

THE MARKS AND SPENCER
WORLDWIDE MANAGED FUND

—

Manager's interim report

—

For the period 1 January 2019 to 30 June 2019 (unaudited)

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The Marks and Spencer Worldwide Managed Fund

Manager, Registrar, dealing, administration and marketing

Marks and Spencer Unit Trust
Management Limited

Authorised and regulated by the Financial
Conduct Authority.

Investor helpline: 0808 005 5555 or
+44 1244 688632 if calling from abroad.
Lines are open 8am-8pm Monday to Friday,
9am-5pm on Saturday and 10am-4pm bank
holidays (closed on Sunday, Christmas Day,
Boxing Day and New Year's Day). Please be
aware that opening hours may be restricted
over the Christmas period, please contact us
for details. Calls may be recorded.

Head office and registered office

Kings Meadow
Chester CH99 9FB
Registered in England
No. 2253009

Directors of the Manager

James Coyle (Chairman and non-Executive
Director)

Paul Spencer (Chief Executive Officer
and Director)

David Stewart (Non-Executive Director)

Phillip Scott (Director)

Douglas van den Aardweg (Non-Executive
Director)

Matt Handley (Director)

Peter Dew (Non-Executive Director)

Simon Ellis (Director) (resigned on
26 July 2019)

Investment adviser

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

The above listed investment adviser is
authorised and regulated by the Financial
Conduct Authority.

Trustee

State Street Trustees Limited
Quartermile 3
10 Nightingale Way
Edinburgh EH3 9EG
Authorised and regulated by the Financial
Conduct Authority.

Independent auditor

KPMG LLP
15 Canada Square
London
E14 5GL

Manager's investment report

This section gives you confirmation of the Fund objective. It also gives you the investment strategy employed by the investment adviser and an economic, market and portfolio review for the period of the report.

Objectives

The Fund's objective is to achieve long term capital growth, as well as a reasonable yield. A 'reasonable yield' is defined as the quoted average yield of funds in its Investment Association peer group which is the mixed investment (minimum 40% in shares, maximum 85% shares) peer group.

Policy

The Fund invests in a broad range of securities including equities, fixed income and money market instruments. The portfolio will be diversified globally by investing both in the UK and overseas. Investments will be held directly in securities or indirectly via collective investment schemes, of which a large proportion are likely to track indices as part of their underlying objective. In addition, the Fund may indirectly hold property by investing in collective investment schemes. The collective investment schemes in which the Fund will invest will include schemes which are managed or operated by the Manager or an associate of the Manager.

The Fund may use derivative instruments (options, futures and contracts for differences) and forward transactions for the purposes of efficient portfolio management. These instruments can therefore be used to reduce risk, reduce costs, or generate additional capital or income with no, or low levels of, risk.

The Manager's investment policy may mean that at times it is appropriate not to fully invest but to hold cash or near cash.

This will only occur when the Manager reasonably regards it as necessary to enable Units to be redeemed or for the efficient management of the Fund in accordance with its objects or purpose that may reasonably be regarded as ancillary to the objects of the Fund.

Investment strategy

The Manager has appointed HSBC Global Asset Management (UK) Limited as investment manager ("Investment Manager") to provide investment management services to the Manager in respect of the Fund. The Fund is structured to deliver the Objective through its broad exposure to UK and global equities and fixed income securities.

The allocation to these asset classes will vary through time to reflect both the longer-term investment return expectations and shorter-term more tactical market views of the Investment Manager. The longer-term allocations across the various different asset classes are adjusted to meet the Objective and are reviewed at least annually. The short-term tactical asset allocation enables the Investment Manager to invest in asset types, regions and currencies it believes have a more positive outlook or to reduce exposure to

	Percentage growth				
	30/06/2014 to 30/06/2015	30/06/2015 to 30/06/2016	30/06/2016 to 30/06/2017	30/06/2017 to 30/06/2018	30/06/2018 to 30/06/2019
Fund	6.9%	7.9%	16.4%	4.7%	4.5%
Performance Comparator - Investment Association mixed investment (minimum 40% in shares, maximum 85% shares) peer group	6.8%	3.4%	14.6%	4.9%	4.6%

This information relates to the past, and past performance is no guarantee of future performance. All the above figures are on a mid to mid basis, net income reinvested. The performance figures exclude the initial charge of the Fund. Source: Morningstar.

those asset classes it considers to have a less favourable outlook.

The desired allocation to each asset class will be achieved by investing indirectly in collective investment schemes ("CIS") and directly into securities. This will include investment in CIS, a large proportion of which are likely to have objectives which aim to track various indices, which are sometimes referred to as being passively managed. There is no limit to the percentage which can be invested in CIS and there is no limit to the percentage of the Fund which can be invested in other CIS managed by the Manager, the Investment Manager or an associate. It is the intention where possible to invest in CIS managed by the Investment Manager.

The investment styles the Investment Manager can utilise may include selecting CIS in which to invest which may track indices as part of their objective and policy, tracking market capitalisation indices, and/or the use of suitable alternative weighting schemes that are not market weighted that the Investment Manager considers appropriate.

Asset Allocation

As at the date of this report:

- 23% of the value of the Fund is invested directly in UK equities with the aim to match the return of the FTSE All-Share Index^{®*}, with a further

- 50% of the value of the Fund is invested in CIS or other instruments which in turn are passively managed and individually track a diverse range of market specific, regional and global indices in order to achieve the Objective of the Fund^{**}.

It should be noted that this allocation will fluctuate based upon market movement and the Investment Manager's discretion to adjust the asset allocation to enable the Fund to meet its Objective.

This is sometimes referred to as Tactical Asset Allocation (TAA).

The Investment Manager may use a combination of investment styles and allocation techniques to actively manage the Fund and these will vary from time to time. Investors should be aware that the asset allocation will fluctuate based upon market

movements and the Investment Manager has full discretion to adjust the asset allocation to enable the Fund to meet its Objective.

The Manager has determined that the Fund will not invest in securities issued by companies that are considered, after reasonable enquiries, to be involved in the use, development, manufacturing, stockpiling, transfer or trade of cluster munitions and/or anti-personnel mines.

*This includes equities, investment trusts and REITS (real estate investment trusts) listed on the FTSE All-Share Index, and shown on different jurisdictions within the Portfolio Statement.

**This includes collectives across all jurisdictions listed within the Portfolio Statement.

Review of the six month period to 30 June 2019

Concerns about the US-China trade war continued to shape global markets over the review period. Following a disappointing fourth quarter 2018, global equities strengthened over the first half of 2019, supported by signs of progress in US-China trade talks. Hopes increased that the two economic giants would be able to work out their differences through negotiations rather than more protectionism.

In the US, equities were helped as the US agreed to postpone an increase in tariffs on \$200 billion worth of Chinese goods. This market rally came despite persistent US dollar strength in the face of increased concerns about slowing global economic growth.

Large-cap technology stocks – the so-called 'FAANGs' (Facebook, Amazon, Apple, Netflix and Google) – rebounded after their sharp sell-off during the second half of last year. US corporate earnings proved resilient, but profit growth has eased as the benefits of 2018's tax cuts drop out and the global economy slows.

In the UK, Brexit negotiations continued to garner attention and dominate economic news, with Prime Minister Theresa May seeing her draft agreement defeated in Parliament on three separate occasions and the proposed date of Brexit delayed until 31 October 2019. There were also a number of high-profile resignations from the government

in March and April. As a result of these events, political risk rose sharply, with Theresa May's position becoming increasingly untenable. This culminated towards the end of May with the Prime Minister bowing to the intense pressure from her own party and naming 7 June 2019 as the day she would step aside as Conservative party leader, drawing her turbulent three year leadership to a close.

Within the Eurozone, European stocks were also supported by signs of progress in US-China trade talks. The more dovish stance of the European Central Bank (the ECB) was also a factor, with no interest-rate increases planned before 2020 whilst a weaker euro lent support to export-dependent stocks. While Brexit uncertainty is in the foreground, the market took solace from the planned departure date being delayed until 31 October, and a number of options remain on the table, but there is still the risk of a no-deal Brexit.

In China, the equity market was lifted by an easing in US-China trade tensions with currencies and investor sentiment stabilising somewhat after the pronounced volatility at the end of last year.

While the Chinese authorities have embarked on a policy of deleveraging in order to reduce China's high debt burden, the subsequent slowdown has precipitated a recent loosening of both monetary and fiscal policy. A stimulus package of tax cuts and increased infrastructure spending was the latest measure during the first quarter of 2019.

Global bond markets have generally been supported by a low level of interest rates, and this continued to be the case during the period. Global bond issuance has remained elevated as issuers have looked to raise funds ahead of risks such as the possibility of a global trade war, growing political uncertainty in Europe (particularly surrounding Italy and Brexit) and increased volatility in emerging markets. Central banks have recently turned more dovish; following its interest rate increase in August 2018, the Bank of England's (BoE) Monetary Policy Committee kept interest rates unchanged at 0.75%. The BoE's governor, Mark Carney, has said that future rises are possible until inflation falls

back below the BoE's 2% target, but equally an economic slowing as a result of Brexit could lead to a rate cut. Elsewhere, the US central bank, the Fed, kept interest rates on hold in March, after raising them four times last year. The Fed projected a softer tone as the US economy starts to slow; no more rate increases are expected this year and, indeed, cuts may be forthcoming. The ECB signalled that short-term interest rates are likely to remain at their current levels until the summer of 2019.

Portfolio Overview

Following the equity sell-off in the fourth quarter of 2018, absolute fund performance has been very strong in the first half of 2019. The World Wide Managed Fund has captured the majority of the upswing seen across markets, while providing stability and protection during the few months of negative returns.

Within equities, the portfolio is overweight to the UK. Uncertainty surrounding Brexit has resulted in the UK market becoming undervalued, even taking account of the elevated risk presented by Brexit.

We are also overweight global emerging market equity given the region's strong GDP growth, robust earnings and attractive valuations.

The fixed income portion of the portfolio is underweight both UK and global government bonds given very unattractive valuations and concerns of contracting monetary policy. We also see little value in some non-government bonds, resulting in an underweight to UK corporates and High Yield bonds. Conversely, we are positive on emerging market debt in local currencies given attractive yields and constructive foreign exchange forecasts.

Outlook

Although US economic growth is expected to slow, we do not think recession risks are as high as the market is suggesting. The weakness seen in activity in late 2018/2019 was a "cyclical slowdown", rather than the beginning of a more severe recessionary environment. We expect global growth will remain around trend in the medium term.

Brexit remains a significant source of uncertainty for the UK and continues to subdue European and UK markets. Ambiguity around the UK's post Brexit relationship with Europe is likely to reduce foreign and domestic investment in the UK and has knock on effects for the rest of Europe.

We continue to see risk assets outperforming. Asset classes like global equities and local-currency emerging market debt continue to offer good relative valuations. Provided economic growth remains positive and a recession is averted, the scope for financial markets, and particularly equities, to perform positively remains. This will be to the benefit of the Fund.

Portfolio statement

This section details all the different companies in which the Fund invests, by sector and country. It also shows the number of shares held, the percentage each company represents of the Fund as a whole and the value of those shares at the end of the period (shown under bid value).

As at 30 June 2019

	HOLDING OR NOMINAL VALUE OF POSITIONS AS AT 30 JUNE 2019	BID VALUE (£)	% OF NET TOTAL ASSETS		HOLDING OR NOMINAL VALUE OF POSITIONS AS AT 30 JUNE 2019	BID VALUE (£)	% OF NET TOTAL ASSETS
General industrials			0.17	Support services			0.84
Coats Group	73,888	60,551	0.01	ACAL	4,166	17,247	-
RPC Group	25,750	204,043	0.03	Aggreko	14,768	116,638	0.02
Smith (David S)	79,394	287,724	0.05	Ashtead	30,770	693,248	0.11
Smiths Group	25,328	396,130	0.06	Babcock International	32,729	149,964	0.02
Vesuvius	14,179	77,701	0.01	Biffa	12,145	24,958	-
Vitec Group	2,828	32,239	0.01	Bunzl	21,679	450,273	0.07
				Capita	105,649	111,301	0.02
				De La Rue	6,559	20,005	-
Electronic & electrical equipment			0.18	Diploma	6,920	105,807	0.02
Dialight	2,050	10,065	-	Electrocomponents	29,662	187,701	0.03
Halma	24,615	496,977	0.08	Equiniti	19,165	42,048	0.01
Morgan Advanced Materials	17,034	47,355	0.01	Essentra	16,084	68,968	0.01
Oxford Instruments	3,356	43,091	0.01	Ferguson	14,464	809,695	0.13
Renishaw	2,086	88,822	0.01	G4S	100,199	208,314	0.03
Rotork	56,925	180,225	0.03	Hays	83,423	130,974	0.02
Spectris	7,733	222,556	0.04	HomeServe	15,989	189,789	0.03
TT Electronics	10,053	23,021	-	Howden Joinery	39,403	199,773	0.03
				Integrafin Holdings	14,600	55,341	0.01
				Intertek	10,330	568,357	0.09
Industrial engineering			0.26	Mears Group	6,112	15,708	-
Bodycote	12,085	99,822	0.02	Menzies (John)	4,935	22,405	-
Hill & Smith	4,912	57,520	0.01	Mitie	22,660	33,129	0.01
IMI	17,761	184,359	0.03	Northgate	8,488	29,496	0.01
Melrose Industries	301,666	545,563	0.09	Pagegroup	18,698	95,921	0.02
Severfield-Rowen	20,960	14,337	-	Paypoint	4,473	43,343	0.01
Spirax-Sarco Engineering	4,746	435,920	0.07	Renewi	41,066	11,806	-
Trifast	7,676	17,578	-	Rentokil Initial	119,544	474,709	0.08
Weir Group	16,620	256,779	0.04	Ricardo	3,257	24,688	-
				Robert Walters	4,162	26,637	-
				RPS Group	15,520	16,668	-
Industrial transportation			0.07	Serco	70,672	101,697	0.02
BBA Group	68,063	191,938	0.03	SIG	36,379	47,111	0.01
Clarkson	1,449	36,225	0.01	Speedy Hire	38,850	24,398	-
Clipper Logistics	4,104	11,594	-	SThree	7,428	21,133	-
Fisher (James) & Sons	2,591	49,695	0.01	Travis Perkins	16,452	209,681	0.03
Royal Mail	59,332	125,665	0.02				
Wincanton	8,492	22,334	-				

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Automobiles & parts			0.01	Personal goods			0.62
Aston Martin	1,800	18,076	-	Burberry	26,947	501,484	0.08
TI Fluid Systems	10,769	21,150	0.01	PZ Cussons	12,289	26,298	0.01
				Ted Baker	1,630	13,154	-
				Unilever	68,315	3,343,678	0.53
Beverages			0.82	Tobacco			0.79
A.C. Barr	5,331	49,418	0.01	British American			
Britvic	16,459	146,156	0.02	Tobacco	142,624	3,920,021	0.62
Diageo	145,996	4,939,775	0.78	Imperial Brands	59,301	1,095,171	0.17
Stock Spirits	11,920	26,224	0.01				
Food producers			0.15	Healthcare equipment & services			0.20
Associated British Foods	22,212	546,637	0.09	Consort Medical	3,026	25,721	-
Bakkavör Group	16,416	19,601	-	Convatec Group	91,218	132,996	0.02
Cranswick	3,124	80,724	0.01	Medicline International	25,901	78,946	0.01
Devro	12,257	25,372	-	NMC Health	5,349	128,536	0.02
Hilton Food Group	3,817	36,949	0.01	Smith & Nephew	55,187	940,662	0.15
Premier Foods	46,641	15,392	-	Spire Healthcare	17,797	21,267	-
Tate & Lyle	30,404	224,503	0.04				
Household goods			0.69	Pharmaceuticals & biotechnology			1.72
Barratt Developments	65,358	374,240	0.06	AstraZeneca	82,186	5,289,491	0.84
Bellway	7,785	216,501	0.04	BTC	24,039	200,726	0.03
Berkeley Group				Dechra Pharmaceuticals	6,295	172,609	0.03
Holdings	8,187	304,884	0.05	Genus	3,816	101,048	0.02
Bovis Homes Group	8,490	87,447	0.01	GlaxoSmithKline	307,725	4,851,592	0.77
Countryside Properties	21,294	63,541	0.01	Hikma Pharmaceuticals	8,747	150,580	0.02
Crest Nicholson				Indivior	44,124	18,823	-
Holdings	15,460	55,161	0.01	Oxford Biomedica	3,400	23,494	-
DFS Furniture	9,887	25,014	-	Vectura	44,122	37,989	0.01
Galliford Try	6,732	42,445	0.01				
Headlam Group	5,119	24,059	-	Food & drug retailers			0.37
McBride	11,321	9,057	-	Greggs	6,820	156,587	0.03
Persimmon	19,968	398,661	0.06	Morrison (Wm)			
Reckitt Benckiser	39,113	2,429,700	0.39	Supermarkets	140,129	282,080	0.04
Taylor Wimpey	213,007	335,912	0.05	Ocado Group	27,700	323,120	0.05
				Sainsbury (J)	103,979	203,695	0.03
				Tesco	606,179	1,373,602	0.22
Leisure goods			0.02				
Games Workshop	2,026	100,490	0.02				
Photo-Me International	16,768	15,561	-				

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General retailers			0.31	RELX	118,308	2,258,500	0.36
AA	37,545	18,097	-	STV	2,326	8,025	-
AO World	17,068	12,425	-	Trinity Mirror	20,806	16,166	-
BCA Marketplace	46,410	112,683	0.02				
Card Factory	20,139	35,424	0.01	Travel & leisure			0.80
Dignity	3,192	20,668	-	Carnival	10,379	360,982	0.06
Dixons Carphone	63,839	69,872	0.01	Cineworld	62,859	159,159	0.03
Dunelm Group	5,792	53,228	0.01	Compass Group	98,852	1,865,337	0.30
Findel	5,660	14,263	-	Domino's Pizza	31,084	86,382	0.01
Halfords	12,238	27,413	-	easyJet	15,755	150,051	0.02
Inchcape	27,271	167,989	0.03	El Group	31,691	62,304	0.01
JD Sports Fashion	23,292	136,584	0.02	FirstGroup	76,837	75,108	0.01
Kingfisher	139,739	300,299	0.05	Go-Ahead	2,538	49,999	0.01
Lookers	19,911	10,055	-	Greene King	19,810	122,307	0.02
Marks & Spencer	126,590	266,725	0.04	GVC Holdings	34,644	225,740	0.04
Motorpoint Group	3,955	8,859	-	Hollywood Bowl Group	7,988	17,893	-
N Brown Group	10,814	14,004	-	InterContinental			
Next	8,199	453,077	0.07	Hotels	11,369	588,005	0.09
Pendragon	87,536	14,006	-	JPJ Group	4,116	30,253	-
Pets At Home	27,001	50,384	0.01	Marston's	42,347	49,377	0.01
Saga	70,302	27,952	0.01	Millennium &			
Sports Direct				Copthorne Hotels	7,629	51,877	0.01
International	12,356	34,127	0.01	Mitchells & Butlers	14,916	42,660	0.01
SuperGroup	3,592	16,559	-	National Express	26,515	106,431	0.02
WH Smith	7,184	141,525	0.02	On the Beach	3,691	17,510	-
				Rank Group	10,879	17,298	-
Media			0.68	Restaurant Group	33,163	43,709	0.01
4imprint Group	1,734	46,645	0.01	Stagecoach	25,958	32,915	0.01
Ascential	25,851	92,081	0.01	SSP Group	27,392	187,909	0.03
Bloomsbury Publishing	7,121	16,165	-	Thomas Cook	82,030	10,791	-
Euromoney Institutional				Wetherspoon (JD)	5,134	73,211	0.01
Investor	6,745	87,685	0.01	Whitbread	10,905	504,356	0.08
Future	5,113	49,443	0.01	William Hill	58,137	89,851	0.01
Informa	79,136	660,786	0.11				
ITE	50,512	36,116	0.01	Fixed line telecommunications			0.19
ITV	240,299	259,523	0.04	British Telecom	520,394	1,022,158	0.16
Merlin Entertainments	47,210	212,020	0.03	Kcom	32,578	36,357	0.01
Moneysupermarket.com	33,288	137,213	0.02	TalkTalk Telecom	44,885	50,047	0.01
Pearson	50,832	416,416	0.07	Telecom Plus	3,759	53,002	0.01

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Mobile telecommunications			0.37	Life insurance			0.94
Inmarsat	30,207	164,507	0.03	Aviva	242,451	1,009,808	0.16
Vodafone	1,668,126	2,157,221	0.34	Chesnara	7,920	26,176	-
				Just Group	58,963	33,137	0.01
Electricity			0.13	Legal & General	371,833	1,002,090	0.16
ContourGlobal	17,200	32,680	0.01	Phoenix Group			
Drax	25,221	65,625	0.01	Holdings	35,637	252,631	0.04
SSE	63,916	716,498	0.11	Prudential	161,922	2,778,582	0.44
				St James's Place			
Gas, water & multi-utilities			0.46	Capital	33,515	367,827	0.06
Centrica	359,143	315,184	0.05	Standard Life			
National Grid	212,243	1,773,927	0.28	Aberdeen	150,743	443,938	0.07
Pennon	26,950	199,430	0.03				
Severn Trent	15,307	313,334	0.05	Real estate investment services			0.58
United Utilities	43,782	342,638	0.05	Assura	165,147	105,199	0.02
				BB Healthcare Trust	23,992	32,989	0.01
Banks			2.32	Big Yellow Group REIT	8,800	87,076	0.01
Bank of Georgia Group	2,304	34,514	0.01	British Land REIT	61,524	331,122	0.05
Barclays	1,065,665	1,596,153	0.25	Capital & Counties			
CYBC	78,910	151,626	0.02	Properties	49,507	107,183	0.02
HSBC Holdings**	1,265,618	8,313,845	1.32	Capital & Regional	37,057	5,373	-
Lloyds Banking	4,446,415	2,516,226	0.40	Civitas Social Housing	33,082	27,789	-
Metro Bank	9,567	50,131	0.01	CLS Holdings	14,414	30,918	0.01
OneSavings Bank	15,578	56,486	0.01	Custodian REIT	17,242	20,449	-
Royal Bank				Daejan Holdings	350	19,460	-
of Scotland	283,260	622,039	0.10	Derwent London REIT	6,810	212,200	0.03
Standard Chartered	168,690	1,203,772	0.19	Ediston Property			
TBC Bank Group	2,757	43,781	0.01	Investment			
				Company REIT	8,671	7,821	-
Non-life insurance			0.21	Empiric Student			
Admiral	13,037	287,857	0.05	Property	31,862	28,931	0.01
Beazley	33,840	186,458	0.03	Foxtons	15,000	7,950	-
Direct Line Insurance	89,304	296,221	0.05	GCP Student Living	24,978	40,464	0.01
Hastings Group	17,496	34,205	0.01	Grainger	40,067	98,164	0.02
Royal & Sun Alliance				Great Portland Estates	17,246	117,963	0.02
Insurance	64,899	374,078	0.06	Greencoat UK Wind	86,883	122,505	0.02
Sabre Insurance Group	15,316	41,660	0.01	Hammerson	52,322	144,932	0.02
				Hansteen Holdings			
				REIT	22,102	21,439	-
				Helical Bar	6,860	25,279	-

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As at 30 June 2019

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Intu Properties REIT	53,801	40,986	0.01	Henderson Diversified			
Land Securities REIT	46,002	383,197	0.06	Income Trust	10,585	9,823	-
LondonMetric Property	41,295	87,050	0.01	IG Group Holdings	24,598	143,702	0.02
LSL Property Services	5,690	11,892	-	Intermediate Capital Group	18,310	252,861	0.04
LXI REIT	27,287	34,654	0.01	International Personal Finance	14,985	17,982	-
McCarthy & Stone	32,972	45,040	0.01	Investec	42,121	215,070	0.03
Newriver REIT	19,573	34,879	0.01	IP Group	71,183	53,103	0.01
Primary Health Properties REIT	60,545	80,646	0.01	John Laing Group	35,166	138,484	0.02
RDI REIT	15,043	15,885	-	Liontrust Asset Management	4,058	29,055	-
Safestore Holdings REIT	12,034	73,829	0.01	London Stock Exchange	19,511	1,070,373	0.17
Savills	7,962	71,340	0.01	Network International	12,996	77,066	0.01
Schroder European REIT	7,376	7,855	-	P2P Global Investments	5,517	46,563	0.01
Segro REIT	70,130	511,949	0.08	Paragon Group of Companies	18,055	79,225	0.01
Shaftesbury	16,322	131,147	0.02	Provident Financial	18,116	74,728	0.01
Smithson Investment Trust	5,002	61,725	0.01	Quilter	124,941	175,367	0.03
St Modwen Properties	11,663	51,026	0.01	Rathbone Brothers	3,855	84,810	0.01
Town Centre Securities	3,564	7,271	-	Schroders	7,359	224,376	0.04
Tritax Big Box REIT	88,901	137,174	0.02	TP ICAP	40,286	120,576	0.02
Twentyfour Income Fund	25,890	29,515	0.01				
U and I Group	8,416	11,429	-	Software & computer services			0.40
Unite	18,097	176,355	0.03	Alfa Financial Software	6,191	6,488	-
Workspace Group REIT	8,139	71,135	0.01	Aptitude Software Group	3,662	15,747	-
Financial services			0.55	Auto Trader	57,047	312,161	0.05
AJ Bell	10,288	41,152	0.01	Avast	22,208	66,535	0.01
Allied Minds	16,740	12,136	-	Aveva	4,057	163,984	0.03
Amigo Holdings	12,555	24,859	-	Computacenter	4,266	56,780	0.01
Arrow Global	12,668	28,756	-	FDM Group	5,240	48,732	0.01
Ashmore	26,271	133,719	0.02	Gocompare.com	19,865	18,574	-
Brewin Dolphin	18,637	56,880	0.01	Just-Eat	37,116	231,901	0.04
Charles Taylor	4,100	9,184	-	Micro Focus International	22,580	466,051	0.07
Charter Court				NCC Group	16,647	27,101	-
Financial Services	13,709	40,647	0.01	Playtech	17,618	75,158	0.01
Close Brothers	10,591	149,757	0.02	Rightmove	55,804	298,328	0.05
Hargreaves Lansdown	17,661	338,473	0.05				

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Sage	68,315	547,886	0.09	BlackRock Latin			
SDL	5,642	28,549	0.01	American Investment			
Softcat	7,570	73,467	0.01	Trust	4,936	25,371	-
Sophos Group	19,935	78,664	0.01	BlackRock Smaller			
				Companies	2,914	42,020	0.01
Technology hardware & equipment			0.01	BlackRock Throgmorton			
Spirent	41,392	63,164	0.01	Trust	6,324	35,414	0.01
				BlackRock World Mining			
UK COLLECTIVES AND INVESTMENT TRUSTS				Investment Trust	10,675	39,871	0.01
(40.10%;31.12.18 45.39%)				BMO Capital & Income			
3i Group	61,069	680,003	0.11	Investment Trust	6,534	21,170	-
Aberdeen Diversified				BMO Global Smaller			
Income and Growth				Companies	3,619	48,784	0.01
Trust	35,576	38,600	0.01	BMO Private Equity			
Aberdeen New Dawn				Trust	7,312	25,811	-
Investment Trust	8,242	20,935	-	Caledonia Investments	2,101	64,186	0.01
Aberdeen Standard Asia				City of London			
Focus Investment Trust	2,306	25,481	-	Investment Trust	20,337	86,331	0.01
Aberforth Smaller				Diverse Income Trust	22,120	20,085	-
Companies	6,384	77,119	0.01	Dunedin Income Growth			
Aberforth Split Level				Investment Trust	11,582	31,619	0.01
Income Trust	18,606	14,234	-	Ecofin Global Utilities			
Alliance Trust	22,313	177,611	0.03	& Infrastructure	15,984	22,537	-
Allianz Technology				Edinburgh Dragon			
Trust	2,123	34,562	0.01	Investment Trust	8,220	33,538	0.01
Asian Total Return				Edinburgh Investment			
Investment	5,005	18,318	-	Trust	12,210	70,696	0.01
AVI Global Trust	8,780	66,289	0.01	Edinburgh Worldwide			
Baillie Gifford Japan				Investment Trust	15,575	29,655	0.01
Investment Trust	4,817	38,536	0.01	European Investment			
Baillie Gifford Shin				Trust	4,038	33,112	0.01
Nippon Investment				Fidelity China Special			
Trust	12,835	23,257	-	Situations Trust	23,961	52,475	0.01
Baillie Gifford UK				Fidelity European			
Growth Fund	10,860	20,525	-	Values	27,452	68,630	0.01
Bankers Investment				Fidelity Special Values	16,603	43,666	0.01
Trust	8,876	82,902	0.01	Finsbury Growth &			
Biotech Growth Trust	3,860	29,182	0.01	Income Trust	9,809	88,968	0.01
BlackRock Greater				Foreign & Colonial			
European Investment				Investment Trust	36,430	255,374	0.04
Trust	6,553	24,770	-	Georgia Capital	2,304	24,929	-

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Henderson Euro Trust	1,368	15,595	-	JPMorgan Chinese			
Henderson European				Investment Trust	5,035	14,098	-
Focus Trust	2,395	29,219	0.01	JPMorgan Claverhouse			
Henderson Smaller				Investment Trust	3,482	24,792	-
Companies Investment				JPMorgan Emerging			
Trust	5,592	48,035	0.01	Markets Investment			
Herald Investment				Trust	9,145	91,359	0.01
Trust	4,750	63,270	0.01	JPMorgan European			
HgCapital Trust	22,470	48,310	0.01	Investment Trust	5,633	16,561	-
HICL Infrastructure	115,143	183,768	0.03	JPMorgan European			
HSBC American				Smaller Companies			
Index Fund**	9,136,677	56,912,362	9.03	Trust	10,497	38,629	0.01
HSBC Corporate				JPMorgan Global			
Bond Fund**	1,399,825	3,219,598	0.51	Emerging Markets			
HSBC European				Income Trust	22,391	29,556	-
Index Fund**	4,868,126	45,570,532	7.23	JPMorgan Global			
HSBC FTSE All-Share				Growth and Income			
Index Fund**	4,093,388	14,281,831	2.27	Investment Trust	7,927	26,318	-
HSBC FTSE All-World				JPMorgan Indian			
Index Fund**	38,007,737	61,534,526	9.76	Investment Trust	6,542	50,373	0.01
HSBC Gilt & Fixed				JPMorgan Investment			
Interest Fund**	9,546,825	7,118,113	1.13	Trust	9,505	21,196	-
HSBC Japan Index				JPMorgan Japanese			
Fund**	13,030,244	15,597,202	2.47	Investment Trust	10,896	47,779	0.01
HSBC Merit US				JPMorgan Mid Cap			
Equity Fund**	3,764,545	13,635,182	2.16	Investment Trust	1,700	18,275	-
HSBC Pacific Index				JPMorgan Russian			
Fund**	5,170,673	16,292,791	2.58	Securities Investment			
HSBC UK Gilt Index				Trust	7,081	46,451	0.01
Fund**	10,541,401	12,491,560	1.98	Jupiter European			
ICG Enterprise Trust	6,480	56,765	0.01	Opportunities Trust	8,797	76,094	0.01
Impax Environmental				Jupiter Fund			
Markets	12,983	39,598	0.01	Management	28,916	122,141	0.02
Independent				Keystone Investment			
Investment Trust	2,125	11,092	-	Trust	900	14,040	-
Invesco Perpetual UK				Law Debenture	8,135	47,834	0.01
Smaller Companies				Lindsell Train			
Investment Trust	3,151	16,889	-	Investment Trust	12	21,780	-
JPMorgan American				Lowland Investment			
Investment Trust	16,029	73,092	0.01	Company	1,702	23,062	-
JPMorgan Asian				Martin Currie Global			
Investment Trust	7,356	27,217	-	Portfolio Trust	6,757	19,595	-

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Merchants Trust	7,299	35,656	0.01	Templeton Emerging Markets Investment Trust	15,654	123,197	0.02
Monks Investment Trust	13,101	120,136	0.02	The Mercantile Investment Trust	57,569	118,016	0.02
Murray Income Trust	4,957	41,837	0.01	TR European Growth Trust	3,064	27,331	-
Murray International Trust	8,723	100,489	0.02	TR Property Investment	19,826	80,692	0.01
North American Income Trust	9,840	29,323	0.01	Utilico Emerging Markets Trust	14,619	35,378	0.01
North Atlantic Smaller Companies Investment Trust	698	20,661	-	Witan Investment Trust	63,940	136,512	0.02
Pacific Assets Investment Trust	7,999	24,077	-	Witan Pacific Investment Trust	4,480	14,874	-
Pantheon International	4,403	94,004	0.02	Woodford Patient Capital Trust	50,672	27,971	0.01
Perpetual Income & Growth Investment Trust	15,171	46,499	0.01	Worldwide Healthcare Trust	3,379	91,233	0.01
Personal Assets Trust	132	55,902	0.01	Total United Kingdom	379,934,844	60.26	
Polar Capital							
Technology Trust	9,204	122,965	0.02	OVERSEAS SHARES (38.20%; 31.12.18 32.88%)			
RIT Capital Partners	8,619	179,275	0.03	ASIA (0.01 %; 31.12.18 0.02%)			
Riverstone Energy	3,411	28,993	0.01	Israel (0.01%; 31.12.18 0.02%)			
Schroder Asia Pacific Fund	10,858	49,458	0.01	Plus500	6,687	34,906	0.01
Schroder Japan Growth Investment Trust	11,057	20,234	-	Total Israel	34,906	0.01	
Scottish American Investment Trust	9,223	37,261	0.01	CONTINENTAL EUROPE (38.11%; 31.12.18 32.76%)			
Scottish Investment Trust	5,599	46,080	0.01	Channel Islands (1.06%; 31.12.18 1.20%)			
Scottish Mortgage Investment Trust	89,848	476,644	0.08	3i Infrastructure	33,744	100,220	0.02
Scottish Oriental Smaller Companies Trust	1,982	20,117	-	Aberdeen Asian Income	12,025	26,094	-
Standard Life UK Smaller Companies Trust	4,558	22,289	-	Apax Global Alpha	16,866	24,709	-
Temple Bar Investment Trust	4,240	53,509	0.01	BH Global	1,599	26,304	0.01
				BH Macro	1,472	39,891	0.01
				Bluefield Solar Income Fund	24,556	33,151	0.01

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BMO Commercial Property Trust	31,124	34,797	0.01	Petrofac	16,116	69,299	0.01
BMO Real Estate Investment	14,760	11,808	-	Picton Property	28,206	27,614	0.01
Centamin	65,907	75,200	0.01	Polymetal			
City Merchants High Yield	12,208	23,500	-	International	17,553	174,968	0.03
CVC Credit Partners European Opportunities	21,168	22,015	-	Real Estate Credit Investments	9,658	16,419	-
Dexion Absolute*	9,140	15,698	-	Regional REIT	19,560	20,968	-
Experian	57,572	1,371,365	0.22	Regional REIT Rights	2,445	-	-
Foresight Solar Fund	22,314	26,888	-	Renewables Infrastructure Group	67,601	86,664	0.01
GCP Asset Backed Income Fund	17,839	18,820	-	Ruffer	9,905	21,395	-
GCP Infrastructure Investments	51,313	65,475	0.01	Sanne Group	6,677	46,873	0.01
Genesis Emerging Markets Fund	8,693	65,632	0.01	Schroder Oriental Income Fund	19,222	50,554	0.01
Glencore	709,848	1,939,660	0.31	Schroder Real Estate Investment	31,780	17,415	-
HarbourVest Global Private Equity	5,227	84,155	0.01	Sequoia Economic Infrastructure Income Fund	74,068	83,993	0.01
Henderson Far East Income	8,181	30,188	0.01	Sirius Real Estate	55,457	36,879	0.01
Highbridge Multi-Strategy Fund	12,177	25,572	-	SME Credit Realisation Fund	19,082	16,067	-
International Public Partnership	93,534	139,366	0.02	SQN Asset Finance Income Fund	9,620	8,514	-
International Workplace	37,380	127,279	0.02	Standard Life Investments Property	24,197	22,794	-
John Laing Environmental Assets Group	30,487	36,280	0.01	Starwood European Real Estate Finance	24,505	24,995	-
Man Group	102,091	159,007	0.03	Stobart	18,324	20,266	-
NB Global Floating Rate Income Fund	53,317	47,719	0.01	Syncona	30,735	67,463	0.01
NB Private Equity Partners	3,220	35,903	0.01	Target Healthcare REIT	21,200	24,465	-
NextEnergy Solar Fund	37,034	44,070	0.01	Tarsus	6,664	28,322	0.01
Pershing Square Holdings	13,936	192,317	0.03	UK Commercial Property REIT	40,535	35,792	0.01
				VinaCapital Vietnam Opportunity Fund	12,784	43,466	0.01
				Wizz Air Holdings	3,094	105,444	0.02
				WPP	77,750	769,880	0.12
				Total Channel Islands		6,663,592	1.06

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Germany (0.03%; 31.12.18 0.05%)				HSBC GIF Global			
TUI AG	28,189	217,675	0.03	Emerging Markets			
Total Germany		217,675	0.03	Local Debt Fund**	5,406,265	39,785,559	6.31
Ireland (9.89%; 31.12.18 3.33%)				HSBC GIF Global			
CRH (London listed)	50,454	1,292,631	0.21	Government Bond	1,353,343	12,533,870	1.99
DCC (London listed)	5,944	417,269	0.07	Fund**			
Flutter Entertainment	5,074	300,685	0.05	HSBC GIF Global			
Crafton	13,657	110,075	0.02	High Yield Bond	858,759	6,900,030	1.09
Greencore	27,802	60,831	0.01	Fund**			
HSBC Global				HSBC GIF Global			
Funds ICAV -				Real Estate Equity	3,493,646	30,357,693	4.82
Multi-Factor**	3,507,835	28,507,530	4.52	Fund**			
HSBC Sterling				HSBC Global			
Liquidity Fund**	24,623,562	24,623,562	3.91	Investment Funds			
iShares Core				India ZD**	431,066	3,737,915	0.59
FTSE 100® UCITS ETF	4,226	30,993	-	Lyxor Core US			
iShares Core MSCI				TIPS ETF	77,182	6,272,440	1.00
Emerging Markets				Total Luxembourg		170,095,204	26.98
IMI UCITS ETF	290,186	6,455,188	1.02	Netherlands (0.01%; 31.12.18 0.01%)			
iShares FTSE 250®				RHI Magnesita	1,517	73,362	0.01
UCITS ETF	353	6,532	-	Total Netherlands		73,362	0.01
Kenmare Resources	5,400	9,720	-	Spain (0.08%; 31.12.18 0.11%)			
Smurfit Kappa	15,268	362,920	0.06	International			
UDG Healthcare	15,092	120,359	0.02	Consolidated Airlines	100,040	477,091	0.08
Total Ireland		62,298,295	9.89	Total Spain		477,091	0.08
Luxembourg (26.98%; 31.12.18 28.01%)				Switzerland (0.06%; 31.12.18 0.05%)			
B&M European Value	52,121	173,719	0.03	Coca-Cola HBC	12,897	383,299	0.06
BBCI SICAV	29,629	44,888	0.01	Total Switzerland		383,299	0.06
HSBC GIF Economic				Gibraltar (0.00%; 31/12/18 0.00%)			
Scale Index Fund**	437,609	16,532,322	2.62	888 Holdings	14,736	23,931	-
HSBC GIF Economic				Total Gibraltar		23,931	-
Scale Index GEM							
Equity Fund**	2,153,928	19,322,223	3.06				
HSBC GIF Economic							
Scale Index Japan							
Equity Fund**	382,243	3,394,145	0.54				
HSBC GIF Global							
Emerging Markets							
Bond Fund**	3,936,341	31,040,400	4.92				

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NORTH AMERICA (0.08%; 31.12/18 0.10%)					Portfolio of investments				
Bermuda (0.06%; 31.12.18 0.07%)					Net other assets				
Hiscox	18,523		313,224	0.05	Net assets				
Lancashire Holdings	12,279		84,541	0.01	630,488,851 100.00				
Petra Diamonds	52,918		10,393	-	Investments				
Purecircle	8,184		19,314	-	Equity				
Total Bermuda			427,472	0.06	620,795,175 98.46				
Canada (0.01%; 31.12.18 0.01%)					Forward foreign				
Entertainment One	21,857		86,729	0.01	exchange contracts				
Total Canada			86,729	0.01	184,927 0.03				
Cayman Islands (0.01%; 31.12.18 0.02%)					Portfolio of investments				
Dragon Capital					620,980,102 98.49				
Vietnam	12,628		54,932	0.01	2019				
Phoenix Spree					2018				
Deutschland REIT	8,485		23,843	-	2017				
Total Cayman Islands			78,775	0.01	2016				
FORWARD FOREIGN EXCHANGE CONTRACTS					(0.03%; 31.12.18 (0.11)%)				
Sold Japanese yen ¥398,436,851					Total purchases for the period, including				
for UK sterling £2,908,604					transaction charges, were £83,840,961.				
(expires 03/07/2019)					Total sales proceeds for the period, net of				
Sold Euro €3,279,697 for					transaction charges, were £95,775,866.				
UK sterling £2,910,715									
(expires 03/07/2019)									
Sold US dollar \$96,999,481									
for UK sterling £76,452,913									
(expires 03/07/2019)									
Sold UK sterling £2,922,452									
for Euro €3,279,697									
(expires 03/07/2019)									
Sold UK sterling £2,913,033									
for Japanese yen ¥398,436,851									
(expires 03/07/2019)									
Sold UK sterling £7,796,991									
for US dollar \$9,855,842									
(expires 03/07/2019)									
Total forward foreign									
exchange contracts									
					184,927 0.03				

*These are delisted securities and have been valued at the Manager's best assessment of their value.

**Related parties

***These are non cumulative, unquoted redeemable preference shares given in lieu of the cash dividend.

The securities held are approved and are admitted to an official listing unless otherwise stated.

Net asset value per unit and comparative table

This section details in concise figures how the Fund has performed, in terms of the size of the Fund, the price of units and the income distributions made.

INCOME

Change in net assets per unit	30.06.19	31.12.18	31.12.17	31.12.16
Opening net asset value per unit	474.42p	515.07p	467.97p	397.78p
Return before operating charges*	58.66	(27.22p)	58.57p	80.50p
Operating charges**	(3.38p)	(6.64p)	(7.44p)	(6.61p)
Return after operating charges*	55.28	(33.86p)	51.13p	73.89p
Distributions on income unit	(5.75p)	(6.79p)	(4.03p)	(3.70p)
Closing net asset value per unit	523.95p	474.42p	515.07p	467.97p

*after direct transaction costs of:*** 0.04p 0.04p 0.42p 0.46p

Performance

Return after charges 11.65% (6.57%) 10.93% 18.57%

Other information

Closing net asset value	£12,499,591	£11,608,625	£13,483,409	£13,182,467
Closing number of units	2,385,639	2,446,898	2,617,784	2,816,961
Operating charges	1.44%	1.41%	1.43%	1.56%
Direct transaction costs	0.01%	0.01%	0.08%	0.11%

Prices

Highest unit price	530.43p	525.92p	516.93p	470.90p
Lowest unit price	472.50p	472.60p	469.24p	362.04p

** The operating charges include all costs borne by the Trust, except for direct transaction costs. It includes the operating charges of any collective investment schemes in which the Trust invests.

*** 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.

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This section details in concise figures how the Fund has performed, in terms of the size of the Fund, the price of units and the accumulation distributions made.

ACCUMULATION

Change in net assets per unit	30.06.19	31.12.18	31.12.17	31.12.16
Opening net asset value per unit	771.46p	826.37p	744.81p	627.72p
Return before operating charges*	95.38	(44.19p)	93.44p	127.57p
Operating charges**	(5.50p)	(10.72p)	(11.88p)	(10.48p)
Return after operating charges*	89.88	(54.91p)	81.56p	117.09p
Distributions on accumulation unit	(9.34p)	(10.92p)	(6.42p)	(5.84p)
Retained distributions on accumulation unit	9.34	10.92p	6.42p	5.84p
Closing net asset value per unit	861.34p	771.46p	826.37p	744.81p
*after direct transaction costs of***	0.06p	0.06p	0.67p	0.72p

Performance

Return after charges	11.65%	(6.64%)	10.95%	18.65%
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Other information

Closing net asset value	£617,989,260	£571,142,190	£651,288,411	£622,835,706
Closing number of units	71,747,038	74,033,646	78,812,832	83,623,545
Operating charges	1.44%	1.41%	1.43%	1.56%
Direct transaction costs	0.01%	0.01%	0.08%	0.11%

Prices

Highest unit price	862.54p	853.19p	826.92p	748.47p
Lowest unit price	771.35p	766.69p	746.81p	571.32p

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

It includes the operating charges of any collective investment schemes in which the Trust invests.

*** 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.

Ongoing charges

For the 12 month period to 30 June 2019:

1.44%

For the 12 month period to 31 December 2018:

1.41%

The ongoing charges measure the annual charges and expenses of an investment fund. These will affect the returns to the investor. Most European investment funds highlight the ongoing charges to help you compare the annual charges and expenses of different funds.

Ex-distribution (XD) dates:

1 January and 1 July

Income payment dates:

28 February and 31 August

Risk and reward profile

Lower risk

Higher risk



Typically lower rewards

Typically higher rewards

1	2	3	4	5	6	7
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More about this rating

The rating is based on price volatility over the last five years. As it is based on historical data, it may not be a reliable indicator of the future risk profile of the Fund. The rating is not guaranteed and may change over time. The lowest rating does not mean a risk-free investment.

Why is this Fund in category 4?

This multi-asset fund has a higher risk profile than funds holding solely bonds and/or money market instruments as it invests predominantly in shares.

Authorised status

The Fund is an authorised unit trust under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority Handbook and is categorised as an Undertakings for Collective Investment in Transferable Securities (UCITS) scheme.

Certification of financial statements by Directors of the Manager

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

Paul Spencer (Chief Executive)

Phillip Scott (Director)

For and on behalf of Marks and Spencer Unit Trust Management Limited.

22 August 2019

Statement of total return

This section details the income of the Fund over the period of the report and explains how this income is distributed to the investors.

It also provides an analysis of increases and decreases in net assets over the accounting period.

For the period ended 30 June 2019

	30.06.19		30.06.18	
	£	£	£	£
Income				
Net capital gains/(losses)		60,246,852		(8,658,480)
Revenue	11,076,548		11,391,036	
Expenses	(4,103,330)		(4,237,639)	
Interest payable and similar charges	(1,511)		(13)	
Net revenue before taxation	<u>6,971,707</u>		<u>7,153,384</u>	
Taxation	<u>(87,260)</u>		<u>(48,477)</u>	
Net revenue after taxation		6,884,447		7,104,907
Total return before distributions		67,131,299		(1,553,573)
Distributions/Accumulations		<u>(6,884,489)</u>		<u>(7,104,781)</u>
Change in net assets attributable to Unitholders		<u>60,246,810</u>		<u>(8,658,354)</u>

Statement of change in net assets attributable to Unitholders

For the period ended 30 June 2019

	30.06.19		30.06.18	
	£	£	£	£
Opening net assets attributable to Unitholders		582,750,815		664,771,820
Amounts receivable on issue of units	356,246		534,528	
Amounts payable on cancellation of units	<u>(19,575,186)</u>		<u>(26,726,761)</u>	
		(19,218,940)		(26,192,233)
Dilution Levy		5,812		13,622
Change in net assets attributable to Unitholders from investment activities (see above)		60,246,810		(8,658,354)
Retained distribution on accumulation units		6,703,397		6,877,812
Unclaimed distributions		<u>957</u>		<u>-</u>
Closing net assets attributable to Unitholders		<u>630,488,851</u>		<u>636,812,667</u>

Balance sheet

As at 30 June 2019

	30.06.19		31.12.18	
	£	£	£	£
ASSETS				
Fixed assets:				
Investments		621,066,229		571,748,533
Current assets:				
Debtors	7,074,502		5,580,372	
Cash and bank balances	<u>3,427,207</u>		<u>7,189,060</u>	
Total current assets		<u>10,501,709</u>		<u>12,769,432</u>
TOTAL ASSETS		631,567,938		584,517,965
LIABILITIES				
Investment Liabilities		(86,127)		(640,336)
Creditors:				
Distribution payable	(137,072)		(27,462)	
Other creditors	<u>(855,888)</u>		<u>(1,099,352)</u>	
TOTAL LIABILITIES		<u>(1,079,087)</u>		<u>(1,767,150)</u>
Net assets attributable to Unitholders		<u>630,488,851</u>		<u>582,750,815</u>

Distribution table

For the period ended 30 June 2019

Interim

	Net income 2019 pence per unit	Equalisation 2019 pence per unit	Distribution payable 2019 pence per unit	Distribution paid 2018 pence per unit
Group 1: Units purchased prior to 1 January 2019				
Group 2: Units purchased between 1 January 2019 to 30 June 2019				
Income units				
Group 1	5,7457	-	5,7457	5,6688
Group 2	4,2234	1,5223	5,7457	5,6688
Accumulation units				
Group 1	9,3431	-	9,3431	9,0949
Group 2	6,8677	2,4754	9,3431	9,0949

Other information

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 (and amended in June 2017).

Important changes

No changes have been made to the Fund's Prospectus during the reporting period ending 30 June 2019.

The following changes have been made to the Fund's Key Investor Information Document (KIID) during the reporting period ending 30 June 2019:

Changes made to the KIID republished 19 February 2019:

- "Past performance" now includes performance data for 2018.
- "Charges for this Fund" now reflects the latest dilution levy figures and current ongoing charges' figure. Also the wording applying to the previously estimated figure has been removed.
- "Investment Objectives and Policy" wording has been updated to show the current holding figures relating to tracker funds and direct UK equities.

The following changes have been made to the Prospectus and Key Investor Information Document (KIID) after the end of the reporting period and prior to publication of the accounts:

Changes made to the Prospectus published 7 August 2019:

- Updated the investment objective of the Fund to clarify the Fund objective, which was to achieve long-term capital growth, as well as a reasonable yield. A 'reasonable yield' is defined as the quoted average yield of funds in its Investment Association peer group which is the mixed investment (minimum 40% in shares, maximum 85% shares) peer group."

To replace "reasonable yield" with "income" and provide clarity on what we mean by "long-term".

The revised Fund objective is to achieve capital **growth** and **income**, in the long term (five years or more).

- Updated the policy and strategy wording to define some of the terms used.

- Updated the definitions section of the prospectus to further explain defined terms within the investment objective, policy and strategy.
- Reviewed the benchmark disclosures for the Fund and added past performance of the Fund's Investment Association sector to the report and accounts.

The following changes have been made to the KIID after the end of the reporting period and prior to publication of the accounts:

Changes made to the KIID published 7 August 2019:

- Updated the investment objective of the Fund to clarify the Fund objective, which was to achieve long-term capital growth, as well as a reasonable yield. A 'reasonable yield' is defined as the quoted average yield of funds in its Investment Association peer group which is the mixed investment (minimum 40% in shares, maximum 85% shares) peer group."

To replace "reasonable yield" with "income" and provide clarity on what we mean by "long-term".

The revised Fund objective is to achieve capital **growth** and **income**, in the long term (five years or more).

A unitholder notice was circulated to all unitholders of the Fund explaining these changes, a copy of which is available at marksandspencer.com/investments

Please call 0808 005 5555 if you would like to receive this information in an alternative format such as large print, Braille or audio.

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