% 14/2/2024	£260,000	317	0.23
Total Corporate Bonds		1,824	1.33
Industrials - 2.32% (2.02%)			
Ferguson	54,691	3,200	2.32
Total Industrials		3,200	2.32
Total Channel Islands		5,024	3.65
FRANCE - 3.71% (3.48%)			
Corporate Bonds - 3.71% (3.48%)			
AXA 5.625% variable rate 16/1/2054	£800,000	940	0.68
Bouygues 5.5% 6/10/2026	£500,000	616	0.45
BPCE 5.25% 16/4/2029	£500,000	602	0.44
Electricite de France 5.5% 17/10/2041	£400,000	580	0.42
Electricite de France 5.875% variable rate perpetual	£200,000	214	0.16
Electricite de France 6% variable rate perpetual	£600,000	650	0.47
Electricite de France 6% 23/1/2114	£400,000	633	0.46
Orange 5.875% variable rate perpetual	£571,000	625	0.45
Saint-Gobain 5.625% 15/11/2024	£200,000	240	0.18
Total Corporate Bonds		5,100	3.71
Total France		5,100	3.71
IRELAND - 2.57% (3.47%)			
Corporate Bonds - 1.41% (1.38%)			
GE Capital UK Funding 4.125% 13/9/2023	£1,800,000	1,949	1.41
Total Corporate Bonds		1,949	1.41

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Industrials - 1.16% (1.23%)			
DCC (London listed)	22,933	1,593	1.16
Total Industrials		1,593	1.16
Consumer Services - 0.00% (0.86%)			
Total Ireland		3,542	2.57
ITALY - 0.76% (0.76%)			
Corporate Bonds - 0.76% (0.76%)			
Enel Spa 6.625% variable rate 15/9/2076	£400,000	438	0.32
Leonardo Finmeccanica 8% 16/12/2019	£325,000	334	0.24
Telecom Italia 5.875% 19/5/2023	£250,000	274	0.20
Total Corporate Bonds		1,046	0.76
Total Italy		1,046	0.76
LUXEMBOURG - 0.00% (0.21%)			
Corporate Bonds - 0.00% (0.21%)			
MEXICO - 0.48% (0.45%)			
Government Bonds - 0.48% (0.45%)			
United Mexican States 5.625% 19/3/2114	£621,000	657	0.48
Total Government Bonds		657	0.48
Total Mexico		657	0.48
NETHERLANDS - 1.56% (1.60%)			
Corporate Bonds - 0.53% (0.75%)			
Deutsche Telekom 8.875% 27/11/2028	£250,000	390	0.28
Petrobras Global Finance 6.625% 16/1/2034	£200,000	227	0.17
Petrobras International Finance 6.25% 14/12/2026	£100,000	115	0.08
Total Corporate Bonds		732	0.53
Consumer Services - 1.03% (0.85%)			
Wolters Kluwer Certificates	24,328	1,422	1.03
Total Consumer Services		1,422	1.03
Total Netherlands		2,154	1.56
Portfolio of investments		132,127	95.98
Net other assets		5,534	4.02
Net assets		137,661	100.00

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
The bond ratings for the portfolio at 15 July 2019 were:			
Bond credit ratings*			
AA		4,036	2.93
AA-		790	0.58
A		1,239	0.90
A-		6,761	4.91
BBB+		10,799	7.84
BBB		4,257	3.10
BBB-		2,510	1.82
BB+		1,214	0.88
BB		864	0.63
BB-		342	0.25
Unrated		775	0.56
Total Bonds		33,587	24.40

+related party

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed securities.

*ratings supplied by Standard & Poor's

Total purchases for the period, including transaction charges, were £14,855,563.

Total sales for the period, net of transaction charges, were £19,762,136.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	133.40p	152.20p	148.90p	133.70p
Return before operating charges*	14.28p	(11.10p)	11.39p	22.78p
Operating charges**	(0.97p)	(2.00p)	(2.09p)	(1.99p)
Return after operating charges*	13.31p	(13.10p)	9.30p	20.79p
Distributions on income shares	(2.51p)	(5.70p)	(6.00p)	(5.59p)
Closing net asset value per share	144.20p	133.40p	152.20p	148.90p
*after direct transaction costs of:***	0.08p	0.17p	0.20p	0.24p
Performance				
Return after charges	9.98%	(8.61%)	6.25%	15.55%
Other information				
Closing net asset value	£19,278,245	£18,589,511	£22,932,128	£50,759,834
Closing number of shares	13,364,786	13,937,463	15,068,891	34,088,932
Operating charges - OCF	1.40%	1.40%	1.40%	1.40%
Direct transaction costs	0.05%	0.12%	0.13%	0.17%
Prices				
Highest share price	145.90p	152.10p	155.10p	150.90p
Lowest share price	132.70p	129.60p	144.80p	128.20p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	281.20p	308.30p	289.90p	250.30p
Return before operating charges*	30.46p	(22.98p)	22.54p	43.38p
Operating charges**	(2.06p)	(4.12p)	(4.14p)	(3.78p)
Return after operating charges*	28.40p	(27.10p)	18.40p	39.60p
Distributions on accumulation shares	(5.32p)	(11.72p)	(11.83p)	(10.63p)
Retained distributions on accumulation shares	5.32p	11.72p	11.83p	10.63p
Closing net asset value per share	309.60p	281.20p	308.30p	289.90p
*after direct transaction costs of:***	0.16p	0.36p	0.39p	0.46p
Performance				
Return after charges	10.10%	(8.79%)	6.35%	15.82%
Other information				
Closing net asset value	£8,708,509	£8,549,003	£10,140,062	£14,072,775
Closing number of shares	2,812,719	3,039,760	3,289,331	4,854,592
Operating charges - OCF	1.40%	1.40%	1.40%	1.40%
Direct transaction costs	0.05%	0.12%	0.13%	0.17%
Prices				
Highest share price	312.20p	309.60p	308.90p	289.50p
Lowest share price	279.80p	272.30p	281.80p	240.10p

**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 six months ended 15 July 2019 (unaudited)

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	139.40p	158.10p	153.90p	137.10p
Return before operating charges*	15.02p	(11.76p)	11.52p	23.54p
Operating charges**	(0.49p)	(1.00p)	(1.05p)	(0.98p)
Return after operating charges*	14.53p	(12.76p)	10.47p	22.56p
Distributions on income shares	(2.63p)	(5.94p)	(6.27p)	(5.76p)
Closing net asset value per share	151.30p	139.40p	158.10p	153.90p
*after direct transaction costs of:***	0.08p	0.18p	0.21p	0.25p
Performance				
Return after charges	10.42%	(8.07%)	6.80%	16.45%
Other information				
Closing net asset value	£99,586,973	£96,217,172	£118,517,015	£99,928,571
Closing number of shares	65,806,043	69,006,532	74,964,152	64,945,557
Operating charges - OCF	0.67%	0.67%	0.68%	0.67%
Direct transaction costs	0.05%	0.12%	0.13%	0.17%
Prices				
Highest share price	152.90p	158.00p	160.70p	155.60p
Lowest share price	138.70p	135.50p	149.60p	131.70p

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	291.30p	317.50p	296.80p	254.40p
Return before operating charges*	31.53p	(24.16p)	22.77p	44.25p
Operating charges**	(1.03p)	(2.04p)	(2.07p)	(1.85p)
Return after operating charges*	30.50p	(26.20p)	20.70p	42.40p
Distributions on accumulation shares	(5.52p)	(12.10p)	(12.09p)	(10.84p)
Retained distributions on accumulation shares	5.52p	12.10p	12.09p	10.84p
Closing net asset value per share	321.80p	291.30p	317.50p	296.80p
*after direct transaction costs of:***	0.17p	0.37p	0.40p	0.47p
Performance				
Return after charges	10.47%	(8.25%)	6.97%	16.67%
Other information				
Closing net asset value	£10,087,260	£9,805,582	£11,844,702	£8,983,943
Closing number of shares	3,134,745	3,366,692	3,730,981	3,026,833
Operating charges - OCF	0.67%	0.67%	0.68%	0.67%
Direct transaction costs	0.05%	0.12%	0.13%	0.17%
Prices				
Highest share price	324.20p	319.50p	318.10p	296.10p
Lowest share price	289.80p	281.90p	288.70p	244.40p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		11,052		(4,420)
Revenue	3,028		3,327	
Expenses	(553)		(622)	
Net revenue before taxation	2,475		2,705	
Taxation	(63)		(61)	
Net revenue after taxation		2,412		2,644
Total return/(deficit) before distributions		13,464		(1,776)
Distributions		(2,460)		(2,680)
Change in net assets attributable to shareholders from investment activities		11,004		(4,456)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		133,161		163,434
Amounts receivable on creation of shares	917		1,138	
Amounts payable on cancellation of shares	(7,751)		(7,958)	
		(6,834)		(6,820)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		11,004		(4,456)
Retained distribution on accumulation shares		330		356
Closing net assets attributable to shareholders		137,661		152,514

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		132,127		126,129
Current assets				
Debtors	1,551		1,509	
Cash and bank balances	5,027		6,658	
Total current assets		6,578		8,167
Total assets		138,705		134,296
Liabilities				
Creditors				
Distribution payable on income shares	(369)		(416)	
Other creditors	(675)		(719)	
Total liabilities		(1,044)		(1,135)
Net assets attributable to shareholders		137,661		133,161

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.8.19</i>	<i>Distribution paid 15.8.18</i>
Group 1: Shares purchased prior to 16 June 2019				
Group 2: Shares purchased from 16 June 2019 to 15 July 2019				
Retail Income				
Group 1	0.450000	-	0.450000	0.480000
Group 2	0.000000	0.450000	0.450000	0.480000
Retail Accumulation				
Group 1	0.950000	-	0.950000	0.970000
Group 2	0.000000	0.950000	0.950000	0.970000
Income C				
Group 1	0.470000	-	0.470000	0.500000
Group 2	0.000000	0.470000	0.470000	0.500000
Accumulation C				
Group 1	0.990000	-	0.990000	1.010000
Group 2	0.000000	0.990000	0.990000	1.010000

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.7.19</i>	<i>Distribution paid 15.7.18</i>
Group 1: Shares purchased prior to 16 May 2019				
Group 2: Shares purchased from 16 May 2019 to 15 June 2019				
Retail Income				
Group 1	0.440000	-	0.440000	0.500000
Group 2	0.000000	0.440000	0.440000	0.500000
Retail Accumulation				
Group 1	0.940000	-	0.940000	1.020000
Group 2	0.000000	0.940000	0.940000	1.020000
Income C				
Group 1	0.460000	-	0.460000	0.530000
Group 2	0.000000	0.460000	0.460000	0.530000
Accumulation C				
Group 1	0.980000	-	0.980000	1.070000
Group 2	0.000000	0.980000	0.980000	1.070000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.19</i>	<i>Distribution paid 15.6.18</i>
Group 1: Shares purchased prior to 16 April 2019				
Group 2: Shares purchased from 16 April 2019 to 15 May 2019				
Retail Income				
Group 1	0.440000	-	0.440000	0.520000
Group 2	0.000000	0.440000	0.440000	0.520000
Retail Accumulation				
Group 1	0.940000	-	0.940000	1.200000
Group 2	0.000000	0.940000	0.940000	1.200000
Income C				
Group 1	0.460000	-	0.460000	0.630000
Group 2	0.000000	0.460000	0.460000	0.630000
Accumulation C				
Group 1	0.970000	-	0.970000	1.270000
Group 2	0.000000	0.970000	0.970000	1.270000

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.5.19</i>	<i>Distribution paid 15.5.18</i>
Group 1: Shares purchased prior to 16 March 2019				
Group 2: Shares purchased from 16 March 2019 to 15 April 2019				
Retail Income				
Group 1	0.440000	-	0.440000	0.240000
Group 2	0.000000	0.440000	0.440000	0.240000
Retail Accumulation				
Group 1	0.920000	-	0.920000	1.260000
Group 2	0.000000	0.920000	0.920000	1.260000
Income C				
Group 1	0.460000	-	0.460000	0.460000
Group 2	0.000000	0.460000	0.460000	0.460000
Accumulation C				
Group 1	0.960000	-	0.960000	0.920000
Group 2	0.010000	0.950000	0.960000	0.920000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.4.19</i>	<i>Distribution paid 15.4.18</i>
Group 1: Shares purchased prior to 16 February 2019				
Group 2: Shares purchased from 16 February 2019 to 15 March 2019				
Retail Income				
Group 1	0.440000	-	0.440000	0.590000
Group 2	0.000000	0.440000	0.440000	0.590000
Retail Accumulation				
Group 1	0.930000	-	0.930000	0.290000
Group 2	0.670000	0.260000	0.930000	0.290000
Income C				
Group 1	0.460000	-	0.460000	0.300000
Group 2	0.200000	0.260000	0.460000	0.300000
Accumulation C				
Group 1	0.960000	-	0.960000	0.610000
Group 2	0.130000	0.830000	0.960000	0.610000

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.3.19</i>	<i>Distribution paid 15.3.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 February 2019				
Retail Income				
Group 1	0.300000	-	0.300000	0.200000
Group 2	0.300000	0.000000	0.300000	0.200000
Retail Accumulation				
Group 1	0.640000	-	0.640000	0.400000
Group 2	0.470000	0.170000	0.640000	0.400000
Income C				
Group 1	0.320000	-	0.320000	0.210000
Group 2	0.270000	0.050000	0.320000	0.210000
Accumulation C				
Group 1	0.660000	-	0.660000	0.410000
Group 2	0.470000	0.190000	0.660000	0.410000

Gilt & Fixed Interest

Investment Objective

To provide a regular and competitive level of income from an underlying portfolio of gilts and other highly-rated fixed interest securities.

Investment Policy

To invest predominantly in British government stocks and other fixed interest stock whether issued in Great Britain or any other country in the world.

Investment Strategy

The Gilt & Fixed Interest Fund invests in UK government securities and interest rate derivatives in order to achieve a better return than the market. This is achieved by changing the overall duration of the Fund and its yield curve positioning relative to the benchmark*. It can also gain exposure to investment grade or high-yield credit through the use of credit default swaps.

Portfolio Activity

The Fund NAV increased over the period, performing slightly below the reference benchmark. In Q1, the Fund slightly underperformed the benchmark. We held a small underweight duration position which was slightly negative. We took profit early in Q1 of our long US Treasuries, short UK Gilts. We also opened a yield curve steeper position i.e. an overweight position in 10-year gilts and an underweight in 30-year Gilts. This has not generated a significant effect on relative performance. In Q2, the Fund performed largely in line with the benchmark. We held a small underweight duration position in the 10-year part of the curve which was slightly negative. We also increased our steepener position between 10 and 30 year Gilts (overweight 10-year versus underweight 30-year Gilts). This was slightly positive for performance. We still hold a small off-benchmark position in high quality corporates which had a small positive impact to performance.

The UK economy is likely to continue in a positive soft trend, with Brexit remaining the main driver of concern for businesses and hence business investment is likely to remain subdued. Consumers' confidence remains high largely from a strong labour market, while earnings have been growing at a solid pace recently. The Bank of England (BoE) kept rates unchanged but showed some dovish bias and inflation is likely to remain close to their 2% target (within a controlled Brexit). We do not expect a large shift on monetary policy for now under a 'smooth Brexit' scenario. We expect UK yields to remain at relatively low levels whilst downside risks to global trade remain elevated. There is a risk of higher than average volatility for UK bond yields, as we move closer to the October 31st deadline to leave the EU. Even in the event of a deadline extension it is unlikely the possibility of leaving the EU without a deal will be removed.

In terms of activity, major purchases were: UK Treasury 1.625% 22/10/2028, UK Treasury 2% 22/7/2020 and UK Treasury 4.25% 7/12/2055.

Significant sales included: UK Treasury 4.5% 7/3/2019, UK Treasury 1.75% 22/7/2019 and UK Treasury 4.25% 7/12/2046.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 4.81%.

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

*As the Fund has no official benchmark the indicative index is the FTSE All-Stocks index (for illustrative purposes only).

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

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Institutional Income	Income C	Accumulation C
Price	74.37p xd	489.4p	74.72p xd	74.57p xd	502.1p
Distribution payable (on 15 September 2019) per share net	0.320000p	2.060000p	0.440000p	0.380000p	2.510000p
Current net estimated yield	1.85%	1.82%	2.57%	2.18%	2.16%
Annual ACD charge	0.60%	0.60%	0.00%	0.30%	0.30%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
GOVERNMENT BONDS - 96.76% (95.93%)			
KFW 1.625% 5/6/2020	£745,000	751	1.10
Network Rail 4.625% 21/7/2020	£1,123,000	1,166	1.71
Treasury 0.5% 22/7/2022	£400,000	400	0.59
Treasury 1.5% 22/1/2021	£1,800,000	1,825	2.68
Treasury 1.5% 22/7/2047	£364,000	372	0.55
Treasury 1.625% 22/10/2028	£4,470,000	4,801	7.05
Treasury 1.625% 22/10/2071	£665,000	748	1.10
Treasury 1.75% 22/7/2019	£1,520,000	1,520	2.23
Treasury 1.75% 7/9/2022	£4,870,000	5,054	7.42
Treasury 1.75% 7/9/2037	£550,000	591	0.87
Treasury 2% 22/7/2020	£2,600,000	2,636	3.87
Treasury 2% 7/9/2025	£950,000	1,031	1.51
Treasury 2.25% 7/9/2023	£4,203,000	4,492	6.59
Treasury 2.5% 22/7/2065	£2,586,600	3,649	5.36
Treasury 2.75% 7/9/2024	£860,000	954	1.40
Treasury 3.25% 22/1/2044	£485,000	672	0.99
Treasury 3.5% 22/1/2045	£1,121,000	1,627	2.39
Treasury 3.75% 7/9/2021	£370,000	395	0.58
Treasury 3.75% 22/7/2052	£447,000	731	1.07
Treasury 4% 22/1/2060	£50,000	92	0.13
Treasury 4.25% 7/12/2027	£708,000	913	1.34
Treasury 4.25% 7/6/2032	£2,980,000	4,145	6.08
Treasury 4.25% 7/3/2036	£3,476,200	5,074	7.45
Treasury 4.25% 7/9/2039	£859,000	1,307	1.92
Treasury 4.25% 7/12/2040	£1,862,000	2,872	4.21
Treasury 4.25% 7/12/2046	£2,394,000	3,947	5.79
Treasury 4.25% 7/12/2055	£3,599,000	6,611	9.70
Treasury 4.5% 7/12/2042	£813,000	1,324	1.94
Treasury 4.75% 7/3/2020	£3,658,000	3,755	5.51
Treasury 4.75% 7/12/2030	£1,080,000	1,531	2.25
Treasury 4.75% 7/12/2038	£589,000	942	1.38
Total Government Bonds		65,928	96.76
CORPORATE BONDS - 2.37% (2.40%)			
Heathrow Funding 6.75% 3/12/2026	£497,000	664	0.97
Wells Fargo & Co. 1.375% 30/6/2022	£953,000	953	1.40
Total Corporate Bonds		1,617	2.37
MONEY MARKET - 0.27% (1.33%)			
+^HSBC Global Liquidity Fund	185,243	185	0.27
Total Money Market		185	0.27

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
FORWARD FOREIGN EXCHANGE CONTRACTS - 0.00% (-0.05%)			
FUTURES - -0.01% (0.00%)			
ICF ICE Long Gilt Future September 2019		(9)	(0.01)
Total Futures		(9)	(0.01)
Portfolio of investments		67,721	99.39
Net other assets		419	0.61
Net assets		68,140	100.00
Bond credit ratings*			
AAA		751	1.10
AA		65,178	95.66
A		953	1.40
A-		663	0.97
Total bonds		67,545	99.13

+related party

^investment scheme registered outside the UK

*ratings supplied by Standard & Poor's

Figures in brackets denote comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed securities.

Total purchases for the period, including transaction charges, were £21,993,230.

Total sales for the period, net of transaction charges, were £10,550,654.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	71.64p	72.29p	72.48p	70.78p
Return before operating charges*	3.54p	1.42p	2.06p	4.05p
Operating charges**	(0.27p)	(0.62p)	(0.66p)	(0.67p)
Return after operating charges*	3.27p	0.80p	1.40p	3.38p
Distributions on income shares	(0.64p)	(1.45p)	(1.59p)	(1.68p)
Closing net asset value per share	74.27p	71.64p	72.29p	72.48p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	4.56%	1.11%	1.93%	4.78%
Other information				
Closing net asset value	£5,163,599	£6,169,948	£6,800,865	£8,401,267
Closing number of shares	6,952,747	8,612,392	9,407,781	11,591,359
Operating charges - OCF	0.75%	0.75%	0.90%	0.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	75.47p	73.07p	75.22p	79.33p
Lowest share price	71.03p	69.64p	71.65p	70.20p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	467.40p	462.10p	453.30p	434.70p
Return before operating charges*	23.17p	9.28p	12.98p	24.82p
Operating charges**	(1.77p)	(3.98p)	(4.18p)	(4.14p)
Return after operating charges*	21.40p	5.30p	8.80p	20.68p
Distributions on accumulation shares	(4.20p)	(9.36p)	(10.05p)	(10.38p)
Retained distributions on accumulation shares	4.20p	9.36p	10.05p	8.30p
Closing net asset value per share	488.80p	467.40p	462.10p	453.30p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	4.58%	1.15%	1.94%	4.76%
Other information				
Closing net asset value	£16,955,622	£16,601,267	£17,952,103	£20,107,885
Closing number of shares	3,469,130	3,552,148	3,884,747	4,435,660
Operating charges - OCF	0.75%	0.75%	0.90%	0.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	494.60p	470.20p	472.10p	491.70p
Lowest share price	463.40p	449.18p	448.90p	431.10p

**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 six months ended 15 July 2019 (unaudited)

Institutional Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	71.97p	72.62p	72.81p	71.10p
Return before operating charges*	3.56p	1.43p	2.10p	4.07p
Operating charges**	(0.01p)	(0.02p)	(0.04p)	(0.02p)
Return after operating charges*	3.55p	1.41p	2.06p	4.05p
Distributions on income shares	(0.90p)	(2.06p)	(2.25p)	(2.34p)
Closing net asset value per share	74.62p	71.97p	72.62p	72.81p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	4.93%	1.94%	2.83%	5.70%
Other information				
Closing net asset value	£22,379,525	£9,177,129	£5,128,462	£1,562,083
Closing number of shares	29,992,564	12,751,101	7,061,752	2,145,496
Operating charges - OCF	0.03%	0.03%	0.06%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	75.93p	73.50p	75.72p	79.77p
Lowest share price	71.36p	70.10p	71.99p	70.53p

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	71.84p	72.49p	72.68p	70.97p
Return before operating charges*	3.54p	1.43p	2.08p	4.06p
Operating charges**	(0.15p)	(0.31p)	(0.32p)	(0.32p)
Return after operating charges*	3.39p	1.12p	1.76p	3.74p
Distributions on income shares	(0.76p)	(1.77p)	(1.95p)	(2.03p)
Closing net asset value per share	74.47p	71.84p	72.49p	72.68p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	4.72%	1.55%	2.42%	5.27%
Other information				
Closing net asset value	£12,608,702	£12,798,038	£13,776,607	£14,506,559
Closing number of shares	16,930,731	17,815,090	19,004,928	19,959,576
Operating charges - OCF	0.43%	0.43%	0.43%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	75.73p	73.31p	75.51p	79.59p
Lowest share price	71.22p	69.90p	71.86p	70.40p

**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 six months ended 15 July 2019 (unaudited)

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	478.70p	471.30p	460.20p	439.60p
Return before operating charges*	23.83p	9.43p	13.12p	25.14p
Operating charges**	(1.03p)	(2.03p)	(2.02p)	(2.00p)
Return after operating charges*	22.80p	7.40p	11.10p	23.14p
Distributions on accumulation shares	(5.09p)	(11.60p)	(12.47p)	(12.68p)
Retained distributions on accumulation shares	5.09p	11.60p	12.47p	10.14p
Closing net asset value per share	501.50p	478.70p	471.30p	460.20p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	4.76%	1.57%	2.41%	5.25%
Other information				
Closing net asset value	£11,032,819	£9,414,995	£10,235,835	£10,692,480
Closing number of shares	2,200,111	1,966,638	2,171,668	2,323,594
Operating charges - OCF	0.43%	0.43%	0.43%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	507.40p	480.70p	480.70p	498.40p
Lowest share price	474.60p	458.30p	455.80p	436.10p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		2,518		312
Revenue	496		505	
Expenses	(132)		(157)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	363		348	
Taxation	-		-	
Net revenue after taxation		363		348
Total return before distributions		2,881		660
Distributions		(625)		(655)
Change in net assets attributable to shareholders from investment activities		2,256		5

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		54,161		53,894
Amounts receivable on creation of shares	16,515		5,296	
Amounts payable on cancellation of shares	(5,045)		(4,321)	
		11,470		975
Dilution adjustment		2		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		2,256		5
Retained distribution on accumulation shares		251		294
Closing net assets attributable to shareholders		68,140		55,170

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		67,730		53,979
Current assets				
Debtors	587		422	
Cash and bank balances	139		41	
Total current assets		726		463
Total assets		68,456		54,442
Liabilities				
Investment liabilities		(9)		(27)
Creditors				
Distribution payable on income shares	(219)		(172)	
Other creditors	(88)		(82)	
Total creditors		(307)		(254)
Total liabilities		(316)		(281)
Net assets attributable to shareholders		68,140		54,161

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 April 2019				
Group 2: Shares purchased from 16 April 2019 to 15 July 2019				
Retail Income				
Group 1	0.320000	-	0.320000	0.350000
Group 2	0.300000	0.020000	0.320000	0.350000
Retail Accumulation				
Group 1	2.060000	-	2.060000	2.270000
Group 2	1.430000	0.630000	2.060000	2.270000
Institutional Income				
Group 1	0.440000	-	0.440000	0.510000
Group 2	0.440000	0.000000	0.440000	0.510000
Income C				
Group 1	0.380000	-	0.380000	0.440000
Group 2	0.220000	0.160000	0.380000	0.440000
Accumulation C				
Group 1	2.510000	-	2.510000	2.880000
Group 2	1.150000	1.360000	2.510000	2.880000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.19</i>	<i>Distribution paid 15.6.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 April 2019				
Retail Income				
Group 1	0.320000	-	0.320000	0.370000
Group 2	0.120000	0.200000	0.320000	0.370000
Retail Accumulation				
Group 1	2.140000	-	2.140000	2.390000
Group 2	1.260000	0.880000	2.140000	2.390000
Institutional Income				
Group 1	0.460000	-	0.460000	0.530000
Group 2	0.460000	0.000000	0.460000	0.530000
Income C				
Group 1	0.380000	-	0.380000	0.460000
Group 2	0.120000	0.260000	0.380000	0.460000
Accumulation C				
Group 1	2.580000	-	2.580000	2.990000
Group 2	1.520000	1.060000	2.580000	2.990000

Corporate Bond

Investment Objective

To provide a regular and competitive level of income from an underlying portfolio of predominantly sterling corporate bonds.

Investment Policy

To invest predominantly in corporate bonds and other fixed interest securities.

Investment Strategy

The Corporate Bond Fund invests primarily in investment grade corporate bonds (but also can take exposure in sub investment grade bonds) in order to achieve a better return than the market. The Fund invests in a variety of fixed income securities including, but not limited to, fixed and floating rate securities, senior and subordinated securities, bullet, callable and perpetual securities denominated or hedged back into sterling. In addition, the Fund uses derivatives, both interest rate and credit, to achieve its aim.

The Investment Objective is achieved by changing the overall position of the Fund against its benchmark in respect to duration, yield curve and credit exposure.

Portfolio Activity

The Fund NAV increased over the period, performing above the reference benchmark. Sterling corporate bonds value rose strongly in the period as Gilts yield fell sharply and corporate bond spreads tightened from improved risk sentiment after a strong sell-off at the end of 2018. There was a positive contribution largely from individual credit selection. Our slight overweight in credit beta over the period (sensitivity to credit markets) was positive as corporate spreads fell over the quarter.

Fund positioning was adjusted slightly over the period. Overall, we kept an overweight in credit markets. In Q1, most of the outperformance came from our overweight to companies within the Financial sector, in particular lower tier bonds from European and UK banks. Also as part of issuer selection, we had a smaller positive impact within Utilities. Asset allocation was negative overall, with negative impacts from our underweight positions across sectors. In Q2 the outperformance came mainly from our positioning in Utilities and Financials. Within Financials, exposure to lower tier bonds from Banks and Insurance companies added to relative performance. We also have a small positive from Consumer goods while selection within other sectors had a large neutral impact. Asset allocation detracted slightly, with small negative impacts from various sectors.

The sterling corporate bond market appears close to fair value following a strong gain over the past month. The improvement in the US-China trade tensions plus increased expectations of dovish monetary stance by the Fed and ECB have significantly improved the market sentiment for corporate bond markets. Overall, we are more cautious on sterling corporate fundamentals and their long-term trend given the impact the continued trade tensions could have on the global and the UK economies. In the bigger picture, we remain concerned that we are in the latter stages of the global economic and credit cycles.

In terms of activity, major purchases included: Royal Bank of Scotland Group 3.125% variable rate 28/3/2027, BNP Paribas 3.375% 23/1/2026 and ING Groep NV 3% 18/2/2026.

Significant sales included: Royal Bank of Scotland Group 3.125% variable rate 28/3/2027, BNP Paribas 3.375% 23/1/2026 and ING Groep NV 3% 18/2/2026.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 6.95%.

(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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	125.5p xd	295.3p	230.7p xd	350.0p
Distribution payable (on 15 September 2019) per share net	0.760000p	1.790000p	2.050000p	3.080000p
Current net estimated yield	2.45%	2.42%	3.54%	3.46%
Annual ACD charge	1.00%	1.00%	0.00%	0.00%
	Income C	Accumulation C	Institutional Gross Accumulation	
Price	126.0p xd	307.9p	351.1p	
Distribution payable (on 15 September 2019) per share net	0.990000p	2.410000p	3.090000p	
Current net estimated yield	3.15%	3.09%	3.46%	
Annual ACD charge	0.30%	0.30%	0.00%	

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED KINGDOM - 47.21% (45.38%)			
Government Bonds - 7.32% (8.62%)			
Treasury 1.50% 22/7/2047	£2,750,000	2,813	0.31
Treasury 1.625% 22/10/2028	£8,250,000	8,861	0.97
Treasury 1.625% 22/10/2071	£2,765,000	3,110	0.34
Treasury 2.5% 22/7/2065	£2,220,000	3,132	0.34
Treasury 4.25% 7/12/2027	£1,250,000	1,613	0.18
Treasury 4.25% 7/6/2032	£1,161,000	1,615	0.18
Treasury 4.25% 7/3/2036	£8,500,000	12,408	1.35
Treasury 4.25% 7/9/2039	£3,140,000	4,778	0.52
Treasury 4.25% 7/12/2046	£4,070,000	6,710	0.73
Treasury 4.5% 7/9/2034	£3,258,000	4,782	0.52
Treasury 4.5% 7/12/2042	£3,000,000	4,887	0.53
Treasury 4.75% 7/12/2038	£7,750,000	12,394	1.35
Total Government Bonds		67,103	7.32
Corporate Bonds - 39.88% (36.73%)			
Anglian Water 2.625% 15/6/2027	£2,800,000	2,750	0.30
Anglian Water 4.5% 22/2/2026	£2,571,000	2,826	0.31
Annington Funding 2.646% 12/7/2025	£2,758,000	2,822	0.31
Annington Funding 3.184% 12/7/2029	£4,104,000	4,293	0.47
Annington Funding 3.685% 12/7/2034	£2,032,000	2,190	0.24
Annington Funding 3.935% 12/7/2047	£1,800,000	1,974	0.22
Astrazeneca 5.75% 13/11/2031	£1,564,000	2,207	0.24
Aviva 4.375% variable rate 12/9/2049	£2,000,000	2,103	0.23
Aviva 5.125% variable rate 4/6/2050	£2,979,000	3,276	0.36
Aviva 6.125% 14/11/2036	£4,300,000	5,009	0.55
Aviva 6.125% variable rate perpetual	£2,400,000	2,608	0.28
Aviva 6.625% variable rate 3/6/2041	£1,550,000	1,685	0.18
Aviva 6.875% variable rate 20/5/2058	£650,000	851	0.09
Barclays Bank 1.375% 24/1/2026	£3,000,000	2,722	0.30
Barclays Bank 2.375% variable rate 6/10/2023	£7,840,000	7,879	0.86
Barclays Bank 3% 8/5/2026	£2,483,000	2,524	0.28
Barclays Bank 3.125% 17/1/2024	£2,527,000	2,616	0.29
Barclays Bank 3.25% 12/2/2027	£2,955,000	3,040	0.33
Barclays Bank 3.25% 17/1/2033	£1,480,000	1,461	0.16
Barclays Bank 7.875% variable rate perpetual	£2,750,000	2,925	0.32
Barclays Bank 9.5% 7/8/2021	£460,000	531	0.06
Barclays Bank 10% 21/5/2021	£3,550,000	4,077	0.44
BAT International Finance 2.25% 9/9/2052	£6,313,000	4,594	0.50
BAT International Finance 4% 4/9/2026	£650,000	715	0.08
BAT International Finance 6% 24/11/2034	£1,450,000	1,896	0.21
BP Capital Markets 1.231% 8/5/2031	£2,500,000	2,336	0.25
BP Capital Markets 1.827% 8/9/2025	£2,721,000	2,782	0.30
BP Capital Markets 2.274% 3/7/2026	£2,500,000	2,613	0.28
BUPA Finance 5% 8/12/2026	£1,612,000	1,834	0.20

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
BUPA Finance 6.125% variable rate perpetual	£2,200,000	2,302	0.25
Cadent Finance 2.125% 22/9/2028	£3,750,000	3,758	0.41
Cadent Finance 2.625% 22/9/2038	£2,190,000	2,198	0.24
Cadent Finance 2.75% 22/9/2046	£2,500,000	2,501	0.27
Centrica 4.375% 13/3/2029	£1,591,000	1,854	0.20
Centrica 5.25% variable rate 10/4/2075	£1,500,000	1,549	0.17
Centrica 7% 19/9/2033	£4,460,000	6,628	0.72
CYBG 3.125% variable rate 22/6/2025	£2,500,000	2,458	0.27
CYBG 4% variable rate 25/9/2026	£3,200,000	3,242	0.35
Direct Line 4.75% variable rate perpetual	£2,758,000	2,381	0.26
Direct Line 9.25% variable rate 27/4/2042	£308,000	365	0.04
Eastern Power Networks 5.75% 8/3/2024	£2,338,000	2,763	0.30
FCE Bank 2.727% 3/6/2022	£2,710,000	2,742	0.30
Friends Life Holdings 8.25% 21/4/2022	£3,000,000	3,542	0.39
Friends Life Holdings 12% 21/5/2021	£1,915,000	2,282	0.25
GKN 3.375% 12/5/2032	£724,000	716	0.08
GKN 5.375% 19/9/2022	£1,250,000	1,361	0.15
Glaxosmithkline 5.25% 19/12/2033	£2,342,000	3,270	0.36
Glaxosmithkline 5.25% 10/4/2042	£5,031,000	7,470	0.81
Glaxosmithkline 6.375% 9/3/2039	£2,050,000	3,320	0.36
Hammerson 3.5% 27/10/2025	£1,800,000	1,857	0.20
Hammerson 6% 23/2/2026	£3,459,000	4,043	0.44
+HSBC Bank 6% 29/3/2040	£1,300,000	1,754	0.19
+HSBC Holdings 2.175% variable rate 27/6/2023	£4,865,000	4,938	0.54
+HSBC Holdings 2.256% variable rate 13/11/2026	£7,655,000	7,735	0.84
+HSBC Holdings 3% variable rate 22/7/2028	£4,076,000	4,299	0.47
+HSBC Holdings 3% 29/5/2030	£3,000,000	3,132	0.34
+HSBC Holdings 5.875% variable rate perpetual	£2,505,000	2,640	0.29
+HSBC Holdings 6.75% 11/9/2028	£2,500,000	3,270	0.36
+HSBC Holdings 7% 7/4/2038	£1,600,000	2,356	0.26
Imperial Brands Finance 4.875% 7/6/2032	£1,008,000	1,205	0.13
Imperial Brands Finance 5.5% 28/9/2026	£2,900,000	3,462	0.38
Leeds Building Society 3.75% variable rate 25/4/2029	£2,000,000	2,000	0.22
Legal & General Group 5.125% variable rate 14/11/2048	£3,359,000	3,717	0.41
Legal & General Group 5.375% variable rate 27/10/2045	£6,596,000	7,349	0.80
Legal & General Group 5.5% variable rate 27/6/2064	£3,147,000	3,592	0.39
Lloyds Banking Group 7.625% 22/4/2025	£260,000	334	0.04
Lloyds Banking Group 9.625% 6/4/2023	£3,800,000	4,840	0.53
London and Quadrant Housing Trust 2.75% 20/7/2057	£2,663,000	2,495	0.27
Manchester Airport Group Funding 2.875% 30/9/2044	£2,353,000	2,416	0.26
Manchester Airport Group Funding 4.125% 2/4/2024	£3,700,000	4,127	0.45
Marks & Spencer 3.25% 10/7/2027	£2,750,000	2,729	0.30
Marks & Spencer 4.75% 12/6/2025	£2,895,000	3,170	0.35
Marks & Spencer 6.125% 6/12/2021	£500,000	550	0.06
Mitchells & Butler 6.469% 15/9/2030	£1,840,000	2,057	0.22
Morrison (WM) Supermarkets 4.75% 4/7/2029	£2,928,000	3,521	0.38

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Motability Operations Group 1.75% 3/7/2029	£1,867,000	1,846	0.20
Motability Operations Group 2.375% 14/3/2032	£2,931,000	3,048	0.33
Motability Operations Group 2.375% 3/7/2039	£2,420,000	2,401	0.26
National Westminster Bank 6.5% 7/9/2021	£720,000	792	0.09
Natwest Markets 1% 28/5/2024	£1,575,000	1,429	0.16
NGG Finance 5.625% variable rate 18/6/2073	£4,500,000	4,894	0.53
Northumbrian Water Finance 1.625% 11/10/2026	£2,737,000	2,692	0.29
Northumbrian Water Finance 2.375% 5/10/2027	£4,643,000	4,788	0.52
Places For People Homes 2.875% 17/8/2026	£3,126,000	3,169	0.35
Prudential Corporation 3.875% variable rate 20/7/2049	£3,294,000	3,323	0.36
Prudential Corporation 5% variable rate 20/7/2055	£4,830,000	5,266	0.57
Prudential Corporation 5.7% variable rate 19/12/2063	£2,350,000	2,767	0.30
Rio Tinto Finance 4% 11/12/2029	£1,808,000	2,194	0.24
RL Finance Bonds No.2 6.125% variable rate 30/11/2043	£550,000	621	0.07
Royal Bank of Scotland Group 3.125% variable rate 28/3/2027	£10,561,000	10,867	1.18
Saga 3.375% 12/5/2024	£8,108,000	6,729	0.73
Santander UK Group Holdings 2.92% variable rate 8/5/2026	£2,700,000	2,775	0.30
Santander UK Group Holdings 6.75% variable rate perpetual	£2,285,000	2,397	0.26
Scotland Gas Network 3.25% 8/3/2027	£1,000,000	1,090	0.12
Severn Trent Water Utilities 3.625% 16/1/2026	£1,267,000	1,402	0.15
Severn Trent Water Utilities 6.125% 26/2/2024	£1,462,000	1,751	0.19
Society of Lloyds 4.875% variable rate 7/2/2047	£1,000,000	1,100	0.12
South Eastern Power Networks 5.5% 5/6/2026	£3,000,000	3,688	0.40
South Eastern Power Networks 6.375% 12/11/2031	£2,000,000	2,902	0.32
SP Manweb 4.875% 20/9/2027	£500,000	614	0.07
SSE 3.875% variable rate perpetual	£3,439,000	3,492	0.38
SSE 4.75% variable rate 16/9/2077	\$3,500,000	2,788	0.30
SSE 8.375% 20/11/2028	£3,124,000	4,694	0.51
Thames Water Utilities Cayman Finance 2.625% 24/1/2032	£1,000,000	1,010	0.11
Thames Water Utilities Cayman Finance 4% 19/6/2025	£1,000,000	1,111	0.12
Thames Water Utilities Cayman Finance 5.75% 13/9/2030	£2,274,000	2,487	0.27
Thames Water Utilities Cayman Finance 7.738% 9/4/2058	£3,650,000	7,222	0.79
Unilever 1.5% 22/7/2026	£3,430,000	3,455	0.38
Unilever 1.5% 11/6/2039	£3,880,000	3,631	0.40
United Utilities Water Finance 2% 3/7/2033	£1,846,000	1,838	0.20
United Utilities Water Finance 2.625% 12/2/2031	£1,877,000	2,014	0.22
Virgin Money Holdings 3.375% variable rate 24/4/2026	£2,362,000	2,398	0.26
Vodafone Group 3% 12/8/2056	£3,577,000	3,275	0.36
Vodafone Group 3.375% 8/8/2049	£3,650,000	3,601	0.39
Wellcome Trust 2.517% 7/2/2118	£700,000	743	0.08
Western Power Distribution 2.375% 16/5/2029	£5,273,000	5,425	0.59
Western Power Distribution 3.5% 16/10/2026	£3,000,000	3,148	0.34
Western Power Distribution 3.625% 6/11/2023	£6,309,000	6,687	0.73
Western Power Distribution 3.875% 17/10/2024	£2,376,000	2,627	0.29
Western Power Distribution 5.75% 16/4/2032	£2,270,000	3,121	0.34

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Yorkshire Building Society 3% variable rate 18/4/2025	£909,000	930	0.10
Yorkshire Building Society 3.375% variable rate 13/9/2028	£2,800,000	2,704	0.29
Yorkshire Water Finance 2.75% 18/4/2041	£1,179,000	1,249	0.14
Zurich Finance 6.625% variable rate perpetual	£1,953,000	2,199	0.24
Total Corporate Bonds		365,823	39.88
FUTURES - 0.01% (0.03%)			
ICF ICE Long Gilt Future September 2019	87	88	0.01
Total Futures		88	0.01
Total United Kingdom		433,014	47.21
UNITED STATES - 12.37% (12.67%)			
Corporate Bonds - 12.38% (12.69%)			
American International Group 5% 26/4/2023	£3,700,000	4,143	0.45
Amgen 4% 13/9/2029	£3,400,000	3,950	0.43
AT&T 2.9% 4/12/2026	£2,600,000	2,723	0.30
AT&T 4.25% 1/6/2043	£2,000,000	2,276	0.25
AT&T 4.375% 14/9/2029	£1,055,000	1,226	0.13
AT&T 5.2% 18/11/2033	£1,400,000	1,770	0.19
AT&T 7% 30/4/2040	£5,900,000	9,091	0.99
Bank of America 2.3% 25/7/2025	£3,143,000	3,255	0.36
Bank of America 5.5% 4/12/2019	£4,000,000	4,069	0.45
Bank of America 6.125% 15/9/2021	£1,150,000	1,270	0.14
Berkshire Hathaway Finance 2.375% 19/6/2039	£3,030,000	3,129	0.34
Berkshire Hathaway Finance 2.625% 19/6/2059	£1,737,000	1,879	0.20
Citigroup 2.75% 24/1/2024	£3,792,000	3,966	0.43
Citigroup 5.15% 21/5/2026	£1,228,000	1,492	0.16
Comcast 5.5% 23/11/2029	£420,000	562	0.06
Digital Stout Holding 3.75% 17/10/2030	£2,000,000	2,186	0.24
Fidelity National Information Services 3.36% 21/5/2031	£882,000	948	0.10
Fiserv 2.25% 1/7/2025	£1,286,000	1,304	0.14
Fiserv 3% 1/7/2031	£682,000	704	0.08
Ford Motor Credit Company 4.535% 6/3/2025	£1,250,000	1,321	0.14
General Electric Capital 5.5% 7/6/2021	£1,650,000	1,769	0.19
General Motors Financial 2.25% 6/9/2024	£3,226,000	3,192	0.35
Goldman Sachs 4.25% 29/1/2026	£5,393,000	6,068	0.66
McDonalds 2.95% 15/3/2034	£1,100,000	1,178	0.13
Merrill Lynch 5.5% 22/11/2021	£3,250,000	3,549	0.39
Metropolitan Life Global Funding 1.625% 9/6/2022	£3,000,000	3,031	0.33
Metropolitan Life Global Funding 2.625% 5/12/2022	£3,477,000	3,626	0.40
New York Life Global Funding 1.625% 15/12/2023	£1,833,000	1,862	0.20
Pfizer 2.735% 15/6/2043	£2,421,000	2,622	0.29
Time Warner Cable 5.25% 15/7/2042	£1,500,000	1,733	0.19
Time Warner Cable Inc 5.25% 15/7/2042	£1,100,000	1,271	0.14
Toyota Motor Credit 1.125% 7/9/2021	£1,530,000	1,534	0.17

Portfolio Statement

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<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Verizon Communications 2.5% 8/4/2031	£1,000,000	1,031	0.11
Verizon Communications 3.375% 27/10/2036	£1,900,000	2,117	0.23
Verizon Communications 4.75% 17/2/2034	£2,000,000	2,556	0.28
Wal-Mart Stores 5.625% 27/3/2034	£6,341,000	9,368	1.02
Wells Fargo & Co. 1.375% 30/6/2022	£8,800,000	8,800	0.96
Wells Fargo & Co. 2% 28/7/2025	£1,648,000	1,671	0.18
Wells Fargo & Co. 4.875% 29/11/2035	£4,200,000	5,348	0.58
Total Corporate Bonds		113,590	12.38
FUTURES - -0.01% (-0.02%)			
CBT US Long Bond September 2019	(7)	(17)	0.00
CBT US Ultra Bond September 2019	(25)	(71)	(0.01)
CBT US 10Yr Note Future September 2019	(4)	(5)	0.00
Total Futures		(93)	(0.01)
Total United States		113,497	12.37
AUSTRALIA - 0.80% (0.83%)			
Corporate Bonds - 0.80% (0.83%)			
BHP Billiton Finance 4.3% 25/9/2042	£2,000,000	2,698	0.30
BHP Billiton Finance 6.5% variable rate 22/10/2077	£1,789,000	2,028	0.22
Westfield America Manage 2.625% 30/3/2029	£2,500,000	2,592	0.28
Total Corporate Bonds		7,318	0.80
Total Australia		7,318	0.80
BELGIUM - 0.95% (1.27%)			
Corporate Bonds - 0.95% (1.27%)			
Anheuser-Busch InBev 1.75% 7/3/2025	£2,194,000	2,216	0.24
Anheuser-Busch InBev 2.25% 24/5/2029	£1,980,000	1,991	0.22
Anheuser-Busch InBev 2.85% 25/5/2037	£3,390,000	3,433	0.37
Anheuser-Busch InBev 9.75% 30/7/2024	£800,000	1,114	0.12
Total Corporate Bonds		8,754	0.95
Total Belgium		8,754	0.95
CAYMAN ISLANDS - 0.55% (2.62%)			
Corporate Bonds - 0.55% (2.62%)			
Affinity Water Programme Finance 3.625% 30/9/2022	£800,000	855	0.09
Phoenix Group Holdings 5.75% variable rate perpetual	£3,750,000	3,414	0.37
**Virgolino De Oliveira Finance 6.75% 29/1/2018	\$243,000	9	0.01
Yorkshire Water Services 3.75% variable rate 22/3/2046	£730,000	759	0.08
Total Corporate Bonds		5,037	0.55
Total Cayman Islands		5,037	0.55

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
CHANNEL ISLANDS - 3.69% (3.46%)			
Corporate Bonds - 3.69% (3.46%)			
AA Bond 4.2487% 31/7/2043	£843,000	855	0.09
AA Bond 4.875% 31/7/2043	£3,898,000	3,821	0.42
Credit Suisse Funding Limited 3% 27/5/2022	£360,000	376	0.04
Gatwick Funding Limited 2.875% 5/7/2051	£2,053,000	2,045	0.22
Gatwick Funding Limited 3.125% 28/9/2041	£1,397,000	1,474	0.16
Glencore Finance Europe 5.5% 3/4/2022	£2,630,000	2,916	0.32
Heathrow Funding 2.75% 9/8/2051	£2,000,000	2,010	0.22
Heathrow Funding 4.625% 31/10/2046	£2,910,000	3,954	0.43
Heathrow Funding 5.225% variable rate 15/2/2025	£4,400,000	5,003	0.55
Heathrow Funding 5.875% 13/5/2041	£1,961,000	2,989	0.33
Heathrow Funding 6% 20/3/2020	£560,000	578	0.06
Heathrow Funding 6.45% 10/12/2033	£650,000	949	0.10
Heathrow Funding 6.75% 3/12/2026	£500,000	668	0.07
Heathrow Funding 7.125% 14/2/2024	£3,941,000	4,803	0.53
+HSBC Bank 5.862% variable rate perpetual	£1,350,000	1,386	0.15
Total Corporate Bonds		33,827	3.69
Total Channel Islands		33,827	3.69
DENMARK - 0.88% (0.59%)			
Corporate Bonds - 0.88% (0.59%)			
Dong Energy 4.875% 12/1/2032	£1,260,000	1,647	0.18
Dong Energy 5.75% 9/4/2040	£2,500,000	3,847	0.42
Orsted 2.5% 16/5/2033	£2,419,000	2,547	0.28
Total Corporate Bonds		8,041	0.88
Total Denmark		8,041	0.88
FRANCE - 9.52% (7.63%)			
Corporate Bonds - 9.52% (7.63%)			
AXA 5.625% variable rate 16/1/2054	£4,650,000	5,463	0.60
AXA SA variable perpetual	£1,500,000	1,678	0.18
Banque Federative 0.875% 8/6/2020	£4,500,000	4,494	0.49
Banque Federative 1.375% 20/12/2021	£3,100,000	3,106	0.34
BNP Paribas 3.375% 23/1/2026	£8,140,000	8,744	0.95
Bouygues 5.5% 6/10/2026	£2,250,000	2,771	0.30
BPCE 5.25% 16/4/2029	£4,200,000	5,058	0.55
Credit Agricole 8.125% variable rate perpetual	£150,000	152	0.02
Electricite de France 5.5% 27/3/2037	£2,000,000	2,790	0.30
Electricite de France 5.5% 17/10/2041	£7,400,000	10,738	1.17
Electricite de France 5.875% 18/7/2031	£550,000	763	0.08
Electricite de France 5.875% variable rate perpetual	£5,000,000	5,338	0.58
Electricite de France 6% 22/1/2114	£6,060,000	5,613	0.61
Electricite de France 6% 23/1/2114	£3,700,000	5,857	0.64
Electricite de France 6% variable rate perpetual	£2,500,000	2,707	0.30

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Electricite de France 6.125% 2/6/2034	£1,900,000	2,739	0.30
Orange 3.25% 15/1/2032	£1,300,000	1,434	0.16
Orange 5.375% 22/11/2050	£1,200,000	1,839	0.20
Orange 5.75% variable rate perpetual	£5,239,000	5,814	0.63
Orange 5.875% variable rate perpetual	£1,558,000	1,705	0.19
RCI Banque 1.875% 8/11/2022	£4,515,000	4,541	0.49
Sodexo 1.75% 26/6/2028	£1,909,000	1,933	0.21
Total Capital International 1.75% 7/7/2025	£2,044,000	2,091	0.23
Total Corporate Bonds		87,368	9.52
Total France		87,368	9.52
GERMANY - 2.72% (1.82%)			
Corporate Bonds - 2.74% (1.87%)			
Commerzbank International 6.625% 30/8/2019	£300,000	302	0.03
Deutsche Bank 1.75% 16/12/2021	£8,600,000	8,512	0.93
Deutsche Bank 1.875% 28/2/2020	£2,600,000	2,600	0.28
Deutsche Bank 3.875% 12/2/2024	£1,900,000	1,966	0.21
Deutsche Bank Finance 1.875% 13/2/2026	£3,448,000	3,549	0.39
Innogy Finance 5.75% 14/2/2033	€3,485,000	4,916	0.54
Merck Financial Services 0.875% 5/7/2031	€2,100,000	1,886	0.21
Merck 2.875% variable rate 25/6/2079	€1,500,000	1,419	0.15
Total Corporate Bonds		25,150	2.74
FUTURES - -0.02% (-0.05%)			
EUX Euro Bobl Future September 2019	(11)	(4)	0.00
EUX Euro Bond Future September 2019	(189)	(191)	(0.02)
EUX Euro Buxl 30 Year Bond Future September 2019	(30)	(11)	0.00
Total Futures		(206)	(0.02)
Total Germany		24,944	2.72
IRELAND - 3.35% (6.00%)			
Corporate Bonds - 2.95% (3.02%)			
FCA Bank 1.625% 29/9/2021	£10,680,000	10,629	1.16
GE Capital UK Funding 4.125% 13/9/2023	£5,100,000	5,522	0.60
GE Capital UK Funding 5.125% 24/5/2023	£826,000	918	0.10
GE Capital UK Funding 5.875% 18/1/2033	£4,800,000	5,973	0.65
PGH Capital 4.125% 20/7/2022	£3,846,000	4,004	0.44
Total Corporate Bonds		27,046	2.95
Financials - 0.40% (2.98%)			
+^HSBC Global Liquidity	3,707,159	3,707	0.40
Total Financials		3,707	0.40
Total Ireland		30,753	3.35

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
ITALY - 1.14% (1.51%)			
Corporate Bonds - 1.14% (1.51%)			
Assicurazioni Generali 6.269% perpetual	£700,000	745	0.08
Autostrade Per L'Italia 6.25% 9/6/2022	£3,000,000	3,283	0.36
Enel Spa 6.625% variable rate 15/9/2076	£2,223,000	2,432	0.27
Enel Spa 7.75% variable rate 10/9/2075	£850,000	907	0.10
Intesa Sanpaolo 5.25% 28/1/2022	£350,000	376	0.04
Telecom Italia 5.875% 19/5/2023	£2,450,000	2,684	0.29
Total Corporate Bonds		10,427	1.14
Total Italy		10,427	1.14
JAPAN - 0.48% (0.48%)			
Corporate Bonds - 0.48% (0.48%)			
East Japan Railway 4.5% 25/1/2036	£3,250,000	4,419	0.48
Total Corporate Bonds		4,419	0.48
Total Japan		4,419	0.48
LUXEMBOURG - 0.76% (0.61%)			
Corporate Bonds - 0.76% (0.61%)			
Aroundtown 3.625% 10/4/2031	£2,250,000	2,286	0.25
Aroundtown 4.75% variable rate perpetual	£1,796,000	1,799	0.20
Medtronic Global Holdings 1.5% 2/7/2039	€2,000,000	1,804	0.20
Medtronic Global Holdings 1.75% 2/7/2049	€1,194,000	1,056	0.11
Total Corporate Bonds		6,945	0.76
Total Luxembourg		6,945	0.76
MEXICO - 2.04% (1.91%)			
Government Bonds - 0.51% (0.50%)			
United Mexican States 5.625% 19/3/2114	£4,379,000	4,636	0.51
Total Government Bonds		4,636	0.51
Corporate Bonds - 1.53% (1.41%)			
America Movil 4.948% 22/7/2033	£2,950,000	3,871	0.42
America Movil 5% 27/10/2026	£3,670,000	4,452	0.49
America Movil 6.375% variable rate 6/9/2073	£3,600,000	3,785	0.41
Petroleos Mexicanos 8.25% 2/6/2022	£1,800,000	1,970	0.21
Total Corporate Bonds		14,078	1.53
Total Mexico		18,714	2.04
NETHERLANDS - 9.54% (9.74%)			
Corporate Bonds - 9.54% (9.74%)			
BMW International Investment 1.875% 11/9/2023	£3,043,000	3,088	0.34
Daimler AG 1% 20/12/2019	£1,550,000	1,549	0.17
Daimler AG 2.375% 16/12/2021	£2,000,000	2,051	0.22
Daimler AG 2.75% 4/12/2020	£6,333,000	6,462	0.70
Daimler International Finance 1.5% 18/8/2021	£3,400,000	3,413	0.37

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Daimler International Finance 2% 4/9/2023	£3,700,000	3,768	0.41
Deutsche Telekom International Finance 2.5% 10/10/2025	£3,000,000	3,139	0.34
Deutsche Telekom International Finance 3.125% 6/2/2034	£1,800,000	1,922	0.21
E.ON International Finance 6.375% 7/6/2032	£4,558,000	6,529	0.71
Enel Finance 5.625% 14/8/2024	£600,000	709	0.08
Enel Finance 5.75% 14/9/2040	£5,750,000	8,043	0.88
ING Groep 3% 18/2/2026	£6,300,000	6,655	0.73
Innogy Finance 4.75% 31/1/2034	£2,300,000	2,899	0.32
Innogy Finance 5.5% 6/7/2022	£550,000	617	0.07
Innogy Finance 6.125% 6/7/2039	£3,250,000	4,915	0.54
Innogy Finance 6.25% 3/6/2030	£550,000	757	0.08
Innogy Finance 6.5% 20/4/2021	£800,000	872	0.09
JT International Financial Services 2.75% 28/9/2033	£1,714,000	1,777	0.19
Koninklijke 5.75% 17/9/2029	£4,223,000	4,946	0.54
LafargeHolcim Sterling Finance Netherlands 3% 12/5/2032	£1,049,000	1,077	0.12
Rabobank Nederland 4.625% 23/5/2029	£1,280,000	1,501	0.16
Rabobank Nederland 5.375% 3/8/2060	£1,750,000	3,192	0.35
Royal KPN 5% 18/11/2026	£5,900,000	6,688	0.73
Volkswagen Financial Services 1.75% 12/9/2022	£3,500,000	3,510	0.38
Volkswagen Financial Services 1.875% 7/9/2021	£2,500,000	2,515	0.27
Volkswagen Financial Services 2.75% 10/7/2023	£3,200,000	3,288	0.36
Volkswagen International Finance 3.375% 16/11/2026	£1,600,000	1,678	0.18
Total Corporate Bonds		87,560	9.54
Total Netherlands		87,560	9.54
SOUTH KOREA - 0.40% (0.48%)			
Public Authorities - 0.40% (0.48%)			
Korea Development Bank 1.75% 15/12/2022	£3,590,000	3,636	0.40
Total Public Authorities		3,636	0.40
Total South Korea		3,636	0.40
SPAIN - 0.70% (0.40%)			
Corporate Bonds - 0.70% (0.40%)			
Abertis Infraestructuras 3.375% 27/11/2026	£2,700,000	2,816	0.31
Telefonica Emisiones 5.375% 2/2/2026	£2,990,000	3,590	0.39
Total Corporate Bonds		6,406	0.70
Total Spain		6,406	0.70
SUPRANATIONAL - 0.00% (0.94%)			
Supranational Bonds - 0.00% (0.94%)			
SWEDEN - 0.46% (0.49%)			
Corporate Bonds - 0.46% (0.49%)			
Svenska Handelsbanken 1.625% 18/6/2022	£227,000	230	0.02
Swedbank 1.25% 29/12/2021	£4,020,000	4,011	0.44
Total Corporate Bonds		4,241	0.46
Total Sweden		4,241	0.46

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
SWITZERLAND - 0.94% (0.73%)			
Corporate Bonds - 0.94% (0.73%)			
Credit Suisse Group 2.125% variable rate 12/9/2025	£4,800,000	4,803	0.53
UBS AG 1.25% 10/12/2020	£3,783,000	3,794	0.41
Total Corporate Bonds		8,597	0.94
Total Switzerland		8,597	0.94
FORWARD FOREIGN EXCHANGE CONTRACTS - -0.03% (0.01%)			
#Sold €23,783,000 for £21,180,708 settled 7 August 2019		(242)	(0.03)
#Sold £3,808,732 for €4,276,000 settled 7 August 2019		43	0.00
#Sold \$33,844,000 for £26,731,842 settled 8 August 2019		(282)	(0.03)
#Sold £18,624,003 for \$23,639,000 settled 8 August 2019		244	0.03
Total Forward Foreign Exchange Contracts		(237)	(0.03)
Portfolio of investments		903,261	98.47
Net other assets		14,026	1.53
Net assets		917,287	100.00
**suspended			
+related party			
#unlisted			
^investment scheme registered outside the UK			
Figures in brackets denote the comparative percentage holdings as at 15 January 2019			
Unless otherwise stated, all investments are listed securities.			
Total purchases for the period, including transaction charges, were £266,416,109			
Total sales for the period, net of transaction charges, were £266,123,939			
The bond ratings for the portfolio at 15 July 2019 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings*			
AAA		743	0.08
AA		84,608	9.23
AA-		18,703	2.04
A+		33,311	3.64
A		66,198	7.21
A-		110,533	12.05
BBB+		181,712	19.80
BBB		189,915	20.71
BBB-		56,454	6.16
BB+		5,509	0.60
BB		17,155	1.87
B+		5,322	0.58
D		9	0.01
Unrated		129,830	14.14
Total Bonds		900,002	98.12

*ratings supplied by Standard & Poor's

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Retail Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	117.50p	124.10p	121.20p	114.20p
Return before operating charges*	9.62p	(2.12p)	7.58p	12.14p
Operating charges**	(0.70p)	(1.39p)	(1.43p)	(1.39p)
Return after operating charges*	8.92p	(3.51p)	6.15p	10.75p
Distributions on income shares	(1.52p)	(3.09p)	(3.25p)	(3.75p)
Closing net asset value per share	124.90p	117.50p	124.10p	121.20p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	7.59%	(2.83%)	5.07%	9.41%
Other information				
Closing net asset value	£14,263,032	£14,322,361	£13,972,484	£11,382,469
Closing number of shares	11,417,421	12,191,576	11,262,895	9,395,352
Operating charges - OCF	1.15%	1.15%	1.15%	1.15%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	126.70p	124.70p	126.90p	129.70p
Lowest share price	117.90p	117.00p	120.60p	111.80p

Retail Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	273.10p	281.10p	267.30p	245.90p
Return before operating charges*	22.52p	(4.82p)	17.01p	26.04p
Operating charges**	(1.62p)	(3.18p)	(3.21p)	(3.01p)
Return after operating charges*	20.90p	(8.00p)	13.80p	23.03p
Distributions on accumulation shares	(3.57p)	(7.06p)	(7.27p)	(8.15p)
Retained distributions on accumulation shares	3.57p	7.06p	7.27p	6.52p
Closing net asset value per share	294.00p	273.10p	281.10p	267.30p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	7.65%	(2.85%)	5.16%	9.37%
Other information				
Closing net asset value	£134,321,131	£99,173,079	£88,563,572	£11,748,625
Closing number of shares	45,688,163	36,313,408	31,511,440	4,394,977
Operating charges - OCF	1.15%	1.15%	1.15%	1.15%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	296.40p	282.50p	283.40p	282.90p
Lowest share price	274.10p	270.30p	266.20p	240.60p

**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 six months ended 15 July 2019 (unaudited)

Institutional Income	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	216.00p	228.10p	222.80p	209.90p
Return before operating charges*	17.80p	(3.86p)	13.92p	22.36p
Operating charges**	(0.03p)	(0.05p)	(0.05p)	(0.06p)
Return after operating charges*	17.77p	(3.91p)	13.87p	22.30p
Distributions on income shares	(4.07p)	(8.19p)	(8.57p)	(9.40p)
Closing net asset value per share	229.70p	216.00p	228.10p	222.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	8.23%	(1.71%)	6.23%	10.62%
Other information				
Closing net asset value	£527,277,165	£515,269,786	£797,852,039	£760,896,156
Closing number of shares	229,543,034	238,525,085	349,748,675	341,575,296
Operating charges - OCF	0.02%	0.02%	0.02%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	233.60p	229.30p	233.80p	238.60p
Lowest share price	216.80p	215.50p	221.90p	205.60p

Institutional Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	321.90p	327.60p	308.10p	280.90p
Return before operating charges*	26.64p	(5.62p)	19.57p	29.83p
Operating charges**	(0.04p)	(0.08p)	(0.07p)	(0.08p)
Return after operating charges*	26.60p	(5.70p)	19.50p	29.75p
Distributions on accumulation shares	(6.09p)	(11.92p)	(12.02p)	(12.76p)
Retained distributions on accumulation shares	6.09p	11.92p	12.02p	10.21p
Closing net asset value per share	348.50p	321.90p	327.60p	308.10p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	8.26%	(1.74%)	6.33%	10.59%
Other information				
Closing net asset value	£17,076,343	£11,268,609	£54,440,276	£84,359,146
Closing number of shares	4,900,049	3,500,424	16,619,263	27,378,901
Operating charges - OCF	0.02%	0.02%	0.02%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	351.20p	329.30p	330.00p	324.80p
Lowest share price	323.10p	318.10p	306.90p	275.00p

**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 six months ended 15 July 2019 (unaudited)

Income C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	118.00p	124.60p	121.70p	114.70p
Return before operating charges*	9.73p	(2.11p)	7.61p	12.16p
Operating charges**	(0.26p)	(0.51p)	(0.53p)	(0.51p)
Return after operating charges*	9.47p	(2.62p)	7.08p	11.65p
Distributions on income shares	(1.97p)	(3.98p)	(4.18p)	(4.65p)
Closing net asset value per share	125.50p	118.00p	124.60p	121.70p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	8.03%	(2.10%)	5.82%	10.16%
Other information				
Closing net asset value	£130,413,022	£129,236,940	£171,181,762	£193,330,304
Closing number of shares	103,939,893	109,531,716	137,394,437	158,912,897
Operating charges - OCF	0.42%	0.42%	0.42%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	127.50p	125.20p	127.60p	130.30p
Lowest share price	118.40p	117.70p	121.20p	112.30p

Accumulation C	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	283.80p	289.90p	273.80p	250.40p
Return before operating charges*	23.42p	(4.89p)	17.31p	26.61p
Operating charges**	(0.62p)	(1.21p)	(1.21p)	(1.16p)
Return after operating charges*	22.80p	(6.10p)	16.10p	25.45p
Distributions on accumulation shares	(4.77p)	(9.38p)	(9.52p)	(10.26p)
Retained distributions on accumulation shares	4.77p	9.38p	9.52p	8.21p
Closing net asset value per share	306.60p	283.80p	289.90p	273.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	8.03%	(2.10%)	5.88%	10.16%
Other information				
Closing net asset value	£30,622,490	£32,360,422	£57,954,701	£49,179,027
Closing number of shares	9,987,766	11,402,952	19,988,543	17,959,621
Operating charges - OCF	0.42%	0.42%	0.42%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	309.00p	291.40p	292.10p	289.00p
Lowest share price	284.80p	280.60p	272.70p	245.20p

**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 six months ended 15 July 2019 (unaudited)

Institutional Gross Accumulation	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	322.90p	328.60p	309.10p	319.20p
Return before operating charges*	26.64p	(5.63p)	19.58p	(10.07p)
Operating charges**	(0.04p)	(0.07p)	(0.08p)	(0.03p)
Return after operating charges*	26.60p	(5.70p)	19.50p	(10.10p)
Distributions on accumulation shares	(6.11p)	(11.95p)	(12.06p)	(5.77p)
Retained distributions on accumulation shares	6.11p	11.95p	12.06p	5.77p
Closing net asset value per share	349.50p	322.90p	328.60p	309.10p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	8.24%	(1.73%)	6.31%	(3.16%)
Other information				
Closing net asset value	£63,314,304	£49,509,643	£34,467,289	£3,852,972
Closing number of shares	18,113,531	15,333,214	10,490,044	1,246,465
Operating charges - OCF	0.02%	0.02%	0.02%	0.01%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	352.30p	330.30p	331.00p	323.30p
Lowest share price	324.10p	319.10p	307.90p	304.20p
**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.				

Statement of Total Return

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		56,711		(31,913)
Revenue	14,219		17,712	
Expenses	(1,217)		(1,108)	
Interest payable and similar charges	(3)		(1)	
Net revenue before taxation	12,999		16,603	
Taxation	-		-	
Net revenue after taxation		12,999		16,603
Total return/(deficit) before distributions		69,710		(15,310)
Distributions		(15,111)		(19,519)
Change in net assets attributable to shareholders from investment activities		54,599		(34,829)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		851,141		1,218,432
Amounts receivable on creation of shares	56,781		53,349	
Amounts payable on cancellation of shares	(48,724)		(244,705)	
		8,057		(191,356)
Dilution adjustment		83		592
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		54,599		(34,829)
Retained distribution on accumulation shares		3,407		3,247
Closing net assets attributable to shareholders		917,287		996,086

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		904,084		848,037
Current assets				
Debtors	15,713		17,593	
Cash and bank balances	5,460		-	
Total current assets		21,173		17,593
Total assets		925,257		865,630
Liabilities				
Investment liabilities		(823)		(591)
Creditors				
Bank overdrafts	-		(1,340)	
Distribution payable on income shares	(5,821)		(6,157)	
Other creditors	(1,326)		(6,401)	
Total creditors		(7,147)		(13,898)
Total liabilities		(7,970)		(14,489)
Net assets attributable to shareholders		917,287		851,141

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 April 2019				
Group 2: Shares purchased from 16 April 2019 to 15 July 2019				
Retail Income				
Group 1	0.760000	-	0.760000	0.780000
Group 2	0.040000	0.720000	0.760000	0.780000
Retail Accumulation				
Group 1	1.790000	-	1.790000	1.780000
Group 2	0.850000	0.940000	1.790000	1.780000
Institutional Income				
Group 1	2.050000	-	2.050000	2.070000
Group 2	1.180000	0.870000	2.050000	2.070000
Institutional Accumulation				
Group 1	3.080000	-	3.080000	2.990000
Group 2	1.300000	1.780000	3.080000	2.990000
Income C				
Group 1	0.990000	-	0.990000	1.000000
Group 2	0.380000	0.610000	0.990000	1.000000
Accumulation C				
Group 1	2.410000	-	2.410000	2.360000
Group 2	1.230000	1.180000	2.410000	2.360000
Institutional Gross Accumulation				
Group 1	3.090000	-	3.090000	3.010000
Group 2	1.390000	1.700000	3.090000	3.010000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.19</i>	<i>Distribution paid 15.6.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 April 2019				
Retail Income				
Group 1	0.760000	-	0.760000	0.750000
Group 2	0.160000	0.600000	0.760000	0.750000
Retail Accumulation				
Group 1	1.780000	-	1.780000	1.710000
Group 2	1.680000	0.100000	1.780000	1.710000
Institutional Income				
Group 1	2.020000	-	2.020000	2.010000
Group 2	1.130000	0.890000	2.020000	2.010000
Institutional Accumulation				
Group 1	3.010000	-	3.010000	2.900000
Group 2	1.460000	1.550000	3.010000	2.900000
Income C				
Group 1	0.980000	-	0.980000	0.980000
Group 2	0.390000	0.590000	0.980000	0.980000
Accumulation C				
Group 1	2.360000	-	2.360000	2.280000
Group 2	1.070000	1.290000	2.360000	2.280000
Institutional Gross Accumulation				
Group 1	3.020000	-	3.020000	2.900000
Group 2	1.380000	1.640000	3.020000	2.900000

Global Equity Income

Investment Objective

To provide income by investing in a portfolio of global equities that also have the potential for long-term capital growth.

Investment Policy

To substantially invest in equities and securities equivalent to equities of companies based in any country. Companies may be from developed and emerging markets and have a large or medium market value.

Investment Strategy

The equity investment process considers the large and medium market value companies that make up the MSCI All Countries World Index. The process aims to identify companies that offer an attractive valuation but which also demonstrate an appropriate level of liquidity. Through fundamental research we investigate whether companies have the potential to sustain profitability and dividend income. Using our analysis we construct a fund portfolio that aims to provide a level of income which, for performance purposes, is above the yield of the MSCI All Countries World Index. Generally the Fund will invest directly in equities and related securities but may use collective investment schemes as an efficient way to gain exposure to certain equity markets. The Fund may use derivatives, typically exchange traded futures, with the aim of generating returns that are consistent with the Fund portfolio in respect of cash flowing into the Fund. The Fund does not currently use currency forwards or other derivative instruments to hedge against movements in currency exchange rates.

Portfolio Activity

During the period, the MSCI ACWI advanced by 16.2%. The information Technology and Consumer Staples sectors were the best performers, whilst Energy and Healthcare were the worst. Over the same period the Fund marginally outperformed the index.

Allocation effects are residual to the stock selection process. At the sector level, allocation effects were positive given an overweight exposure to Information technology and underweight Healthcare. At the country level, effects were also positive and driven by an underweight exposure to South Korea and overweight exposure to Italy.

At the stock level, contributors to relative performance included Ball, which continued its stellar year-to-date returns as structural drivers continue to buoy earnings, namely, the increased penetration of specialty cans and the shift in Europe from glass to cans. Additionally, Microsoft continued its strong run as the company's cloud computing solution, Azure, continues to open more opportunities and drive additional revenue.

Detractors included Samsonite International, which fell after reporting weaker than expected earnings, a result of the ongoing trade wars. Furthermore, Deutsche Wohnen fell in the aftermath of an announcement from Berlin city senate member for urban development, who proposed a five-year rent freeze in the city.

During the period purchases included Infineon Technologies, Rentokil Initial, SK Hynix and Tencent Holdings ADR, whilst China Mobile, Samsung and Sekisui Chemicals were sold.

Your portfolio aims to deliver diversified global equity exposure with a dividend yield higher than the market index. The portfolio aims to balance dividend yield, return potential, and risk exposure, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management.

Investment Performance

During the period under review, the value of the shares in the Fund increased by 15.68%.

(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.

Fund Particulars

as at 16 July 2019 (unaudited)

	Institutional Income	Institutional Accumulation	Income C	Accumulation C
Price	114.3p xd	122.5p	111.5p xd	119.7p
Distribution payable (on 15 September 2019) per share net	1.250000p	1.320000p	1.220000p	1.300000p
Current net estimated yield	2.71%	2.66%	2.73%	2.67%
Annual ACD charge	0.00%	0.00%	0.75%	0.75%

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
Oil & Gas - 5.45% (5.17%)			
BP	135,911	737	1.85
ENI	52,115	690	1.74
Phillips 66	9,166	740	1.86
Total Oil & Gas		2,167	5.45
Basic Materials - 7.44% (6.90%)			
Bayer	11,001	581	1.46
BHP Group ADR	12,331	570	1.43
Brenntag	17,657	687	1.73
Lyondell Basell Industries	7,541	518	1.30
Severstal GDR	45,615	606	1.52
Total Basic Materials		2,962	7.44
Industrials - 12.26% (10.55%)			
Amcor	67,054	590	1.48
Ball	18,069	1,001	2.52
Ferguson	13,846	810	2.04
Masco	30,867	960	2.42
Prysmian SpA	55,837	944	2.38
Rentokil Initial	135,049	564	1.42
Total Industrials		4,869	12.26
Consumer Goods - 10.95% (11.12%)			
Altria Group	13,624	539	1.36
Diageo	22,485	765	1.92
Nestlé (registered)	9,079	755	1.90
PepsiCo	12,034	1,290	3.25
Philip Morris International	7,936	517	1.30
Samsonite International	287,700	485	1.22
Total Consumer Goods		4,351	10.95
Healthcare - 8.35% (8.22%)			
Grifols A	30,120	752	1.89
Johnson & Johnson	10,390	1,118	2.81
Nihon Kohden	22,700	503	1.27
UnitedHealth Group	4,442	944	2.38
Total Healthcare		3,317	8.35
Consumer Services - 12.61% (12.21%)			
Comcast	30,841	1,102	2.77
Compass Group	28,802	562	1.41
Home Depot	7,371	1,288	3.24
Walt Disney	9,557	1,108	2.79
Wolters Kluwer certificates	16,293	952	2.40
Total Consumer Services		5,012	12.61

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Telecommunications - 0.72% (4.31%)			
BT Group	151,800	288	0.72
Total Telecommunications		288	0.72
Utilities - 1.05% (1.26%)			
Red Electrica Corporation	26,368	418	1.05
Total Utilities		418	1.05
Financials - 18.65% (20.28%)			
Aviva	78,089	331	0.83
Bank of America	25,855	604	1.52
BNP Paribas	11,447	441	1.11
China Overseas Land & Investments	214,000	631	1.59
Citigroup	10,033	575	1.45
Deutsche Wohnen	18,926	559	1.41
Deutsche Wohnen Rights	18,926	-	0.00
+HSBC Holdings (London listed)	118,631	791	1.99
Industrial & Commercial Bank of China	1,293,000	728	1.83
Intesa Sanpaolo	300,511	554	1.39
*iShares MSCI ACWI ETF	8,099	332	0.84
Prudential	35,365	616	1.55
Sumitomo Mitsui Financial Group	19,200	545	1.37
Zurich Insurance Group	2,522	705	1.77
Total Financials		7,412	18.65
Technology - 22.72% (18.47%)			
Broadcom	4,291	989	2.49
Capgemini	9,654	989	2.49
Cisco Systems	18,337	850	2.14
CyberAgent	17,600	506	1.27
Infineon Technologies	34,600	508	1.28
Intel	20,141	807	2.03
Microsoft	18,006	1,999	5.03
Otsuka	16,300	520	1.31
SK Hynix	10,505	542	1.36
Taiwan Semiconductor Manufacturing ADR	18,408	615	1.55
Tencent Holdings ADR	19,119	704	1.77
Total Technology		9,029	22.72

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
Portfolio of investments		39,825	100.20
Net other liabilities		(79)	(0.20)
Net assets		39,746	100.00

*offshore fund

+related party

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Unless otherwise stated, all investments are listed equities.

Total purchases for the period, including transaction charges, were £4,713,567.

Total sales for the period, net of transaction charges, were £6,104,737.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Institutional Income#	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	99.87p	107.10p	100.00p	N/A
Return before operating charges*	15.66p	(4.16p)	8.96p	N/A
Operating charges**	(0.02p)	(0.04p)	(0.06p)	N/A
Return after operating charges*	15.64p	(4.20p)	8.90p	N/A
Distributions on income shares	(1.91p)	(3.03p)	(1.80p)	N/A
Closing net asset value per share	113.60p	99.87p	107.10p	N/A
*after direct transaction costs of:***	0.02p	0.06p	0.22p	N/A
Performance				
Return after charges	15.66%	(3.92%)	8.90%	N/A
Other information				
Closing net asset value	£39,570,827	£36,661,925	£37,280,436	N/A
Closing number of shares	34,844,339	36,709,286	34,813,642	N/A
Operating charges - OCF	0.05%	0.04%	0.05%	N/A
Direct transaction costs	0.02%	0.06%	0.21%	N/A
Prices				
Highest share price	114.50p	108.70p	108.00p	N/A
Lowest share price	99.11p	96.15p	97.60p	N/A

Institutional Accumulation#	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	105.20p	109.50p	100.00p	N/A
Return before operating charges*	16.52p	(4.26p)	9.62p	N/A
Operating charges**	(0.02p)	(0.04p)	(0.12p)	N/A
Return after operating charges*	16.50p	(4.30p)	9.50p	N/A
Distributions on accumulation shares	(2.02p)	(3.13p)	(1.81p)	N/A
Retained distributions on accumulation shares	2.02p	3.13p	1.81p	N/A
Closing net asset value per share	121.70p	105.20p	109.50p	N/A
*after direct transaction costs of:***	0.02p	0.07p	0.22p	N/A
Performance				
Return after charges	15.68%	(3.93%)	9.50%	N/A
Other information				
Closing net asset value	£60,849	£52,604	£54,748	N/A
Closing number of shares	50,000	50,000	50,000	N/A
Operating charges - OCF	0.05%	0.04%	0.05%	N/A
Direct transaction costs	0.02%	0.06%	0.21%	N/A
Prices				
Highest share price	121.30p	113.20p	110.00p	N/A
Lowest share price	104.40p	100.30p	98.76p	N/A

#The Fund was launched on 24 May 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 six months ended 15 July 2019 (unaudited)

Income C#	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	97.77p	105.70p	100.00p	N/A
Return before operating charges*	15.26p	(4.04p)	8.15p	N/A
Operating charges**	(0.46p)	(0.91p)	(0.66p)	N/A
Return after operating charges*	14.80p	(4.95p)	7.49p	N/A
Distributions on income shares	(1.87p)	(2.98p)	(1.79p)	N/A
Closing net asset value per share	110.70p	97.77p	105.70p	N/A
*after direct transaction costs of:***	0.02p	0.06p	0.21p	N/A
Performance				
Return after charges	15.14%	(4.68%)	7.49%	N/A
Other information				
Closing net asset value	£55,353	£48,886	£52,867	N/A
Closing number of shares	50,000	50,000	50,000	N/A
Operating charges - OCF	0.90%	0.89%	0.90%	N/A
Direct transaction costs	0.02%	0.06%	0.21%	N/A
Prices				
Highest share price	111.60p	106.80p	106.60p	N/A
Lowest share price	97.01p	94.18p	96.65p	N/A

Accumulation C#	15.7.19	15.1.19	15.1.18	15.1.17
Change in net assets per share				
Opening net asset value per share	103.20p	108.40p	100.00p	N/A
Return before operating charges*	16.19p	(4.26p)	9.06p	N/A
Operating charges**	(0.49p)	(0.94p)	(0.66p)	N/A
Return after operating charges*	15.70p	(5.20p)	8.40p	N/A
Distributions on accumulation shares	(1.98p)	(3.09p)	(1.80p)	N/A
Retained distributions on accumulation shares	1.98p	3.09p	1.80p	N/A
Closing net asset value per share	118.90p	103.20p	108.40p	N/A
*after direct transaction costs of:***	0.02p	0.06p	0.22p	N/A
Performance				
Return after charges	15.21%	(4.80%)	8.40%	N/A
Other information				
Closing net asset value	£59,455	£51,616	£54,179	N/A
Closing number of shares	50,000	50,000	50,000	N/A
Operating charges - OCF	0.90%	0.89%	0.90%	N/A
Direct transaction costs	0.02%	0.06%	0.21%	N/A
Prices				
Highest share price	118.60p	111.40p	108.80p	N/A
Lowest share price	102.40p	98.99p	98.02p	N/A

#The Fund was launched on 24 May 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 six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		4,958		(1,036)
Revenue	772		737	
Expenses	(9)		(4)	
Net revenue before taxation	763		733	
Taxation	(63)		(67)	
Net revenue after taxation		700		666
Total return/(deficit) before distributions		5,658		(370)
Distributions		(695)		(663)
Change in net assets attributable to shareholders from investment activities		4,963		(1,033)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		36,815		37,442
Amounts receivable on creation of shares	564		2,139	
Amounts payable on cancellation of shares	(2,603)		(1,839)	
		(2,039)		300
Dilution adjustment		5		8
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		4,963		(1,033)
Retained distribution on accumulation shares		2		2
Closing net assets attributable to shareholders		39,746		36,719

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		39,825		36,259
Current assets				
Debtors	134		74	
Cash and bank balances	236		661	
Total current assets		370		735
Total assets		40,195		36,994
Liabilities				
Creditors				
Distribution payable on income shares	(436)		(166)	
Other creditors	(13)		(13)	
Total liabilities		(449)		(179)
Net assets attributable to shareholders		39,746		36,815

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.19</i>	<i>Distribution paid 15.9.18</i>
Group 1: Shares purchased prior to 16 April 2019				
Group 2: Shares purchased from 16 April 2019 to 15 July 2019				
Institutional Income				
Group 1	1.250000	-	1.250000	1.130000
Group 2	1.250000	0.000000	1.250000	1.130000
Institutional Accumulation				
Group 1	1.320000	-	1.320000	1.160000
Group 2	1.320000	0.000000	1.320000	1.160000
Income C				
Group 1	1.220000	-	1.220000	1.110000
Group 2	1.220000	0.000000	1.220000	1.110000
Accumulation C				
Group 1	1.300000	-	1.300000	1.150000
Group 2	1.300000	0.000000	1.300000	1.150000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.19</i>	<i>Distribution paid 15.6.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 April 2019				
Institutional Income				
Group 1	0.660000	-	0.660000	0.710000
Group 2	0.240000	0.420000	0.660000	0.710000
Institutional Accumulation				
Group 1	0.700000	-	0.700000	0.730000
Group 2	0.700000	0.000000	0.700000	0.730000
Income C				
Group 1	0.650000	-	0.650000	0.700000
Group 2	0.650000	0.000000	0.650000	0.700000
Accumulation C				
Group 1	0.680000	-	0.680000	0.720000
Group 2	0.680000	0.000000	0.680000	0.720000

Global High Income Bond

Investment Objective

To provide a high level of income by investing in a portfolio of global bonds.

Investment Policy

To substantially invest in a combination of higher yielding investment grade and below-investment grade bonds issued in any country, including developed and emerging markets. The bonds may be issued by public and private corporations, governments and government-related entities and denominated in a range of currencies. The bonds may make fixed or variable rate coupon payments.

Investment Strategy

Through local market expertise and regional allocation, the investment process aims to identify bonds that offer an attractive income but which also fit the Fund's desired overall risk profile. Through fundamental credit research we aim to identify bond issuers and sectors with the potential to sustain performance. Using our analysis we construct a fund portfolio that aims to provide a high level of income. For indicative purposes, a high level of income is defined as the quoted average yield of funds in the Investment Association peer group, which is the Sterling Strategic Bond sector. To provide a high level of income the Fund will typically invest in a combination of a) investment grade bonds that are higher yielding but which have lower quality credit ratings; b) below-investment grade bonds that provide a high yield. Generally the Fund will invest directly in bonds and related securities but may use collective investment schemes as an efficient way to gain exposure to certain types of bonds. The derivatives the Fund may use include futures, options, interest rate swaps, credit default swaps, credit default swap indices and currency forwards. Derivatives may be used with the aim of hedging against interest rate risk, credit risk and currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Credit default swaps and credit default swap indices may be used to express credit exposure and futures and interest rate swaps may be used with the aim of managing the Fund's overall duration. Currency forwards will be used with the aim of substantially hedging against movements in the rate of exchange between Sterling and the currency in which the bonds and other assets are denominated.

Investment Performance

On 29 April 2019 the ACD suspended dealing in the Global High Income Bond Fund. Subsequently from 17 June 2019, the Prospectus has been amended to reflect that the Global High Income Bond Fund is being wound up and is no longer available for investment, therefore there is no Portfolio Activity, Investment Performance or Fund Particulars available for this Fund.

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
UNITED KINGDOM - 0.00% (2.96%) Corporate Bonds - 0.00% (2.96%)			
UNITED STATES - 0.00% (30.34%) Government Bonds - 0.00% (1.09%) Corporate Bonds - 0.00% (29.25%)			
ARGENTINA - 0.00% (1.95%) Government Bonds - 0.00% (1.65%) Corporate Bonds - 0.00% (0.30%)			
AUSTRALIA - 0.00% (0.88%) Corporate Bonds - 0.00% (0.88%)			
BAHAMAS - 0.00% (0.18%) Corporate Bonds - 0.00% (0.18%)			
BERMUDA - 0.00% (1.22%) Corporate Bonds - 0.00% (1.22%)			
BRAZIL - 0.00% (0.84%) Government Bonds - 0.00% (0.41%) Corporate Bonds - 0.00% (0.43%)			
BRITISH VIRGIN ISLANDS - 0.00% (1.75%) Corporate Bonds - 0.00% (1.75%)			
CANADA - 0.00% (1.53%) Corporate Bonds - 0.00% (1.53%)			
CAYMAN ISLANDS - 0.00% (1.28%) Corporate Bonds - 0.00% (1.28%)			
CHANNEL ISLANDS - 0.00% (0.48%) Corporate Bonds - 0.00% (0.48%)			
CHILE - 0.00% (0.14%) Corporate Bonds - 0.00% (0.14%)			
COLOMBIA - 0.00% (0.83%) Government Bonds - 0.00% (0.83%)			

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
COSTA RICA - 0.00% (0.89%) Government Bonds - 0.00% (0.89%)			
CROATIA - 0.00% (0.45%) Government Bonds - 0.00% (0.45%)			
DOMINICAN REPUBLIC - 0.00% (0.44%) Government Bonds - 0.00% (0.44%)			
EGYPT - 0.00% (0.83%) Government Bonds - 0.00% (0.83%)			
EL SALVADOR - 0.00% (0.10%) Government Bonds - 0.00% (0.10%)			
FRANCE - 0.00% (5.74%) Corporate Bonds - 0.00% (5.74%)			
GERMANY - 0.00% (1.35%) Corporate Bonds - 0.00% (1.35%)			
GHANA - 0.00% (0.85%) Government Bonds - 0.00% (0.85%)			
INDIA - 0.00% (0.83%) Corporate Bonds - 0.00% (0.83%)			
INDONESIA - 0.00% (1.74%) Government Bonds - 0.00% (0.94%) Corporate Bonds - 0.00% (0.80%)			
IRELAND - 0.00% (1.48%) Corporate Bonds - 0.00% (1.35%) Financials - 0.00% (0.13%)			
ITALY - 0.00% (3.48%) Corporate Bonds - 0.00% (3.48%)			
LUXEMBOURG - 0.00% (13.38%) Corporate Bonds - 0.00% (3.43%) Financials - 0.00% (9.95%)			

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
MEXICO - 0.00% (2.18%)			
Government Bonds - 0.00% (0.47%)			
Corporate Bonds - 0.00% (1.71%)			
NETHERLANDS - 0.00% (4.61%)			
Corporate Bonds - 0.00% (4.61%)			
NIGERIA - 0.00% (0.42%)			
Government Bonds - 0.00% (0.42%)			
OMAN - 0.00% (1.56%)			
Government Bonds - 0.00% (1.56%)			
PERU - 0.00% (0.31%)			
Government Bonds - 0.00% (0.16%)			
Corporate Bonds - 0.00% (0.15%)			
PHILIPPINES - 0.00% (0.67%)			
Government Bonds - 0.00% (0.67%)			
QATAR - 0.00% (0.82%)			
Government Bonds - 0.00% (0.82%)			
ROMANIA - 0.00% (0.41%)			
Government Bonds - 0.00% (0.41%)			
RUSSIA - 0.00% (0.44%)			
Government Bonds - 0.00% (0.44%)			
SAUDI ARABIA - 0.00% (0.85%)			
Government Bonds - 0.00% (0.85%)			
SOUTH AFRICA - 0.00% (0.42%)			
Government Bonds - 0.00% (0.42%)			
SPAIN - 0.00% (0.44%)			
Corporate Bonds - 0.00% (0.44%)			
SRI LANKA - 0.00% (0.42%)			
Government Bonds - 0.00% (0.42%)			
TURKEY - 0.00% (1.31%)			
Government Bonds - 0.00% (1.31%)			

Portfolio Statement

as at 15 July 2019 (unaudited)

<i>Security</i>	<i> Holding</i>	<i> Bid value £'000</i>	<i> Total net assets %</i>
UKRAINE - 0.00% (0.38%) Government Bonds - 0.00% (0.38%)			
UNITED ARAB EMIRATES - 0.00% (0.84%) Corporate Bonds - 0.00% (0.84%)			
URUGUAY - 0.00% (0.02%) Government Bonds - 0.00% (0.02%)			
Credit Default Swaps - 0.00% ((0.05%))			
Forward Foreign Exchange Contracts - 0.00% (1.17%)			
Futures - 0.00% (0.17%)			
Portfolio of investments			
Net other assets			
Net assets			

Figures in brackets denote the comparative percentage holdings as at 15 January 2019.

Total purchases for the period, including transaction charges, were £2,096,217.

Total sales for the period, net of transaction charges, were £19,289,097.

Comparative Tables

for the six months ended 15 July 2019 (unaudited)

Institutional Income	15.7.19†	15.1.19	15.1.18#	15.1.17
Change in net assets per share				
Opening net asset value per share	94.08p	100.30p	100.00p	N/A
Return before operating charges*	3.59p	(1.64p)	2.36p	N/A
Operating charges**	(0.29p)	(0.09p)	(0.15p)	N/A
Return after operating charges*	3.30p	(1.73p)	2.21p	N/A
Distributions on income share	(1.02p)	(4.49p)	(1.91p)	N/A
Cancellation price	(96.36p)	-	-	N/A
Closing net asset value per share	0.00p	94.08p	100.30p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
Performance				
Return after charges	3.51%	(1.72%)	2.21%	N/A
Other information				
Closing net asset value	N/A	£4,468,952	£4,765,211	N/A
Closing number of shares	N/A	4,750,000	4,750,000	N/A
Operating charges - OCF	N/A	0.11%	0.10%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
Prices				
Highest share price	96.96p	100.60p	102.40p	N/A
Lowest share price	93.97p	93.24p	99.81p	N/A

Institutional Accumulation	15.7.19†	15.1.19^	15.1.18#	15.1.17
Change in net assets per share				
Opening net asset value per share	100.50p	102.20p	100.00p	N/A
Return before operating charges*	3.81p	(1.61p)	2.35p	N/A
Operating charges**	(0.31p)	(0.09p)	(0.15p)	N/A
Return after operating charges*	3.50p	(1.70p)	2.20p	N/A
Distributions on accumulation share	(1.09p)	(4.67p)	(1.93p)	N/A
Retained distributions on accumulation share	1.09p	4.67p	1.93p	N/A
Cancellation price	(104.00p)	-	-	N/A
Closing net asset value per share	0.00p	100.50p	102.20p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
Performance				
Return after charges	3.48%	(1.66%)	2.20%	N/A
Other information				
Closing net asset value	N/A	£4,773,448	£4,856,591	N/A
Closing number of shares	N/A	4,750,000	4,750,000	N/A
Operating charges - OCF	N/A	0.11%	0.10%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
Prices				
Highest share price	104.60p	102.50p	102.70p	N/A
Lowest share price	100.40p	98.79p	99.81p	N/A

†The Fund sold all of its shares on 21 May 2019.

#The Fund was launched on 24 May 2017.

^The figures have been restated due to an incorrect rounding in the previous accounts.

**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 six months ended 15 July 2019 (unaudited)

Income C	15.7.19†	15.1.19	15.1.18#	15.1.17
Change in net assets per share				
Opening net asset value per share	92.95p	99.85p	100.00p	N/A
Return before operating charges*	3.50p	(1.65p)	2.39p	N/A
Operating charges**	(0.48p)	(0.79p)	(0.63p)	N/A
Return after operating charges*	3.02p	(2.44p)	1.76p	N/A
Distributions on income share	(1.01p)	(4.46p)	(1.91p)	N/A
Cancellation price	(94.96p)	-	-	N/A
Closing net asset value per share	0.00p	92.95p	99.85p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
Performance				
Return after charges	3.25%	(2.44%)	1.76%	N/A
Other information				
Closing net asset value	N/A	£4,415,256	£4,742,742	N/A
Closing number of shares	N/A	4,750,000	4,750,000	N/A
Operating charges - OCF	N/A	0.84%	0.83%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
Prices				
Highest share price	95.63p	100.10p	102.40p	N/A
Lowest share price	92.84p	92.15p	99.72p	N/A

Accumulation C	15.7.19†	15.1.19	15.1.18#	15.1.17
Change in net assets per share				
Opening net asset value per share	99.29p	101.80p	100.00p	N/A
Return before operating charges*	3.73p	(1.69p)	2.43p	N/A
Operating charges**	(0.52p)	(0.82p)	(0.63p)	N/A
Return after operating charges*	3.21p	(2.51p)	1.80p	N/A
Distributions on accumulation share	(1.08p)	(4.63p)	(1.92p)	N/A
Retained distributions on accumulation share	1.08p	4.63p	1.92p	N/A
Cancellation price	(102.50p)	-	-	N/A
Closing net asset value per share	0.00p	99.29p	101.80p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
Performance				
Return after charges	3.23%	(2.47%)	1.80%	N/A
Other information				
Closing net asset value	N/A	£4,716,279	£4,833,732	N/A
Closing number of shares	N/A	4,750,000	4,750,000	N/A
Operating charges - OCF	N/A	0.84%	0.83%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
Prices				
Highest share price	103.10p	102.00p	102.40p	N/A
Lowest share price	99.17p	97.71p	99.72p	N/A

†The Fund sold all of its shares on 21 May 2019.

#The Fund was launched on 24 May 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 six months ended 15 July 2019 (unaudited)

	15.7.19*		15.7.18	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		493		(699)
Revenue	230		339	
Expenses	(73)		(37)	
Net revenue before taxation	157		302	
Taxation	(1)		(2)	
Net revenue after taxation		156		300
Total return/(deficit) before distributions		649		(399)
Distributions		(196)		(333)
Change in net assets attributable to shareholders from investment activities		453		(732)

*The Fund was closed on 21 May 2019.

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2019 (unaudited)

	15.7.19*		15.7.18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		18,374		19,198
Amounts receivable on creation of shares	(18,930)		-	
		(18,930)		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		453		(732)
Retained distribution on accumulation shares		103		169
Closing net assets attributable to shareholders		-		18,635

*The Fund was closed on 21 May 2019.

Balance Sheet

as at 15 July 2019 (unaudited)

	15.7.19*		15.1.19	
	£'000	£'000	£'000	£'000
Assets				
Investments		-		17,169
Current assets				
Debtors	-		241	
Cash and bank balances	83		1,169	
Total current assets		83		1,410
Total assets		83		18,579
Liabilities				
Investment liabilities		-		(21)
Creditors				
Distribution payable on income shares	-		(60)	
Other creditors	(83)		(124)	
Total creditors		(83)		(184)
Total liabilities		(83)		(205)
Net assets attributable to shareholders		-		18,374

*The Fund was closed on 21 May 2019.

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.08.19*</i>	<i>Distribution paid 15.08.18</i>
Group 1: Shares purchased prior to 16 June 2019				
Group 2: Shares purchased from 16 June 2019 to 15 July 2019				
Institutional Income				
Group 1	N/A	-	N/A	0.380000
Group 2	N/A	N/A	N/A	0.380000
Institutional Accumulation				
Group 1	N/A	-	N/A	0.390000
Group 2	N/A	N/A	N/A	0.390000
Income C				
Group 1	N/A	-	N/A	0.380000
Group 2	N/A	N/A	N/A	0.380000
Accumulation C				
Group 1	N/A	-	N/A	0.390000
Group 2	N/A	N/A	N/A	0.390000
*The Fund was closed on 21 May 2019.				

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.07.19*</i>	<i>Distribution paid 15.07.18</i>
Group 1: Shares purchased prior to 16 May 2019				
Group 2: Shares purchased from 16 May 2019 to 15 June 2019				
Institutional Income				
Group 1	N/A	-	N/A	0.280000
Group 2	N/A	N/A	N/A	0.280000
Institutional Accumulation				
Group 1	N/A	-	N/A	0.290000
Group 2	N/A	N/A	N/A	0.290000
Income C				
Group 1	N/A	-	N/A	0.280000
Group 2	N/A	N/A	N/A	0.280000
Accumulation C				
Group 1	N/A	-	N/A	0.290000
Group 2	N/A	N/A	N/A	0.290000
*The Fund was closed on 21 May 2019.				

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.06.19*</i>	<i>Distribution paid 15.06.18</i>
Group 1: Shares purchased prior to 16 April 2019				
Group 2: Shares purchased from 16 April 2019 to 15 May 2019				
Institutional Income				
Group 1	N/A	-	N/A	0.320000
Group 2	N/A	N/A	N/A	0.320000
Institutional Accumulation				
Group 1	N/A	-	N/A	0.330000
Group 2	N/A	N/A	N/A	0.330000
Income C				
Group 1	N/A	-	N/A	0.310000
Group 2	N/A	N/A	N/A	0.310000
Accumulation C				
Group 1	N/A	-	N/A	0.320000
Group 2	N/A	N/A	N/A	0.320000
*The Fund was closed on 21 May 2019.				

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.05.19</i>	<i>Distribution paid 15.05.18</i>
Group 1: Shares purchased prior to 16 March 2019				
Group 2: Shares purchased from 16 March 2019 to 15 April 2019				
Institutional Income				
Group 1	0.440000	-	0.440000	0.250000
Group 2	0.440000	0.000000	0.440000	0.250000
Institutional Accumulation				
Group 1	0.470000	-	0.470000	0.260000
Group 2	0.470000	0.000000	0.470000	0.260000
Income C				
Group 1	0.440000	-	0.440000	0.250000
Group 2	0.440000	0.000000	0.440000	0.250000
Accumulation C				
Group 1	0.470000	-	0.470000	0.260000
Group 2	0.470000	0.000000	0.470000	0.260000

Distribution Tables (pence per share)

for the six months ended 15 July 2019 (unaudited)

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.04.19</i>	<i>Distribution paid 15.04.18</i>
Group 1: Shares purchased prior to 16 February 2019				
Group 2: Shares purchased from 16 February 2019 to 15 March 2019				
Institutional Income				
Group 1	0.280000	-	0.280000	0.270000
Group 2	0.280000	0.000000	0.280000	0.270000
Institutional Accumulation				
Group 1	0.300000	-	0.300000	0.280000
Group 2	0.300000	0.000000	0.300000	0.280000
Income C				
Group 1	0.270000	-	0.270000	0.270000
Group 2	0.270000	0.000000	0.270000	0.270000
Accumulation C				
Group 1	0.290000	-	0.290000	0.280000
Group 2	0.290000	0.000000	0.290000	0.280000

	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.03.19</i>	<i>Distribution paid 15.03.18</i>
Group 1: Shares purchased prior to 16 January 2019				
Group 2: Shares purchased from 16 January 2019 to 15 February 2019				
Institutional Income				
Group 1	0.300000	-	0.300000	0.230000
Group 2	0.300000	0.000000	0.300000	0.230000
Institutional Accumulation				
Group 1	0.320000	-	0.320000	0.230000
Group 2	0.320000	0.000000	0.320000	0.230000
Income C				
Group 1	0.300000	-	0.300000	0.230000
Group 2	0.300000	0.000000	0.300000	0.230000
Accumulation C				
Group 1	0.320000	-	0.320000	0.230000
Group 2	0.320000	0.000000	0.320000	0.230000

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 share classes except those for UK Growth and Income Retail B share classes which is £100, the Income C and Accumulation C share classes which is £1,000 and Institutional share classes which is £1,000,000.
-

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 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

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:-

- If you hold income shares, income will be distributed to you on the payment dates shown for each of the Funds in the table on pages 102 and 103.
- 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 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:

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 £5,000 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 Revenue & Customs 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.

*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).

Important Notes

The Interim Report covers the period 16 January 2019 to 15 July 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.

Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered.

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 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 July 2019 (unaudited). 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.

Accounting Policies

The interim financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by The Investment Association in May 2014.

A.C. Corfield

Director



A.S. Clark

Director



**For and on behalf of HSBC Global Asset Management (UK) Limited Authorised Corporate Director
29 August 2019**

Important Changes to the Company and/or Fund Documentation

The following changes to the Company have resulted in the ACD (Authorised Corporate Director) making changes to the Company's Instrument of Incorporation and its Prospectus.

Amendments to the Company's Instrument of Incorporation

The Instrument of Incorporation was updated to reflect that from the 17 June 2019, the Global High Income Bond Fund is being wound up and is no longer available for investment. The Instrument was also updated on 7 August 2019 to reflect the new Investment Objective wording for all Funds excluding the Corporate Bond Fund and Gilt & Fixed Interest Fund.

Amendments to the Company Prospectus

The Prospectus has been amended to include the changes detailed below.

The Constitution of the Funds

In this section and subsequently throughout the Prospectus where the Global High Income Bond Fund is mentioned, we advise that on 29 April 2019 the ACD suspended dealing in the Global High Income Bond Fund. Subsequently from 17 June 2019, the Prospectus has been amended to reflect that the Global High Income Bond Fund is being wound up and is no longer available for investment.

Risks

A new Risk has been added to the Prospectus regarding Alternative Investments, following changes to the Investment Policy and Strategy of the Balanced Fund.

"There are additional risks associated with specific alternative investments within the portfolios; these investments may be less readily realisable than others and it may therefore be difficult to sell in a timely manner at a reasonable price or to obtain reliable information about their value; there may also be greater potential for significant price movements.

Hedge funds often engage in borrowing money to increase returns and other speculative investment practices that may increase the risk of investment loss. They can be difficult to sell, are not required to provide periodic pricing or valuation information to investors, and may involve complex tax structures and delays in distributing important information.

Alternative investments are often not subject to the same regulatory requirements as, say, Funds and often charge high fees that may potentially offset trading profits when they occur.

Private equity investments are generally illiquid, long-term investments that do not display the liquidity or transparency characteristics often found in other investments (e.g. listed securities). It can take a longer time for money to be invested as well as a longer time for investments to produce returns after initial losses

Investments in commodities may be subject to greater volatility than investments in traditional investment types. They may be affected by disease, climatic changes and international economic and political developments, which may cause individual commodity prices to rise or fall sharply."

Appendix 1 – Investment Objectives, Investment Policies and Share Classes

The Investment Policy and Strategy were amended with regard to the use of alternative investments, derivative usage and portfolio split for the Balanced Fund as per the mailing sent to Shareholders on 23 January 2019.

Shareholders were mailed on 31 July 2019 outlining changes to the wording of the Investment Objectives, Policy and Strategy effective from 7 August 2019. In addition, for the Corporate Bond Fund and Gilt & Fixed Interest Fund only, we advised that the Investment Objective no longer refers to an aim of providing income but to provide returns that are higher than the relevant benchmark. We anticipate that the funds will continue to pay a competitive level of income. This change is effective from 1 October 2019. These changes have not change the way in which we manage the funds and are for clarification purposes only.

Appendix 3 – Investment Powers and Restrictions

Part C has been amended to allow the use of Derivatives for investment purposes in regards to the Balanced Fund from 25 March 2019. The use of derivatives will be for the purposes of hedging and/or meeting the investment objectives of the Fund, keeping within the risk profile of the Fund.

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 year, 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.

Corporate Shareholders

A corporate shareholder will receive the distribution shown below on their tax voucher as follows:

Fund	Date payable/paid	Share class	Investment income	
			Franked	Unfranked
Corporate Bond	15.9.19	Retail Income	0.00%	100.00%
	15.9.19	Retail Accumulation	0.00%	100.00%
	15.9.19	Institutional Accumulation	0.00%	100.00%
	15.9.19	Institutional Income	0.00%	100.00%
	15.9.19	Institutional Gross Accumulation	0.00%	100.00%
	15.9.19	Income C	0.00%	100.00%
	15.9.19	Accumulation C	0.00%	100.00%
	15.6.19	Retail Income	0.00%	100.00%
	15.6.19	Retail Accumulation	0.00%	100.00%
	15.6.19	Institutional Accumulation	0.00%	100.00%
	15.6.19	Institutional Income	0.00%	100.00%
	15.6.19	Institutional Gross Accumulation	0.00%	100.00%
	15.6.19	Income C	0.00%	100.00%
	15.6.19	Accumulation C	0.00%	100.00%
Gilt & Fixed Interest	15.9.19	Retail Income	0.00%	100.00%
	15.9.19	Retail Accumulation	0.00%	100.00%
	15.9.19	Institutional Income	0.00%	100.00%
	15.9.19	Income C	0.00%	100.00%
	15.9.19	Accumulation C	0.00%	100.00%
	15.6.19	Retail Income	0.00%	100.00%
	15.6.19	Retail Accumulation	0.00%	100.00%
	15.6.19	Institutional Income	0.00%	100.00%
	15.6.19	Income C	0.00%	100.00%
	15.6.19	Accumulation C	0.00%	100.00%
Global High Income Bond	15.5.19	Institutional Accumulation	0.00%	100.00%
	15.5.19	Institutional Income	0.00%	100.00%
	15.5.19	Income C	0.00%	100.00%
	15.5.19	Accumulation C	0.00%	100.00%
	15.4.19	Institutional 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%
	15.3.19	Institutional Accumulation	0.00%	100.00%
	15.3.19	Institutional Income	0.00%	100.00%
	15.3.19	Income C	0.00%	100.00%
	15.3.19	Accumulation C	0.00%	100.00%
Global Equity Income	15.9.19	Institutional Accumulation	96.28%	3.72%
	15.9.19	Institutional Income	96.36%	3.64%
	15.9.19	Income C	100.00%	0.00%
	15.9.19	Accumulation C	100.00%	0.00%
	15.6.19	Institutional Accumulation	100.00%	0.00%
	15.6.19	Institutional Income	100.00%	0.00%
	15.6.19	Income C	100.00%	0.00%
	15.6.19	Accumulation C	100.00%	0.00%

All other Funds in this OEIC have a 100% franked distribution shown on their tax voucher.

Risk and Reward Profile

Fund	Rating*
Balanced	4
UK Growth & Income	5
Income	5
Monthly Income	4
Gilt & Fixed Interest	4
Corporate Bond	3
Global Equity Income	5
Global High Income Bond	4†

Lower risk **Higher risk**

←—————→

Typically lower rewards Typically higher rewards

1	2	3	4	5	6	7
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†With effect from 17 June 2019, this Fund is being wound up and 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.

Directory

The Company

HSBC Investment Funds, 8 Canada Square, London, E14 5HQ

Authorised Corporate Director (ACD) and Head Office

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Investment Manager

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

Depositary

State Street Trustees Limited, Quatermile 3, 10 Nightingale Way, Edinburgh, EH3 9EG

Regulator

Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN (WEF 1 July 2018)

Auditor

KPMG LLP, 15 Canada Square, London E14 5GL

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Administrator (delegated to Northern Trust Global Services Limited) - postal address

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Website

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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 Investment Funds

Name of OEIC Fund	Balanced	UK Growth & Income	Income	Monthly Income
Number of distributions per year	2	2	2	12
Distribution dates	15 Mar 15 Sep	15 Mar 15 Sep	15 Mar 15 Sep	Each month
Lump sum minimum investment level	£1,000	£1,000	£1,000	£1,000
Regular saver minimum investment level	£50	£50	£50	£50
Authorised Corporate Director charge % †	1.50	1.50	1.50	1.25
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 retail share classes. Other share classes may differ.

Quick Reference Guide to HSBC Investment Funds

Name of OEIC Fund	Gilt & Fixed Interest	Corporate Bond	Global Equity Income	Global High Income Bond
Number of distributions per year	4	4	4	12
Distribution dates	15 Mar, 15 Jun, 15 Sep, 15 Dec	15 Mar, 15 Jun, 15 Sep, 15 Dec	15 Mar, 15 Jun, 15 Sep, 15 Dec	Each month
Lump sum minimum investment level	£1,000	£1,000	£1,000,000	£1,000,000
Regular saver minimum investment level	£50	£50	n/a	n/a
Authorised Corporate Director charge % †	0.75	1.00	0.75	0.63
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 retail share classes or C share classes as applicable. Other share classes may differ.

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