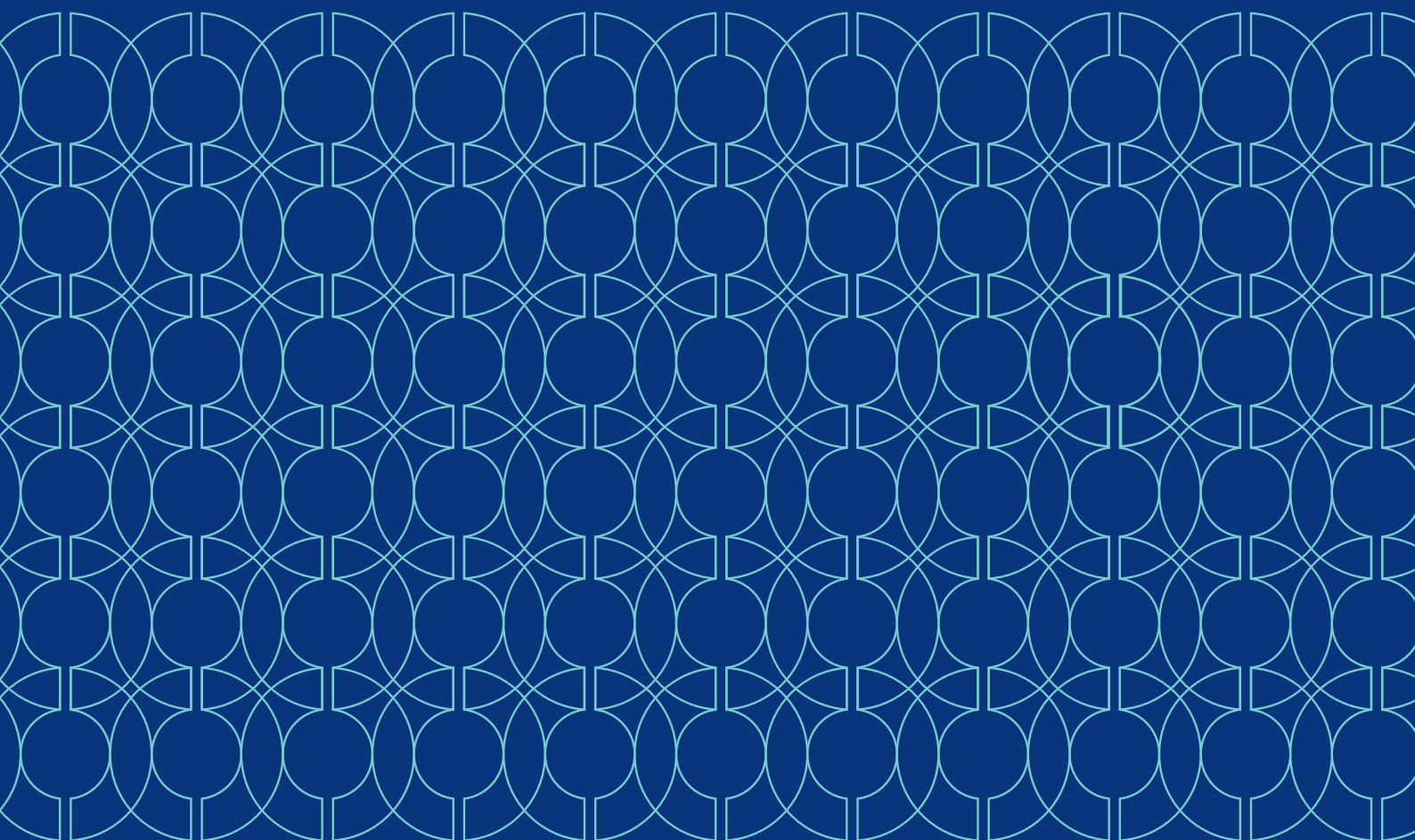


Schroders

Schroder Absolute Return Bond Fund

Interim Report and Accounts

June 2019



Schroder Absolute Return Bond Fund

June 2019

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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

The Schroder Absolute Return Bond Fund (the 'fund') aims to provide an absolute return of 3 month LIBOR plus 2% (gross of fees¹) over rolling 12-month periods by investing directly or indirectly in fixed and floating rate securities issued by governments, government agencies and companies worldwide.

Absolute return means the Fund seeks to provide a positive return over rolling 12-month periods, in all market conditions but this cannot be guaranteed and your capital is at risk.

The Fund invests at least 80% of its assets directly, or indirectly through derivatives, in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) issued by governments, government agencies, supra-national and corporate issuers worldwide. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund may invest up to 50% of its assets in below investment grade securities as measured by Standard & Poor's or an equivalent credit rating agency, or in unrated securities.

The Fund may invest up to 100% of its assets in asset-backed securities and mortgage-backed securities.

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

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently. The Fund may use leverage and take short positions.

1 Gross of fees is before the deduction of the Fund's ongoing charges.

Financial highlights

Dealing price	28.6.19	31.12.18	% change
A Income units	41.61p	40.57p	2.56
A Accumulation units	101.90p	98.40p	3.56
L Income units	50.07p	48.69p	2.83
L Accumulation units	53.49p	51.50p	3.86
X Income units	49.08p	47.64p	3.02
Z Income units	48.76p	47.44p	2.78
Z Accumulation units	55.32p	53.30p	3.79
	31.8.19	31.8.18	
Interim distribution per Z Income unit	0.3296p	0.3618p	

Fund Information (continued)

Fund information

Launch date	5 November 1992	
Launch price	50.00p per A Income unit	
	50.00p per A Accumulation unit	
Launch date	11 May 2011	
Launch price	50.00p per Z Income unit	
	50.00p per Z Accumulation unit	
Launch date	1 October 2013	
Launch price	50.00p per L Income unit	
	50.00p per L Accumulation unit	
Launch date	21 November 2014	
Launch price	50.00p per X Income unit	
	Interim	Final
Accounting dates	30 June	31 December
Revenue allocation dates	31 August	28 February

Ongoing charges figure

	For the period to 30.6.19	For the year to 31.12.18
A Income units	1.07% ¹	1.06%
A Accumulation units	1.07% ¹	1.06%
L Income units	0.57% ¹	0.56%
L Accumulation units	0.57% ¹	0.56%
X Income units²	0.07% ¹	0.06%
Z Income units	0.67% ¹	0.66%
Z Accumulation units	0.67% ¹	0.66%

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

2 The Annual management charge for X Income units is invoiced directly to unitholders and is therefore not included in the Ongoing charges figure for that unit class.

Total purchases and sales

	For the period to 30.6.19 £000's	For the year to 31.12.18 £000's
Total purchases	44,279	119,476
Total sales	56,165	124,605

Review of Investment Activities

From 31 December 2018 to 28 June 2019, the price of Z Accumulation units on a dealing price to dealing price basis rose 3.79%. The fund aims to achieve a rolling twelve month positive return and is unconstrained by a benchmark. For information, over the same period, the Sterling 3 Month LIBOR +2% generated a total return of 2.41%¹.

The first half of 2019 was positive for financial markets. Risk assets rebounded forcefully after the weakness in the final months of 2018 with sentiment lifted by central bank dovishness. Both the Federal Reserve (Fed) and the European Central Bank (ECB) gave a series of dovish statements and indicated they remain prepared to provide further policy support if necessary. Government bond yields fell markedly over the period, the 10-year US Treasury yield declined nearly 70 basis points². Corporate bond markets also performed well.

The portfolio generated a positive return over the period. The main driver of returns was currency positioning, particularly favouring high beta (market sensitive) European currencies and underweight to trade sensitive Asian currencies. Growing evidence of slower growth and expectation that banks would remain accommodating led us to move to a long duration stance. We implemented a long position in Europe, mainly through Spanish treasuries, which had a positive effect. We kept our long exposure to corporate bonds and securitised credit, which contributed to performance.

Central banks have continued to respond to challenges and uncertainty by offering increased monetary support. The Fed appears to be acting pre-emptively, motivated to extend the current economic cycle as soft global growth and persistently low inflation risks depressed expectations. The ECB is discussing further easing. Some emerging market central banks have scope to be more accommodative. Economically, regional divergence has narrowed, with signs that the manufacturing slowdown is affecting the US. We still don't see a global recession as a central scenario, but continued growth moderation and low inflation gives clear scope for accommodative policy.

Co-Fund Manager:

Paul Grainger



2015: Schroders

2014: Co-founded financial technology firm yoyoDATA

2006: Wellington Management

2003: F&C Asset Management, Senior Portfolio Manager

1999: Gartmore, Senior Portfolio Manager

1995: Joined the BZW graduate training programme where he rotated through Fixed Income Sales & Trading into Asset Management at Barclays Global Investors

BA (Hons), University of Exeter

Member of the United Kingdom Society of investment professionals and a CFA Charterholder

Co-Fund Manager:

Bob Jolly



Joined Schroders Fixed Income team in September 2011 as Head of Global Macro Strategy

Prior to joining Schroders Bob worked for UBS Global Asset Management, his more recent responsibilities were Head of Currency, UK Fixed Income and Global Sovereign

Prior to UBS Bob spent two years with SEI investments developing customised solutions for institutional pension fund clients

The majority of Bob's investment career was spent at Gartmore Investment Management where he held the following positions:

2000 – 2005 Head of Fixed Income Portfolio Construction

1989 – 2000 Head of Structured Fixed Income

1982 – 1989 UK and Global Fixed Income Portfolio manager

CFA Charterholder

Global Multi-Sector Team

The fund is managed by the Global Multi-Sector Team according to a robust team based investment process. Bob Jolly, Head of Global Macro Strategy, and Paul Grainger, Head of Global Multi-Sector are the heads of the team with over 50 years combined investment experience. The rest of the team consists of 11 investment professionals with an average experience of 11 years responsible for a suite of benchmarked and absolute return products. The Global Multi-Sector Team draws on the full resources of Schroders fixed income platform, benefiting from a worldwide research network consisting of over 100 researchers, analysts and economists across asset classes.

¹ Source: Thomson Reuters Datastream.

² Source: Bloomberg.

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

Risk Profile

Risk and reward indicator



The risk category is based upon the fund's risk target and there is no guarantee that the fund will achieve it.

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

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

The fund is in this category because it seeks to provide rewards whilst limiting price volatility.

Specific risks

The fund invests in assets which are exposed to currencies other than sterling. Exchange rates may cause the value of overseas investments and the revenue from them to rise or fall.

The fund invests in less developed markets which are generally less well regulated than the UK. They may be less liquid and may have less reliable custody arrangements.

The fund invests in emerging markets and the Far East. This involves a high degree of risk and should be seen as long term in nature.

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

More than 35% of the property of the fund may be invested in Government securities.

The fund may invest in higher yielding bonds (non-investment grade). The risk of default is higher with non-investment grade bonds than with investment grade bonds. Higher yielding bonds may also have an increased potential to erode your capital sum than lower yielding bonds.

The fund may invest in a wide range of derivatives in order to meet its investment objectives and for leverage. The use of leverage can increase gains as well as losses and expose the fund to increased risk.

The fund may use derivatives for specific investment purposes. This involves a higher degree of risk and may lead to a higher volatility in the unit prices of the fund. The Manager employs a risk management process to allow the Manager to measure derivative and forward positions and their contribution to the overall risk profile of the fund. As part of this risk management process, the Manager conducts daily value at risk analysis of the fund and performs both stress and back testing of the fund.

As a result of the Annual management charge being charged wholly to capital for all unit classes except for X Income units, the distributable revenue of the fund may be higher, but the capital value of the fund may be eroded which may affect future performance.

The fund may invest in mortgage or asset backed securities and therefore may not receive in full the amounts owed to them by underlying borrowers.

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

Net Asset Value and Comparative Tables

Unit price range

Financial year to 31 December		A Income units		A Accumulation units	
	Highest dealing ¹ p	Lowest dealing ¹ p	Highest dealing ¹ p	Lowest dealing ¹ p	
2016	42.61	40.19	100.60	94.09	
2017	42.83	41.83	102.80	99.58	
2018	42.62	40.54	102.60	98.33	
Financial period to 30 June 2019	41.64	40.16	102.00	98.37	

Financial year to 31 December		L Income units		L Accumulation units	
	Highest dealing ¹ p	Lowest dealing ¹ p	Highest dealing ¹ p	Lowest dealing ¹ p	
2016	50.63	47.52	52.12	48.53	
2017	51.02	49.74	53.42	51.63	
2018	50.95	48.66	53.49	51.46	
Financial period to 30 June 2019	50.10	48.20	53.51	51.49	

Financial year to 31 December		X Income units		Z Income units	
	Highest dealing ¹ p	Lowest dealing ¹ p	Highest dealing ¹ p	Lowest dealing ¹ p	
2016	49.10	45.87	49.42	46.43	
2017	49.62	48.26	49.78	48.54	
2018	49.66	47.60	49.68	47.41	
Financial period to 30 June 2019	49.11	47.14	48.79	46.96	

Financial year to 31 December		Z Accumulation units	
		Highest dealing ¹ p	Lowest dealing ¹ p
2016		54.05	50.37
2017		55.36	53.53
2018		55.39	53.26
Financial period to 30 June 2019		55.35	53.28

¹ Prior to 17 September 2018, Highest buying and Lowest selling.

Net Asset Value and Comparative Tables (continued)

Net revenue

Financial year to 31 December	A Income units pence per unit	A Accumulation units pence per unit
2016	0.6839	1.6102
2017	0.4764	1.1356
2018	0.7093	1.7131
Financial period to 30 June 2019	0.2814	0.6893

Financial year to 31 December	L Income units pence per unit	L Accumulation units pence per unit
2016	0.8112	0.8324
2017	0.5697	0.5894
2018	0.8483	0.8937
Financial period to 30 June 2019	0.3382	0.3612

Financial year to 31 December	X Income units pence per unit	Z Income units pence per unit
2016	0.8234	0.7925
2017	0.5989	0.5547
2018	0.8764	0.8283
Financial period to 30 June 2019	0.3546	0.3296

Financial year to 31 December	Z Accumulation units pence per unit
2016	0.8636
2017	0.6105
2018	0.9226
Financial period to 30 June 2019	0.3737

Net Asset Value and Comparative Tables (continued)

Net asset value

As at 31 December	Net asset value £000's	Net asset value per unit p	Number of units in issue
2016			
A Income units	3,493	41.88	8,339,756
A Accumulation units	26,965	99.70	27,044,920
L Income units	1,256	49.76	2,524,347
L Accumulation units	8,706	51.66	16,853,264
X Income units	10,493	48.24	21,753,583
Z Income units	9,710	48.57	19,991,011
Z Accumulation units	39,666	53.56	74,055,250
2017			
A Income units	1,383	41.83	3,307,184
A Accumulation units	22,865	100.72	22,701,846
L Income units	766	49.96	1,532,414
L Accumulation units	11,047	52.45	21,061,292
X Income units	10,584	48.66	21,753,583
Z Income units	8,264	48.72	16,959,824
Z Accumulation units	35,633	54.33	65,581,362
2018			
A Income units	1,119	40.11	2,789,081
A Accumulation units	19,509	98.26	19,853,565
L Income units	254	48.15	527,178
L Accumulation units	7,404	51.43	14,395,894
X Income units	10,241	47.08	21,753,583
Z Income units	5,345	46.91	11,395,203
Z Accumulation units	38,459	53.22	72,259,885
2019 at 30 June			
A Income units	1,039	41.26	2,518,381
A Accumulation units	15,786	101.76	15,513,504
L Income units	240	49.64	482,785
L Accumulation units	7,169	53.39	13,426,576
X Income units	10,581	48.64	21,753,583
Z Income units	4,892	48.34	10,120,235
Z Accumulation units	30,629	55.22	55,463,776

Net Asset Value and Comparative Tables (continued)

Fund performance

	Net asset value per unit p as at 30.6.19	Net asset value per unit p as at 31.12.18	% change
A Income units	41.26	40.11	2.87
A Accumulation units	101.76	98.26	3.56
L Income units	49.64	48.15	3.09
L Accumulation units	53.39	51.43	3.81
X Income units	48.64	47.08	3.31
Z Income units	48.34	46.91	3.05
Z Accumulation units	55.22	53.22	3.76

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

Portfolio Statement

	Holding at 30.6.19	Market Value £000's	% of net assets
Collective Investment Schemes 1.83% (2.18%)			
Emerging Markets Fixed Interest Funds 1.83% (2.18%)			
Schroder ISF Emerging Market Bond I Accumulation USD ^{^†}	12,000	1,287	1.83
		1,287	1.83
Collective Investment Schemes total			
		1,287	1.83
Government Bonds 11.82% (4.05%)			
Brazil 1.33% (0.53%)			
Brazil Notas do Tesouro Nacional 10% 01/01/2025	BRL 4,000	931	1.33
		931	1.33
France 2.13% (0.00%)			
France Government Bond OAT 1.5% 25/05/2050	€1,453,250	1,499	2.13
		1,499	2.13
Italy 0.80% (0.00%)			
Italy Buoni Poliennali Del Tesoro 3.1% 01/03/2040	€601,000	565	0.80
		565	0.80
South Africa 0.86% (0.00%)			
South Africa Government Bond 10.5% 21/12/2026	ZAR 9,602,874	605	0.86
		605	0.86
Spain 5.61% (0.00%)			
Spain Government Bond 1.45% 30/04/2029	€3,154,000	3,117	4.43
Spain Government Bond 2.7% 31/10/2048	€702,000	827	1.18
		3,944	5.61

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United Kingdom 0.00% (3.52%)			
United States of America 1.09% (0.00%)			
US Treasury Bill 0% 13/08/2019	US\$970,000	763	1.08
US Treasury 2.875% 15/05/2028	US\$5,000	4	0.01
		767	1.09
Government Bonds total			
		8,311	11.82
Corporate Bonds 85.74% (88.95%)			
Australia 0.10% (0.08%)			
Boral Finance 3% 01/11/2022	US\$90,000	71	0.10
		71	0.10
Bermuda 0.59% (0.24%)			
Fly Leasing 5.25% 15/10/2024	US\$275,000	222	0.32
CAL Funding III, Series 2017-1A 3.62% 25/06/2042	US\$239,200	193	0.27
		415	0.59
Canada 0.42% (3.62%)			
Bausch Health 5.5% 01/11/2025	US\$58,000	48	0.07
Cenovus Energy 4.25% 15/04/2027	US\$33,000	27	0.04
Canadian Natural Resources 3.85% 01/06/2027	US\$40,000	33	0.05
Cenovus Energy 5.4% 15/06/2047	US\$24,000	20	0.03
Rogers Communications 4.35% 01/05/2049	US\$106,000	89	0.12
Enbridge FRN 6% 15/01/2077	US\$100,000	79	0.11
		296	0.42
Cayman Islands 3.17% (2.70%)			
Avolon Holdings Funding 3.625% 01/05/2022	US\$27,000	22	0.03
Shackleton CLO FRN, Series 2015-8A 3.696% 20/10/2027	US\$250,000	197	0.28

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Cayman Islands (continued)			
Shackleton CLO FRN, Series 2016-9A 4.261% 20/10/2028	US\$225,000	177	0.25
Magnetite XVIII FRN, Series 2016-18A 3.598% 15/11/2028	US\$250,000	197	0.28
Madison Park Funding XXVI FRN, Series 2017-26A 3.782% 29/07/2030	US\$250,000	197	0.28
Voya Clo FRN, Series 2017-4A 3.917% 15/10/2030	US\$250,000	196	0.28
Dewolf Park Clo FRN, Series 2017-1A 3.997% 15/10/2030	US\$250,000	197	0.28
THL Credit Wind River CLO FRN, Series 2013-2A 3.831% 18/10/2030	US\$250,000	196	0.28
Madison Park Funding XVIII FRN, Series 2015-18A 3.782% 21/10/2030	US\$250,000	197	0.28
Goldentree Loan Management US Clo 2 FRN, Series 2017-2A 3.911% 28/11/2030	US\$250,000	197	0.28
Cedar Funding V CLO FRN, Series 2016-5A 3.688% 17/07/2031	US\$250,000	196	0.28
ECAF I, Series 2015-1A 3.473% 15/06/2040	US\$327,014	259	0.37
		2,228	3.17
Denmark 1.14% (0.00%)			
Danske Bank 5.375% 12/01/2024	US\$950,000	804	1.14
		804	1.14
France 0.38% (1.37%)			
Banque Federative du Credit Mutuel 2.2% 20/07/2020	US\$340,000	268	0.38
		268	0.38
Germany 0.27% (0.22%)			
EnBW Energie Baden-Wuerttemberg FRN 3.375% 05/04/2077	€200,000	190	0.27
		190	0.27

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Ireland 0.23% (0.58%)			
Bank of Ireland Group 4.5% 25/11/2023	US\$200,000	164	0.23
		164	0.23
Italy 4.25% (2.17%)			
FCA Bank FRN 0.012% 17/06/2021	€722,000	644	0.92
UniCredit 6.572% 14/01/2022	US\$900,000	753	1.07
EVOCA 7% 15/10/2023	€100,000	94	0.13
Telecom Italia 4% 11/04/2024	€400,000	387	0.55
Wind Tre 5% 20/01/2026	US\$200,000	153	0.22
Enel FRN 7.75% 10/09/2075	£796,000	850	1.21
Enel FRN 6.625% 15/09/2076	£100,000	109	0.15
		2,990	4.25
Luxembourg 0.22% (0.09%)			
Ingersoll-Rand Luxembourg Finance 3.5% 21/03/2026	US\$93,000	76	0.11
Eurofins Scientific FRN 3.25% Perpetual	€100,000	81	0.11
		157	0.22
Mexico 0.24% (0.95%)			
Grupo Bimbo FRN 5.95% Perpetual	US\$200,000	165	0.24
		165	0.24
Netherlands 2.90% (3.86%)			
Teva Pharmaceutical Finance Netherlands III 2.2% 21/07/2021	US\$100,000	75	0.10
Bayer Capital FRN 0.207% 26/06/2022	€400,000	357	0.51
Deutsche Telekom International Finance FRN 0.03% 01/12/2022	€925,000	830	1.18
Cooperatieve Rabobank 4.625% 01/12/2023	US\$250,000	211	0.30
Constellium 5.875% 15/02/2026	US\$250,000	202	0.29

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Netherlands (continued)			
Koninklijke KPN FRN 6.875% 14/03/2073	£355,000	366	0.52
		2,041	2.90
Norway 1.82% (3.38%)			
Nordea Eiendomskreditt FRN 1.116% 18/06/2023	£1,283,000	1,277	1.82
		1,277	1.82
Peru 0.00% (0.19%)			
Spain 0.35% (0.41%)			
Banco Santander 3.125% 23/02/2023	US\$200,000	160	0.23
Grupo Antolin-Irausa 3.25% 30/04/2024	€100,000	83	0.12
		243	0.35
Supranational 0.05% (0.00%)			
NXP 3.875% 18/06/2026	US\$38,000	31	0.05
		31	0.05
Sweden 2.12% (1.80%)			
Intrum FRN 2.625% 15/07/2022	€112,000	100	0.14
Stadshypotek FRN 1.044% 11/01/2023	£1,400,000	1,391	1.98
		1,491	2.12
Switzerland 1.29% (3.39%)			
Credit Suisse Group FRN 3.676% 12/06/2024	US\$1,155,000	910	1.29
		910	1.29
United Kingdom 23.44% (21.59%)			
HSBC Holdings FRN 3.12% 18/05/2021	US\$1,867,000	1,471	2.09

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United Kingdom (continued)			
Jerrold Finco 6.25% 15/09/2021	£100,000	102	0.15
Investec 4.5% 05/05/2022	£770,000	820	1.17
IDH Finance FRN 6.805% 15/08/2022	£100,000	89	0.13
HSBC Holdings FRN 0.355% 27/09/2022	€1,100,000	991	1.41
William Hill 4.875% 07/09/2023	£300,000	315	0.45
Royal Bank of Scotland Group 3.875% 12/09/2023	US\$200,000	161	0.23
Coventry Building Society FRN 1.311% 13/11/2023	£1,276,000	1,281	1.82
Yorkshire Building Society FRN 1.311% 19/11/2023	£2,076,000	2,086	2.97
Nationwide Building Society FRN 1.458% 10/01/2024	£1,649,000	1,666	2.37
Santander UK FRN 1.44% 12/02/2024	£1,490,000	1,501	2.13
TSB Bank FRN 1.58% 15/02/2024	£888,000	898	1.28
Skipton Building Society FRN 1.391% 22/02/2024	£660,000	663	0.94
Standard Chartered FRN 3.885% 15/03/2024	US\$295,000	238	0.34
Unique Pub Finance 7.395% 28/03/2024	£979,000	1,094	1.55
Lloyds Bank FRN 1.281% 16/05/2024	£1,186,000	1,188	1.69
Arrow Global Finance 5.125% 15/09/2024	£100,000	98	0.14
Iceland Bondco 4.625% 15/03/2025	£152,000	137	0.19
CYBG FRN 3.125% 22/06/2025	£100,000	97	0.14
Alba FRN, Series 2006-2 1.015% 15/12/2038	£195,980	184	0.26
RMAC Securities No. 1 FRN, Series 2006-NS4X 1.015% 12/06/2044	£142,336	135	0.19
Aviva FRN 3.875% 03/07/2044	€700,000	683	0.97
Eurohome UK Mortgages FRN, Series 2007-2 1.035% 15/09/2044	£54,318	54	0.08
Eurosail PRIME-UK FRN, Series 2007-PR1X 1.243% 13/09/2045	£60,026	57	0.08
EMF-UK FRN, Series 2008-1X 1.823% 13/03/2046	£102,425	102	0.14

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United Kingdom (continued)			
Income Contingent Student Loans 2007-2009 FRN, Series 2 2.05% 24/07/2058	£200,000	198	0.28
Aviva FRN 5.902% Perpetual	£173,000	178	0.25
		16,487	23.44
United States of America 42.76% (42.31%)			
Conagra Brands FRN 3.341% 22/10/2020	US\$420,000	331	0.47
Regions Bank 2.75% 01/04/2021	US\$250,000	198	0.28
Ford Motor Credit FRN 0.121% 14/05/2021	€992,000	879	1.25
BAT Capital FRN 0.189% 16/08/2021	€621,000	556	0.79
Cigna 3.4% 17/09/2021	US\$36,000	29	0.04
Constellation Brands FRN 3.218% 15/11/2021	US\$44,000	35	0.05
SunTrust Banks 2.7% 27/01/2022	US\$98,000	78	0.11
Citigroup FRN 3.54% 25/04/2022	US\$1,200,000	952	1.35
Amgen 2.65% 11/05/2022	US\$25,000	20	0.03
Wells Fargo Bank FRN 2.897% 27/05/2022	US\$994,000	791	1.12
Sherwin-Williams 2.75% 01/06/2022	US\$110,000	87	0.12
Wells Fargo 1.375% 30/06/2022	£1,325,000	1,321	1.88
Broadcom 3.125% 15/10/2022	US\$97,000	77	0.11
Morgan Stanley FRN 0.392% 08/11/2022	€2,700,000	2,432	3.46
Mosaic 3.25% 15/11/2022	US\$158,000	127	0.18
Constellation Brands 3.2% 15/02/2023	US\$40,000	32	0.05
Newell Brands 3.85% 01/04/2023	US\$120,000	96	0.14
JPMorgan Chase FRN 3.48% 25/04/2023	US\$300,000	238	0.34
Bank of America FRN 0.471% 04/05/2023	€1,500,000	1,354	1.93
Keurig Dr Pepper 4.057% 25/05/2023	US\$90,000	74	0.11
JC Penney 5.875% 01/07/2023	US\$241,000	158	0.22
Comerica 3.7% 31/07/2023	US\$65,000	54	0.08

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
Roper Technologies 3.65% 15/09/2023	US\$50,000	41	0.06
Goldman Sachs Group FRN 0.277% 26/09/2023	€626,000	559	0.80
Bank of America FRN 3.004% 20/12/2023	US\$88,000	70	0.10
Alexandria Real Estate Equities REIT 4% 15/01/2024	US\$10,000	8	0.01
Fifth Third Bancorp 3.65% 25/01/2024	US\$114,000	94	0.13
Altria Group 3.8% 14/02/2024	US\$25,000	21	0.03
Boston Scientific 3.45% 01/03/2024	US\$58,000	48	0.07
Chase Issuance Trust FRN, Series 2017-A2 2.794% 15/03/2024	US\$375,000	297	0.42
Welltower REIT 3.625% 15/03/2024	US\$64,000	52	0.07
Synchrony Financial 4.375% 19/03/2024	US\$7,000	6	0.01
CCO Holdings 5.875% 01/04/2024	US\$248,000	204	0.29
JPMorgan Chase FRN 3.322% 23/04/2024	US\$41,000	32	0.05
FHLMC Structured Agency Credit Risk Debt Notes FRN, Series 2014-DN2 6.004% 25/04/2024	US\$250,000	210	0.30
Conagra Brands 4.3% 01/05/2024	US\$81,000	68	0.10
FNMA FRN, Series 2014-C02 5.03% 25/05/2024	US\$249,832	204	0.29
Citigroup FRN 4.044% 01/06/2024	US\$180,000	150	0.21
Becton Dickinson and 3.363% 06/06/2024	US\$100,000	81	0.12
Santander Holdings USA 3.5% 07/06/2024	US\$35,000	28	0.04
JPMorgan Chase FRN 3.481% 23/07/2024	US\$1,690,000	1,332	1.89
Crown Castle International REIT 3.2% 01/09/2024	US\$200,000	160	0.23
Broadcom 3.625% 15/10/2024	US\$62,000	49	0.07
FHLMC Structured Agency Credit Risk Debt Notes FRN, Series 2014-HQ3 7.154% 25/10/2024	US\$185,619	156	0.22
BB&T 2.85% 26/10/2024	US\$100,000	80	0.11

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
JPMorgan Chase FRN 4.023% 05/12/2024	US\$75,000	63	0.09
Capital One Multi-Asset Execution Trust, Series 2019-A1 2.84% 15/12/2024	US\$250,000	201	0.29
Vornado Realty REIT 3.5% 15/01/2025	US\$85,000	68	0.10
Sabine Pass Liquefaction 5.625% 01/03/2025	US\$50,000	44	0.06
Campbell Soup 3.95% 15/03/2025	US\$50,000	41	0.06
Energy Transfer Operating 4.05% 15/03/2025	US\$60,000	49	0.07
Eldorado Resorts 6% 01/04/2025	US\$241,000	200	0.28
General Mills 4% 17/04/2025	US\$8,000	7	0.01
Tenet Healthcare 5.125% 01/05/2025	US\$225,000	178	0.25
American Tower REIT 4% 01/06/2025	US\$75,000	63	0.09
Morgan Stanley 4% 23/07/2025	US\$240,000	202	0.29
Charter Communications Operating 4.908% 23/07/2025	US\$30,000	26	0.04
Williams 4% 15/09/2025	US\$175,000	145	0.21
Scientific Games International 5% 15/10/2025	US\$140,000	111	0.16
Caesars Resort Collection 5.25% 15/10/2025	US\$190,000	149	0.21
CrownRock 5.625% 15/10/2025	US\$310,000	244	0.35
Multi-Color 4.875% 01/11/2025	US\$225,000	186	0.27
Qualitytech 4.75% 15/11/2025	US\$145,000	113	0.16
Morgan Stanley 3.875% 27/01/2026	US\$105,000	88	0.13
Discover Financial Services 4.5% 30/01/2026	US\$120,000	101	0.14
Tyson Foods 4% 01/03/2026	US\$78,000	65	0.09
Bank of America 3.5% 19/04/2026	US\$128,000	105	0.15
Bristol-Myers Squibb 3.2% 15/06/2026	US\$58,000	47	0.07
Fiserv 3.2% 01/07/2026	US\$121,000	97	0.14
DISH DBS 7.75% 01/07/2026	US\$106,000	81	0.12
EnLink Midstream Partners 4.85% 15/07/2026	US\$105,000	83	0.12
Dell International 4.9% 01/10/2026	US\$58,000	48	0.07

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
Hexcel 3.95% 15/02/2027	US\$30,000	24	0.03
CommScope Technologies 5% 15/03/2027	US\$225,000	154	0.22
Hess 4.3% 01/04/2027	US\$28,000	23	0.03
American Axle & Manufacturing 6.5% 01/04/2027	US\$235,000	184	0.26
Keysight Technologies 4.6% 06/04/2027	US\$80,000	67	0.10
CSC Holdings 5.5% 15/04/2027	US\$235,000	194	0.28
Bank of America FRN 3.559% 23/04/2027	US\$254,000	208	0.30
Wynn Las Vegas 5.25% 15/05/2027	US\$164,000	129	0.18
Wells Fargo FRN 3.196% 17/06/2027	US\$30,000	24	0.03
Digital Realty Trust REIT 3.7% 15/08/2027	US\$160,000	130	0.18
Concho Resources 3.75% 01/10/2027	US\$80,000	65	0.09
EQT 3.9% 01/10/2027	US\$135,000	101	0.14
MPT Operating Partnership REIT 5% 15/10/2027	US\$225,000	183	0.26
Parsley Energy 5.625% 15/10/2027	US\$139,000	114	0.16
FHLMC Structured Agency Credit Risk Debt Notes FRN, Series 2015-DNA1 5.704% 25/10/2027	US\$250,000	212	0.30
Synchrony Financial 3.95% 01/12/2027	US\$50,000	39	0.06
FHLMC Structured Agency Credit Risk Debt Notes FRN, Series 2015-DNA2 5.004% 25/12/2027	US\$55,150	44	0.06
Citigroup FRN 3.887% 10/01/2028	US\$60,000	50	0.07
Targa Resources Partners 5% 15/01/2028	US\$240,000	190	0.27
CCO Holdings 5% 01/02/2028	US\$225,000	181	0.26
Constellation Brands 3.6% 15/02/2028	US\$37,000	30	0.04
AT&T 4.1% 15/02/2028	US\$50,000	42	0.06
Motorola Solutions 4.6% 23/02/2028	US\$174,000	143	0.20
Southern California Edison 3.65% 01/03/2028	US\$26,000	21	0.03
Sabine Pass Liquefaction 4.2% 15/03/2028	US\$90,000	74	0.11

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
FHLMC Structured Agency Credit Risk Debt Notes FRN, Series 2015-HQA2 5.204% 25/05/2028	US\$79,761	64	0.09
Camden Property Trust REIT 4.1% 15/10/2028	US\$11,000	9	0.01
Conagra Brands 4.85% 01/11/2028	US\$15,000	13	0.02
GLP Capital REIT 5.3% 15/01/2029	US\$86,000	73	0.10
Southern California Edison 4.2% 01/03/2029	US\$110,000	92	0.13
Merck 3.4% 07/03/2029	US\$24,000	20	0.03
Onemain Financial Issuance Trust, Series 2018-1A 3.3% 14/03/2029	US\$200,000	160	0.23
Union Electric 3.5% 15/03/2029	US\$80,000	66	0.09
PNC Financial Services Group 3.45% 23/04/2029	US\$136,000	112	0.16
FNMA FRN, Series 2016-C06 3.73% 25/04/2029	US\$63,070	50	0.07
Discovery Communications 4.125% 15/05/2029	US\$90,000	74	0.10
Fidelity National Information Services 3.75% 21/05/2029	US\$42,000	35	0.05
Mastercard 2.95% 01/06/2029	US\$127,000	103	0.15
Boston Properties REIT 3.4% 21/06/2029	US\$100,000	80	0.11
Camden Property Trust REIT 3.15% 01/07/2029	US\$29,000	23	0.03
Bristol-Myers Squibb 3.4% 26/07/2029	US\$180,000	148	0.21
Dell International 5.3% 01/10/2029	US\$75,000	62	0.09
Verizon Communications 4.016% 03/12/2029	US\$65,000	55	0.08
UDR REIT 3.2% 15/01/2030	US\$44,000	35	0.05
AT&T 4.3% 15/02/2030	US\$53,000	45	0.06
Countrywide Home Equity Loan Trust FRN, Series 2004-A 2.66% 15/04/2030	US\$8,488	7	0.01
JPMorgan Chase FRN 3.702% 06/05/2030	US\$59,000	49	0.07
BX Trust FRN, Series 2018-BILT 5.36% 15/05/2030	US\$250,000	198	0.28
One Market Plaza Trust, Series 2017-1MKT 4.016% 10/02/2032	US\$234,000	192	0.27

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
One Market Plaza Trust 4.146% 10/02/2032	US\$175,000	143	0.20
OneMain Financial Issuance Trust FRN, Series 2017-1A 3.249% 14/09/2032	US\$175,000	138	0.20
New Century Home Equity Loan Trust FRN, Series 2003-3 8.055% 25/07/2033	US\$80,325	62	0.09
CWABS Revolving Home Equity Loan Trust FRN, Series 2004-J 1A 2.73% 15/12/2033	US\$4,087	3	0.00
CWABS Revolving Home Equity Loan Trust FRN, Series 2004-J 2A 2.73% 15/12/2033	US\$44,092	34	0.05
CWABS Revolving Home Equity Loan Trust FRN, Series 2004-C 2.66% 15/01/2034	US\$35,472	28	0.04
Citigroup Mortgage Loan Trust Asset-Backed Pass-Through Certifi FRN, Series 2004-OPT1 3.345% 25/10/2034	US\$88,516	70	0.10
Specialty Underwriting & Residential Finance Trust FRN, Series 2003-BC4 4.788% 25/11/2034	US\$61,120	49	0.07
BX Trust FRN, Series 2018-MCSF 3.016% 15/04/2035	US\$250,000	197	0.28
Aegis Asset-Backed Securities Trust Mortgage Pass-Through Ctfs Ser FRN, Series 2005-4 2.88% 25/10/2035	US\$78,623	62	0.09
BF Mortgage Trust FRN, Series 2019-NYT 3.594% 15/11/2035	US\$161,000	127	0.18
BX Commercial Mortgage Trust FRN, Series 2018-IND 3.74% 15/11/2035	US\$88,521	70	0.10
Bayview Commercial Asset Trust FRN, Series 2005-3A 2.724% 25/11/2035	US\$134,164	102	0.15
SACO I Trust FRN, Series 2006-3 2.864% 25/04/2036	US\$102,361	80	0.11
Impac Secured Assets Trust FRN, Series 2006-1 2.78% 25/05/2036	US\$300,876	239	0.34
Impac Secured Assets Trust FRN, Series 2006-1 2.84% 25/05/2036	US\$39,868	32	0.05
BBCMS Mortgage Trust FRN, Series 2017-DELC 3.29% 15/08/2036	US\$250,000	197	0.28
HPLY Trust FRN, Series 2019-HIT 4.5% 15/11/2036	US\$250,000	198	0.28

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
Credit Suisse Mortgage Capital Certificates FRN, Series 2010-9R 2.777% 27/01/2037	US\$3,757	3	0.00
BX Commercial Mortgage Trust FRN, Series 2018-BIOA 4.391% 15/03/2037	US\$159,000	126	0.18
ACE Securities Corp. Home Equity Loan Trust FRN, Series 2007-SL2 3.527% 25/05/2037	US\$213,390	169	0.24
Bayview Commercial Asset Trust FRN, Series 2007-2A 2.674% 25/07/2037	US\$114,676	86	0.12
CAMB Commercial Mortgage Trust FRN, Series 2019-LIFE 5.69% 15/12/2037	US\$250,000	199	0.28
Sempra Energy 3.8% 01/02/2038	US\$100,000	75	0.11
MPLX 4.5% 15/04/2038	US\$130,000	103	0.15
Bayer US Finance II 4.625% 25/06/2038	US\$200,000	160	0.23
Comcast 4.6% 15/10/2038	US\$121,000	109	0.15
Hilton USA Trust FRN, Series 2016-HHV C 4.194% 05/11/2038	US\$325,000	270	0.38
Hilton USA Trust FRN, Series 2016-HHV D 4.194% 05/11/2038	US\$325,000	265	0.38
United Technologies 4.45% 16/11/2038	US\$75,000	66	0.09
Texas Instruments 3.875% 15/03/2039	US\$63,000	54	0.08
Dow Chemical 9.4% 15/05/2039	US\$39,000	49	0.07
HCA 5.125% 15/06/2039	US\$44,000	36	0.05
MSSG Trust, Series 2017-237P 3.865% 13/09/2039	US\$143,000	115	0.16
Barrick North America Finance 5.7% 30/05/2041	US\$50,000	47	0.07
Kraft Heinz Foods 5% 04/06/2042	US\$63,000	50	0.07
Anheuser-Busch InBev Worldwide 3.75% 15/07/2042	US\$63,000	47	0.07
General Electric 4.125% 09/10/2042	US\$101,000	73	0.10
Verizon Communications 3.85% 01/11/2042	US\$115,000	92	0.13
AT&T 4.3% 15/12/2042	US\$45,000	35	0.05

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
Triton Container Finance V, Series 2018-1A 3.95% 20/03/2043	US\$175,875	142	0.20
Anadarko Petroleum 4.5% 15/07/2044	US\$16,000	13	0.02
FedEx 4.1% 01/02/2045	US\$39,000	29	0.04
Valero Energy 4.9% 15/03/2045	US\$66,000	57	0.08
Devon Energy 5% 15/06/2045	US\$120,000	108	0.15
WaMu Mortgage Pass-Through Trust FRN, Series 2005-AR11 2.724% 25/08/2045	US\$56,268	45	0.06
WaMu Mortgage Pass-Through Trust FRN, Series 2005-AR13 2.694% 25/10/2045	US\$221,471	174	0.25
Anadarko Petroleum 6.6% 15/03/2046	US\$75,000	76	0.11
AT&T 4.75% 15/05/2046	US\$30,000	25	0.04
Fortive 4.3% 15/06/2046	US\$50,000	40	0.06
Fidelity National Information Services 4.5% 15/08/2046	US\$120,000	100	0.14
Altria Group 3.875% 16/09/2046	US\$33,000	23	0.03
Kroger 3.875% 15/10/2046	US\$18,000	13	0.02
J.P. Morgan Mortgage Trust FRN, Series 2016-3 3.5% 25/10/2046	US\$64,310	51	0.07
Kroger 4.45% 01/02/2047	US\$100,000	77	0.11
First Republic Bank 4.625% 13/02/2047	US\$250,000	212	0.30
Energy Transfer Operating 5.3% 15/04/2047	US\$62,000	51	0.07
J.P. Morgan Mortgage Trust FRN, Series 2017-2 3% 25/05/2047	US\$498,905	393	0.56
HCA 5.5% 15/06/2047	US\$66,000	55	0.08
BAT Capital 4.54% 15/08/2047	US\$120,000	88	0.13
J.P. Morgan Mortgage Trust FRN, Series 2017-3 3.5% 25/08/2047	US\$96,914	78	0.11
Prudential Financial FRN 4.5% 15/09/2047	US\$72,000	57	0.08
Flagstar Mortgage Trust FRN, Series 2017-2 3.5% 25/10/2047	US\$160,759	129	0.18
Voya Financial FRN 4.7% 23/01/2048	US\$75,000	54	0.08
FedEx 4.05% 15/02/2048	US\$9,000	7	0.01
Norfolk Southern 4.15% 28/02/2048	US\$70,000	59	0.08

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
CVS Health 5.05% 25/03/2048	US\$101,000	84	0.12
Marathon Petroleum 4.5% 01/04/2048	US\$70,000	55	0.08
AXA Equitable Holdings 5% 20/04/2048	US\$30,000	24	0.03
Nucor 4.4% 01/05/2048	US\$49,000	42	0.06
Kansas City Southern 4.7% 01/05/2048	US\$140,000	121	0.17
Walmart 4.05% 29/06/2048	US\$40,000	36	0.05
McDonald's 4.45% 01/09/2048	US\$102,000	88	0.12
Corning 5.35% 15/11/2048	US\$92,000	88	0.12
J.P. Morgan Mortgage Trust FRN, Series 2017-4 3.5% 25/11/2048	US\$174,624	140	0.20
UnitedHealth Group 4.45% 15/12/2048	US\$36,000	32	0.05
FHLMC G08886 3% 01/05/2049	US\$287,357	229	0.33
FHLMC G08881 3.5% 01/06/2049	US\$258,697	209	0.30
Mastercard 3.65% 01/06/2049	US\$30,000	25	0.04
Towd Point Mortgage Trust FRN, Series 2017-1 2.75% 25/10/2056	US\$129,279	102	0.15
Towd Point Mortgage Trust FRN, Series 2017-5 3.004% 25/02/2057	US\$103,906	82	0.12
Towd Point Mortgage Trust FRN, Series 2017-2 2.75% 25/04/2057	US\$185,840	147	0.21
Towd Point Mortgage Trust FRN, Series 2017-4 2.75% 25/06/2057	US\$71,147	56	0.08
Towd Point Mortgage Trust FRN, Series 2017-3 2.75% 25/07/2057	US\$122,879	97	0.14
Comcast 4.95% 15/10/2058	US\$51,000	49	0.07
MetLife 6.4% 15/12/2066	US\$80,000	72	0.10
Enterprise Products Operating FRN 5.375% 15/02/2078	US\$70,000	51	0.07
M&T Bank FRN 5.125% Perpetual	US\$105,000	86	0.12
SunTrust Banks FRN 5.125% Perpetual	US\$379,000	291	0.41
Progressive FRN 5.375% Perpetual	US\$170,000	137	0.19
JPMorgan Chase FRN 6.125% Perpetual	US\$100,000	84	0.12
Bank of America FRN 6.25% Perpetual	US\$225,000	192	0.27

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
United States of America (continued)			
Energy Transfer Operating FRN 6.625% Perpetual	US\$242,000	177	0.25
		30,077	42.76
Corporate Bonds total			
		60,305	85.74
Swaps (1.55)% ((0.53)%)			
Credit Default Swap Citigroup Global Markets Buy Standard Chartered Bank 5.875% 26/09/2017 20/09/2020	EUR 1,550,000	(15)	(0.02)
Credit Default Swap BNP Paribas Buy Intesa Sanpaolo 0% 03/03/2017 20/06/2021	EUR 1,050,000	(7)	(0.01)
Credit Default Swap Barclays Buy Wendel 3.75% 21/01/2021 20/06/2021	EUR 620,000	(55)	(0.08)
Credit Default Swap J.P. Morgan Securities Buy CDX.NA.HY. 30-V4 20/06/2023	USD 57,552	(4)	(0.01)
Credit Default Swap J.P. Morgan Securities Buy ITRAXX.EUROPE. CROSSOVER.29-V2 20/06/2023	EUR 218,040	(16)	(0.02)
Credit Default Swap Morgan Stanley Buy CDX.NA.HY. 30-V4 20/06/2023	USD 692,049	(45)	(0.06)
Credit Default Swap Morgan Stanley Buy CDX.NA.HY. 31-V4 20/12/2023	USD 7,616,400	(487)	(0.69)
Credit Default Swap Morgan Stanley Buy ITRAXX.EUROPE. CROSSOVER.30-V2 20/12/2023	EUR 4,294,587	(372)	(0.53)
Credit Default Swap Morgan Stanley Sell CDX.NA.IG.32-V1 20/06/2024	USD 202,000	3	0.00
Inflation Rate Swap Morgan Stanley Pay fixed 2.235% Receive floating USCPI 1 month 16/03/2023	USD 136,244	(2)	0.00
Inflation Rate Swap Morgan Stanley Pay fixed 2.346% Receive floating USCPI 1 month 24/05/2023	USD 1,154,320	(26)	(0.04)
Inflation Rate Swap Morgan Stanley Pay fixed 2.3% Receive floating USCPI 1 month 30/07/2023	USD 1,672,280	(38)	(0.05)

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Swaps (continued)			
Inflation Rate Swap Morgan Stanley Pay fixed 2.1% Receive floating USCPI 1 month 05/02/2029	USD 265,395	(4)	(0.01)
Inflation Rate Swap Morgan Stanley Pay fixed 2.123% Receive floating USCPI 1 month 05/02/2029	USD 682,444	(12)	(0.02)
Inflation Rate Swap Morgan Stanley Pay fixed 2.073% Receive floating USCPI 1 month 15/02/2029	USD 473,919	(6)	(0.01)
Swaps total		(1,086)	(1.55)
Swaptions (0.22)% (0.03%)			
Credit Default Swap Morgan Stanley CDX.NA.HY.32-V1 Put 1.065 17/07/2019	USD(2,725,399)	(5)	0.00
Credit Default Swap Citigroup Global Markets ITRAXX. EUROPE.MAIN.31-V2 Call 0.007 21/08/2019	EUR4,318,000	29	0.04
Interest Rate Swap Morgan Stanley Pay Floating LIBOR 3 Month Receive Fixed 1.958% Call 1.958 25/06/2020	USD(4,937,000)	(84)	(0.12)
Interest Rate Swap Morgan Stanley Pay Fixed 1.958 % Receive Floating LIBOR 3 month Put 1.958 25/06/2020	USD(4,937,000)	(96)	(0.14)
Swaptions total		(156)	(0.22)
Options 0.03% (0.00%)			
Purchased Options			
3 Month Eurodollar Put 97.75 16/12/2019	182	17	0.02
3 Month Eurodollar Put 97.875 16/12/2019	29	5	0.01
Foreign Exchange EUR/USD Call 1.16 10/09/2019	(2,398,000)	(10)	(0.02)
Foreign Exchange JPY/USD Put 104.5 07/01/2020	1,057,000	11	0.02
Foreign Exchange JPY/USD Put 104.5 07/01/2020	(1,057,000)	(11)	(0.01)
Foreign Exchange KRW/USD Put 1,095 19/07/2019	(4,318,000)	0	0.00

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Options (continued)			
Foreign Exchange Option Call 1,200 19/07/2019	3,238,000	1	0.00
Foreign Exchange Option Put 1.118 11/07/2019	3,953,000	1	0.00
Foreign Exchange USD/CAD Call 1.375 07/01/2020	1,057,000	3	0.00
Foreign Exchange USD/EUR Put 1.115 10/09/2019	4,797,000	10	0.01
Foreign Exchange USD/KRW Call 1,135 19/07/2019	4,318,000	66	0.10
Foreign Exchange USD/KRW Call 1,135 19/07/2019	(4,318,000)	(66)	(0.10)
Foreign Exchange USD/KRW Call 1,200 19/07/2019	1,080,000	0	0.00
Foreign Exchange USD/KRW Call 1,200 19/07/2019	(4,318,000)	(2)	0.00
Options total		25	0.03

Forward Foreign Currency Contracts (0.06)% ((1.96)%)			
Buy AUD 1,975,795 Sell GBP 1,082,700 11/07/2019	AUD 1,975,795	8	0.01
Buy BRL 1,025,350 Sell USD 255,405 02/07/2019	BRL 1,025,350	10	0.01
Buy CAD 300,599 Sell GBP 178,629 11/07/2019	CAD 300,599	2	0.00
Buy CAD 2,454,071 Sell JPY 199,713,400 11/07/2019	CAD 2,454,071	15	0.02
Buy CAD 2,430,400 Sell USD 1,812,902 11/07/2019	CAD 2,430,400	34	0.04
Buy EUR 4,004,737 Sell GBP 3,571,931 11/07/2019	EUR 4,004,737	23	0.03
Buy EUR 1,627,529 Sell PLN 6,947,700 11/07/2019	EUR 1,627,529	(5)	0.00
Buy EUR 826,926 Sell SEK 8,762,600 11/07/2019	EUR 826,926	(3)	0.00
Buy IDR 33,690,549,385 Sell USD 2,350,886 11/07/2019	IDR 33,690,549,385	25	0.04
Buy IDR 3,167,561,300 Sell USD 224,125 11/07/2019	IDR 3,167,561,300	0	0.00
Buy INR 15,510,200 Sell USD 224,509 11/07/2019	INR 15,510,200	0	0.00

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Forward Foreign Currency Contracts (continued)			
Buy JPY 148,989,800 Sell AUD 2,015,806 11/07/2019	JPY 148,989,800	(22)	(0.03)
Buy JPY 199,713,400 Sell CAD 2,444,387 11/07/2019	JPY 199,713,400	(10)	(0.02)
Buy MXN 4,301,000 Sell USD 223,928 11/07/2019	MXN 4,301,000	0	0.00
Buy NOK 51,985,298 Sell GBP 4,720,809 11/07/2019	NOK 51,985,298	90	0.13
Buy NZD 1,368,300 Sell CHF 882,320 11/07/2019	NZD 1,368,300	10	0.02
Buy PLN 7,179,950 Sell GBP 1,502,262 11/07/2019	PLN 7,179,950	13	0.02
Buy RUB 30,021,150 Sell USD 467,580 11/07/2019	RUB 30,021,150	6	0.01
Buy RUB 14,159,300 Sell USD 224,329 11/07/2019	RUB 14,159,300	0	0.00
Buy SEK 26,879,564 Sell GBP 2,251,857 11/07/2019	SEK 26,879,564	34	0.05
Buy USD 262,248 Sell BRL 1,025,350 02/07/2019	USD 262,248	(5)	(0.01)
Buy USD 3,607,486 Sell CAD 4,755,900 11/07/2019	USD 3,607,486	(21)	(0.03)
Buy USD 896,964 Sell EUR 787,150 11/07/2019	USD 896,964	0	0.00
Buy USD 1,415,661 Sell EUR 1,245,145 11/07/2019	USD 1,415,661	(2)	0.00
Buy USD 476,085 Sell GBP 374,884 11/07/2019	USD 476,085	0	0.00
Buy USD 5,149,633 Sell GBP 4,090,045 11/07/2019	USD 5,149,633	(32)	(0.05)
Buy USD 1,036,003 Sell GBP 820,331 24/07/2019	USD 1,036,003	(5)	(0.01)
Buy USD 2,707,157 Sell JPY 290,096,300 11/07/2019	USD 2,707,157	9	0.02
Buy USD 461,566 Sell RUB 30,021,150 11/07/2019	USD 461,566	(11)	(0.02)
Buy USD 2,539,952 Sell TWD 79,754,500 11/07/2019	USD 2,539,952	(26)	(0.04)
Buy USD 10,933 Sell ZAR 155,246 11/07/2019	USD 10,933	0	0.00
Buy ZAR 7,378,900 Sell GBP 392,307 11/07/2019	ZAR 7,378,900	17	0.02

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Forward Foreign Currency Contracts (continued)			
Sell AUD 1,320,555 Buy GBP 723,689 11/07/2019	AUD (1,320,555)	(5)	(0.01)
Sell CAD 417,207 Buy GBP 247,922 11/07/2019	CAD (417,207)	(3)	0.00
Sell CHF 1,858,233 Buy GBP 1,481,180 11/07/2019	CHF (1,858,233)	(22)	(0.03)
Sell CZK 82,354,607 Buy GBP 2,864,510 11/07/2019	CZK (82,354,607)	(39)	(0.06)
Sell EUR 19,425,846 Buy GBP 17,337,850 11/07/2019	EUR (19,425,846)	(96)	(0.13)
Sell JPY 152,857,495 Buy GBP 1,110,543 11/07/2019	JPY (152,857,495)	(9)	(0.01)
Sell NOK 1,748,000 Buy GBP 159,053 11/07/2019	NOK (1,748,000)	(3)	0.00
Sell PLN 232,250 Buy GBP 48,424 11/07/2019	PLN (232,250)	(1)	0.00
Sell USD 1,070,000 Buy GBP 848,980 11/07/2019	USD (1,070,000)	6	0.01
Sell USD 59,422,998 Buy GBP 46,791,174 11/07/2019	USD (59,422,998)	(24)	(0.04)
Forward Foreign Currency Contracts total		(42)	(0.06)
Futures (0.02)% ((0.75)%)			
Australia 3 Year Bond September 2019	(103)	(7)	(0.01)
Australia 10 Year Bond September 2019	29	16	0.02
Euro-BTP September 2019	(5)	(2)	0.00
Euro-Bund September 2019	2	(8)	(0.02)
Euro-Buxl 30 Year Bond September 2019	(4)	(1)	0.00
Euro-OAT September 2019	(28)	(24)	(0.03)
Euro-Schatz September 2019	(36)	(1)	0.00
Long Gilt September 2019	(8)	(11)	(0.02)
Short-Term Euro-BTP September 2019	31	8	0.01
US 2 Year Note September 2019	(7)	(7)	(0.01)
US 5 Year Note September 2019	(7)	(28)	(0.03)
US 10 Year Note September 2019	47	124	0.18

Portfolio Statement (continued)

	Holding at 30.6.19	Market Value £000's	% of net assets
Futures (continued)			
US 10 Year Ultra Bond September 2019	23	48	0.07
US Long Bond September 2019	(30)	(110)	(0.16)
US Ultra Bond September 2019	(4)	(11)	(0.02)
Futures total		(14)	(0.02)
Portfolio of investments		68,630	97.57
Net other assets		1,706	2.43
Net assets attributable to unitholders		70,336	100.00

The comparative percentage figures in brackets are as at 31 December 2018.

Unless otherwise stated, all securities are admitted to official stock exchange listings or are permitted collective investment schemes.

^ Unlisted, suspended or delisted security.

† A related party to the fund.

Summary of Portfolio Transactions

Largest purchases

For the six months ended 30 June 2019	Cost £000's
Spain Government Bond 1.4% 30/07/2028	4,621
UK Treasury Bill 0% 29/04/2019	3,329
Spain Government Bond 1.45% 30/04/2029	3,220
France Government Bond OAT 1.5% 25/05/2050	3,126
Portugal Obrigacoes do Tesouro OT Bond 1.95% 15/06/2029	1,828
Lloyds Bank FRN 1.314% 14/01/2022	1,755
Nationwide Building Society FRN 1.458% 10/01/2024	1,649
Asian Development Bank FRN 0.957% 12/10/2023	1,645
European Investment Bank FRN 0.985% 10/01/2022	1,600
Santander UK FRN 1.44% 12/02/2024	1,490

Largest sales

For the six months ended 30 June 2019	Proceeds £000's
Spain Government Bond 1.4% 30/07/2028	4,601
UK Treasury Bill 0% 29/04/2019	3,332
Lloyds Bank FRN 0.965% 10/01/2021	2,041
AT&T FRN 3.386% 15/07/2021	1,944
Barclays Bank UK FRN 1.022% 09/01/2023	1,928
UBS FRN 3.218% 01/12/2020	1,888
Portugal Obrigacoes do Tesouro OT Bond 1.95% 15/06/2029	1,831
France Government Bond OAT 1.5% 25/05/2050	1,779
Lloyds Bank FRN 1.314% 14/01/2022	1,764
Asian Development Bank FRN 0.957% 12/10/2023	1,645

Statement of the Manager's Responsibilities

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

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

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

The Manager's report and accounts for the period ended 30 June 2019 were signed on 14 August 2019 on behalf of the Manager by:

J.A. Walker-Hazell
Directors

P. Middleton

Statement of Total Return (unaudited)

For the six months ended 30 June 2019

	30.6.19	30.6.18
	£000's	£000's
Income		
Net capital gains/(losses)	2,563	(810)
Revenue	618	723
Expenses	(258)	(303)
Net revenue before taxation	360	420
Taxation	(2)	0
Net revenue after taxation	358	420
Total return before distributions	2,921	(390)
Distributions	(562)	(659)
Change in net assets attributable to unitholders from investment activities	2,359	(1,049)

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

For the six months ended 30 June 2019

	30.6.19	30.6.18
	£000's	£000's
Opening net assets attributable to unitholders	82,331 ¹	90,542
Amounts receivable on issue of units	948	5,702
Amounts payable on cancellation of units	(15,677)	(11,482)
	(14,729)	(5,780)
Dilution adjustment	12	44
Change in net assets attributable to unitholders from investment activities	2,359	(1,049)
Retained distribution on Accumulation units	363	478
Closing net assets attributable to unitholders	70,336	84,235¹

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

Balance Sheet (unaudited)

As at 30 June 2019

	30.6.19	31.12.18
	£000's	£000's
Assets		
Investments	70,547	79,584
Current assets		
Debtors	483	641
Cash and bank balances	3,635	9,226
Total assets	74,665	89,451
Liabilities		
Investment liabilities	(1,917)	(3,867)
Creditors		
Bank overdrafts	(337)	0
Distributions payable	(119)	(174)
Other creditors	(1,956)	(3,079)
Total liabilities	(4,329)	(7,120)
Net assets attributable to unitholders	70,336	82,331

Notes to the Accounts (unaudited)

Basis of preparation

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

Accounting policies

The accounting policies applied are consistent with those of the annual accounts for the year ended 31 December 2018 and are described in those annual accounts.

Securities Financing Transactions

The fund has not engaged in Securities Financing Transactions (SFTs) (as defined in Article 3 of Regulation (EU) 2015/2365, SFTs include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions), or total return swaps, or contracts for difference. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the accounting period ended 30 June 2019.

Distribution Table (unaudited)

**Interim distribution
for the six
months ended
30 June 2019**

Group 1 Units purchased prior to 1 January 2019

Group 2 Units purchased on or after 1 January 2019

	Net revenue 2019 p per unit	Equalisation 2019 p per unit	Distribution payable 31.8.19 p per unit	Distribution paid 31.8.18 p per unit
A Income units				
Group 1	0.2814	–	0.2814	0.3103
Group 2	0.0911	0.1903	0.2814	0.3103
A Accumulation units				
Group 1	0.6893	–	0.6893	0.7455
Group 2	0.3065	0.3828	0.6893	0.7455
L Income units				
Group 1	0.3382	–	0.3382	0.3703
Group 2	0.2021	0.1361	0.3382	0.3703
L Accumulation units				
Group 1	0.3612	–	0.3612	0.3879
Group 2	0.1097	0.2515	0.3612	0.3879
X Income units				
Group 1	0.3546	–	0.3546	0.3848
Group 2	0.3546	0.0000	0.3546	0.3848
Z Income units				
Group 1	0.3296	–	0.3296	0.3618
Group 2	0.0664	0.2632	0.3296	0.3618
Z Accumulation units				
Group 1	0.3737	–	0.3737	0.3992
Group 2	0.1647	0.2090	0.3737	0.3992

Equalisation

Equalisation applies to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of Group 2 units and is refunded to the holders of these units as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Administration Details

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Fax 0870 043 4080

Independent Auditors

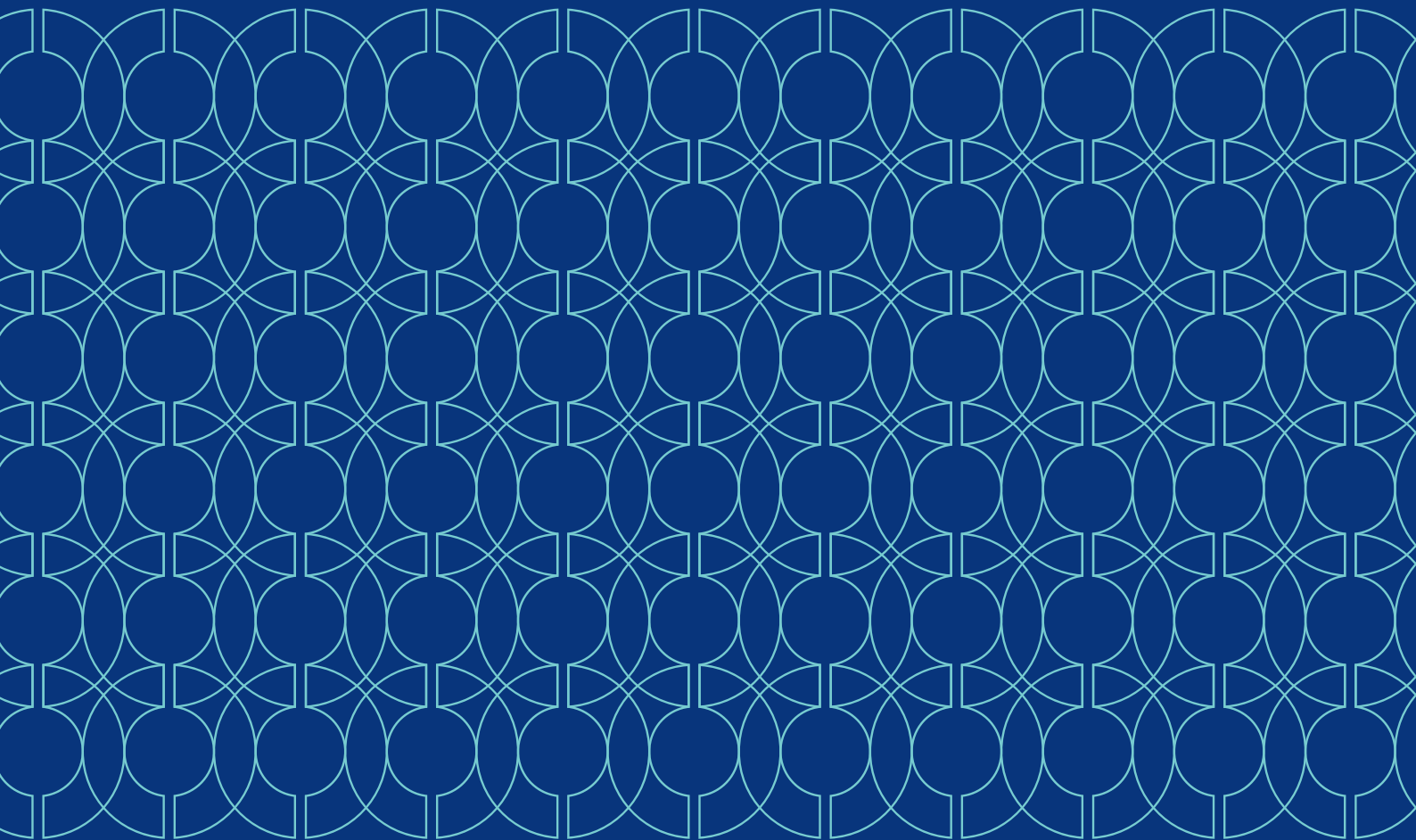
PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorisation

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

Other information

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



EST. 1804

 **[schroders.com](https://www.schroders.com)**

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

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