

Rathbones

Look forward

Rathbone Multi-Asset Portfolio

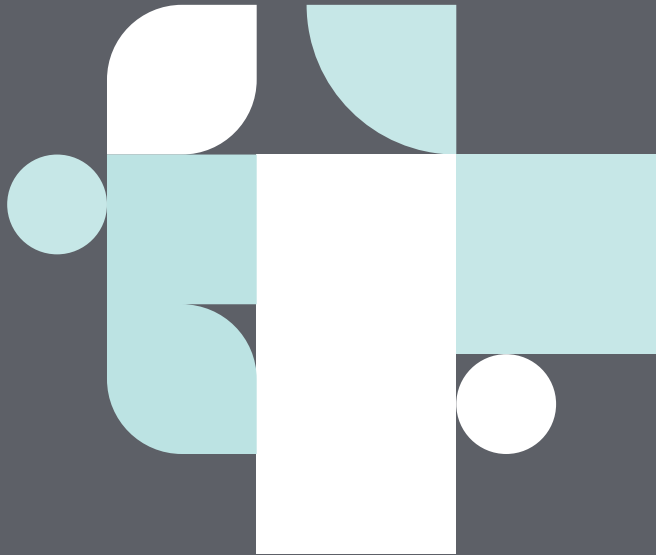
Interim report for the half year ended 31 March 2018

Rathbone Strategic Growth Portfolio

Rathbone Strategic Income Portfolio

Rathbone Total Return Portfolio

Rathbone Enhanced Growth Portfolio



Rathbone Multi-Asset Portfolio ICVC

Authorised Corporate Director (ACD)

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A member of the Rathbone Group
Authorised and regulated by the
Financial Conduct Authority and member
of The Investment Association

The Company

Rathbone Multi-Asset Portfolio
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Directors

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MM Webb – Chief Executive Officer
JR Chillingworth – Chief Investment Officer
JM Ardouin – Finance Director
CRC Hexton
RP Lanyon
CR Stick
JG Thomson
BN Jones

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Financial Conduct Authority

Depository

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280 Bishopsgate
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Authorised and regulated by the
Financial Conduct Authority

ACD's report for the half year ended 31 March 2018

The S-Class shares returned 1.1% in the six months to 31 March, undershooting the benchmark range of CPI+3% to CPI +5%, which delivered 2.0% and 2.9%. Over the past three years, the fund has gained 18.7%, within the benchmark range of 14.7% and 21.4%. Its volatility over the past three years was 58.3% of the MSCI World Index, beneath the target of two-thirds.

During the last six months, the equities component of the portfolio returned 0.2% on a gross basis, while fixed income holdings fell 2.8%. Alternatives lost 0.5%.

Highlights included:

- Amazon.com +44%
- Estée Lauder +34%
- S&P 500 Composite Warrants 2019 RBC +30%
- JP Morgan Japanese Trust +20%

Disappointing areas included:

- Micro Focus International -57%
- Dürr AG -20%
- Eurofins Scientific -20%

Trades

Purchases

Government of Australia 4.75% 2027 – We bought these bonds late last year, while hedging the Australian dollar exposure to sterling. This is portfolio defence against faltering global growth, if it materialises. Because the natural resources-heavy Australian economy is highly sensitive to global growth – particularly China – sovereign yields and the Australian dollar should fall as soon as growth worries began to rise. Our hedge eliminates the currency risk, so we would be left with the benefit of falling yields.

UBS AG 1152 FTSE S&P Defensive Autocall 9.32% 2024 Preference – We bought this structured product as equity market volatility increased in early 2018. This has made the terms of the contract more attractive to us.

UK Treasury 1.5% 2026 – In February, we made our first foray into gilt markets in over a year, as 10-year yields broke through the key 1.50% threshold. The 10-year yield eventually hit 1.65% before settling back down to 1.35%.

CATCo Reinsurance Opportunities – Following the spate of destructive storms and earthquakes in 2017, we bought this C-share issue. The fund takes on the ultimate calamity risk for insurance companies. After large scale losses, such as we have just witnessed, premiums for this kind of risk tend to balloon. Historically, this tends to be a lucrative time to invest in reinsurance.

During the period we bought and sold the iShares FTSE 100 UCITS ETF to adjust our exposure to the UK stock market.

Sales

M&G Global Macro Bond Fund – This fund has a global benchmark which means it comes with a large amount of foreign currency risk. Given our concern that sterling could strengthen on a favourable Brexit scenario, we decided to sell the fund and reduce this exposure.

Janus Henderson Absolute Return Fund – We started to sell down our holding in this fund, which in our view has become more like a lower-beta equity fund than a true diversifier.

Brown Advisory US Small Cap Blend Fund – We exited this fund as part of our continuing move toward more direct equity investments.

Muzinich Global Tactical Credit Fund – We sold this credit-focused fund in order to reduce our exposure to lower-grade US bonds which we felt were not providing a sufficient return for the risk being taken, despite the conservative nature of the fund.

Nike 'B' – This footwear and sports clothes manufacturer has been increasing its direct retail presence around the world for a few years now. By vertically integrating its supply chain, it hopes to boost its profit margin by giving away less value to retailers in what is a pretty competitive market. This strategy has been paying off, with profitability steadily ticking upwards over the past few years. In early 2018, some analysts have forecasted easing pricing pressure for Nike, too, which helped boost the stock. We decided to take profits as the price was looking pretty full.

Outlook

In a bid to protect Americans against the tyrannies of cheaper materials and consumer products, President Donald Trump levelled tens of billions of tariffs at China this quarter. China responded with a proportionate amount of new tariffs on American goods and a warning that it didn't want a trade war. Mr Trump on the other hand, has welcomed an escalation of the trade dispute, saying it would help rebalance the Sino-American relationship. In reality, neither country would do well out of a sustained increase in protectionism. China's appetite for foreign metals, hogs and services is voracious, while millions of US workers depend on cheap imported parts that go into much more valuable exports and muted American wage growth has been assuaged by low-priced foreign televisions, fridges and cars. Stock markets have lurched around as the world's largest markets trade new and wider tariffs. However, as with all things Trump, we are hesitant to take anything at face value. The tariffs aren't set to go live till May and throughout the debacle high-level figures of the Trump administration have been negotiating in China. There's a good chance that this brinkmanship will end with some compromises on trade, but no new widespread barriers to trade. China will keep its most important end market, and Mr Trump can show his Main Street base that he went to bat for them. There's still a large risk that this spirals out of hand and damages global growth. This uncertainty will continue to weigh on stock markets until it is satisfactorily resolved.

Meanwhile, US dollar Libor, an interest rate used to benchmark trillions of dollars in loans and other transactions, has almost doubled since October. So many factors influence this rate, so it's virtually impossible to say with any certainty what's behind it (although many people will try!). What's important to us is the effect: short-term borrowing costs for US firms have increased drastically at a time when corporate debt is elevated. This reinforces our preference for companies with low levels of debt, as they will be less effected by this move in interest rates.

This is just one of several factors pushing up companies' cost of capital – the return that investors need to justify the risks of an investment. As this cost of capital creeps up, driven by higher debt payments and greater uncertainty, the share prices of lower-growth companies will be pushed down. We think the remainder of 2018 will be as bumpy as the past few months, but we are optimistic about the state of the world economy and therefore the growth prospects for quality firms. Solid, reliable growth should attract investors in the long-run, regardless of today's tweets or tomorrow's headlines.

David Coombs
Fund Manager
23 April 2018

Will McIntosh-Whyte
Assistant Fund Manager

Net asset value per share and comparative tables

R-Class income shares

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	169.52p	160.35p	142.80p	143.27p
Return before operating charges*	2.61p	14.13p	22.69p	3.53p
Operating charges	(1.34p)	(2.57p)	(2.44p)	(2.49p)
Return after operating charges*	1.27p	11.56p	20.25p	1.04p
Distributions on income shares	(1.18p)	(2.39p)	(2.70p)	(1.51p)
Closing net asset value per share	169.61p	169.52p	160.35p	142.80p
*after direct transactions costs ¹ of:	0.06p	0.11p	0.20p	0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	0.75%	7.21%	14.18%	0.73%
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Other information

Closing net asset value	£705,169	£599,653	£388,919	£592,239
Closing number of shares	415,765	353,742	242,545	414,729
Operating charges UCITS	1.72%	1.77%	1.88%	2.34%
Operating charges PRIIPS	1.83%	—	—	—
Direct transaction costs	0.04%	0.07%	0.13%	0.05%

Prices

Highest share price	177.97p	173.24p	161.62p	156.11p
Lowest share price	169.15p	159.23p	139.78p	138.04p

Net asset value per share and comparative tables *(continued)***R-Class accumulation shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	185.19p	172.70p	151.12p	150.11p
Return before operating charges*	2.72p	15.26p	24.16p	3.64p
Operating charges	(1.47p)	(2.77p)	(2.58p)	(2.63p)
Return after operating charges*	1.25p	12.49p	21.58p	1.01p
Distributions on accumulation shares	(1.29p)	(2.59p)	(2.88p)	(1.59p)
Retained distributions on accumulation shares	1.29p	2.59p	2.88p	1.59p
Closing net asset value per share	186.44p	185.19p	172.70p	151.12p
*after direct transactions costs ¹ of:	0.07p	0.12p	0.21p	0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	0.67%	7.23%	14.28%	0.67%
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Other information

Closing net asset value	£3,494,322	£3,369,787	£4,005,743	£9,116,968
Closing number of shares	1,874,211	1,819,605	2,319,419	6,032,747
Operating charges UCITS	1.72%	1.77%	1.88%	2.34%
Operating charges PRIIPS	1.83%	—	—	—
Direct transaction costs	0.04%	0.07%	0.13%	0.05%

Prices

Highest share price	194.91p	187.82p	173.48p	164.64p
Lowest share price	185.25p	171.50p	148.42p	144.59p

Net asset value per share and comparative tables *(continued)***I-Class income shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	n/a	n/a	n/a	146.59p
Return before operating charges*	n/a	n/a	n/a	10.57p
Operating charges	n/a	n/a	n/a	(1.19p)
Return after operating charges*	n/a	n/a	n/a	9.38p
Distributions on income shares	n/a	n/a	n/a	(1.34p)
Cancellation price	n/a	n/a	n/a	(154.63p)
Closing net asset value per share	n/a	n/a	n/a	–
*after direct transactions costs ¹ of:	n/a	n/a	n/a	0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	n/a	n/a	n/a	6.40%
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Other information

Closing net asset value	n/a	n/a	n/a	–
Closing number of shares	n/a	n/a	n/a	–
Operating charges	n/a	n/a	n/a	–
Direct transaction costs	n/a	n/a	n/a	0.05%

Prices

Highest share price	n/a	n/a	n/a	160.40p
Lowest share price	n/a	n/a	n/a	141.30p

[†] I-Class was closed on 31 July 2015.

Net asset value per share and comparative tables *(continued)***I-Class accumulation shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	n/a	n/a	n/a	152.24p
Return before operating charges*	n/a	n/a	n/a	10.94p
Operating charges	n/a	n/a	n/a	(1.24p)
Return after operating charges*	n/a	n/a	n/a	9.70p
Cancellation price	n/a	n/a	n/a	(161.94p)
Distributions on accumulation shares	n/a	n/a	n/a	(1.39p)
Retained distributions on accumulation shares	n/a	n/a	n/a	1.39p
Closing net asset value per share	n/a	n/a	n/a	—
*after direct transactions costs ¹ of:	n/a	n/a	n/a	0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	n/a	n/a	n/a	6.37%
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Other information

Closing net asset value	n/a	n/a	n/a	—
Closing number of shares	n/a	n/a	n/a	—
Operating charges	n/a	n/a	n/a	—
Direct transaction costs	n/a	n/a	n/a	0.05%

Prices

Highest share price	n/a	n/a	n/a	167.64p
Lowest share price	n/a	n/a	n/a	146.69p

[†] I-Class was closed on 31 July 2015.

Net asset value per share and comparative tables *(continued)***S-Class income shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	141.56p	132.57p	116.89p	116.12p
Return before operating charges*	1.97p	11.72p	18.68p	2.82p
Operating charges	(0.40p)	(0.74p)	(0.77p)	(0.82p)
Return after operating charges*	1.57p	10.98p	17.91p	2.00p
Distributions on income shares	(0.98p)	(1.99p)	(2.23p)	(1.23p)
Closing net asset value per share	142.15p	141.56p	132.57p	116.89p
*after direct transactions costs ¹ of:	0.05p	0.09p	0.17p	0.06p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	1.11%	8.28%	15.32%	1.72%
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Other information

Closing net asset value	£60,106,877	£50,618,917	£35,026,320	£25,927,196
Closing number of shares	42,283,518	35,759,006	26,420,923	22,180,463
Operating charges UCITS	0.72%	0.77%	0.88%	1.34%
Operating charges PRIIPS	0.83%	—	—	—
Direct transaction costs	0.04%	0.07%	0.13%	0.05%

Prices

Highest share price	148.92p	144.29p	133.46p	127.18p
Lowest share price	141.75p	131.88p	114.84p	111.92p

Net asset value per share and comparative tables *(continued)***S-Class accumulation shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	151.14p	139.55p	120.89p	118.88p
Return before operating charges*	2.07p	12.37p	19.46p	2.85p
Operating charges	(0.43p)	(0.78p)	(0.80p)	(0.84p)
Return after operating charges*	1.64p	11.59p	18.66p	2.01p
Distributions on accumulation shares	(1.05p)	(2.10p)	(2.32p)	(1.26p)
Retained distributions on accumulation shares	1.05p	2.10p	2.32p	1.26p
Closing net asset value per share	152.78p	151.14p	139.55p	120.89p
*after direct transactions costs ¹ of:	0.06p	0.10p	0.17p	0.06p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	1.09%	8.31%	15.44%	1.69%
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Other information

Closing net asset value	£197,098,871	£144,816,657	£84,988,070	£53,817,733
Closing number of shares	129,005,336	95,818,013	60,902,443	44,518,087
Operating charges UCITS	0.72%	0.77%	0.88%	1.34%
Operating charges PRIIPS	0.83%	—	—	—
Direct transaction costs	0.04%	0.07%	0.13%	0.05%

Prices

Highest share price	159.46p	152.88p	140.00p	131.09p
Lowest share price	151.71p	138.82p	119.17p	114.56p

Net asset value per share and comparative tables *(continued)***X-Class income shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	109.73p	102.25p	100.21p	n/a
Return before operating charges*	1.48p	9.04p	2.31p	n/a
Operating charges	(0.03p)	(0.03p)	(0.02p)	n/a
Return after operating charges*	1.45p	9.01p	2.29p	n/a
Distributions on income shares	(0.77p)	(1.53p)	(0.25p)	n/a
Closing net asset value per share	110.41p	109.73p	102.25p	n/a
*after direct transactions costs ¹ of:	0.04p	0.07p	0.13p	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	1.32%	8.81%	2.29%	n/a
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Other information

Closing net asset value	£57,409,824	£57,635,441	£56,800,671	n/a
Closing number of shares	51,997,238	52,522,504	55,549,978	n/a
Operating charges UCITS	0.22%	0.27%	0.35%	n/a
Operating charges PRIIPS	0.33%	—	—	n/a
Direct transaction costs	0.04%	0.07%	0.13%	n/a

Prices

Highest share price	115.56p	111.69p	102.81p	n/a
Lowest share price	110.09p	101.78p	100.08p	n/a

[†] X-Class income was launched on 19 July 2016.

Net asset value per share and comparative tables *(continued)***X-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	118.18p	108.57p	100.00p	n/a
Return before operating charges*	1.60p	9.65p	8.61p	n/a
Operating charges	(0.03p)	(0.04p)	(0.04p)	n/a
Return after operating charges*	1.57p	9.61p	8.57p	n/a
Distributions on accumulation shares	(0.82p)	(1.64p)	(0.52p)	n/a
Retained distributions on accumulation shares	0.82p	1.64p	0.52p	n/a
Closing net asset value per share	119.75p	118.18p	108.57p	n/a
*after direct transactions costs ¹ of:	0.04p	0.08p	0.14p	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	1.33%	8.85%	8.57%	n/a
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Other information

Closing net asset value	£99,882,302	£76,780,076	£27,199,695	n/a
Closing number of shares	83,412,472	64,969,971	25,051,998	n/a
Operating charges UCITS	0.22%	0.28%	0.36%	n/a
Operating charges PRIIPS	0.33%	—	—	n/a
Direct transaction costs	0.04%	0.07%	0.13%	n/a

Prices

Highest share price	124.87p	119.38p	108.90p	n/a
Lowest share price	118.63p	108.06p	99.85p	n/a

[†] X-Class accumulation was launched on 20 May 2016.

Net asset value per share and comparative tables *(continued)***M-Class income shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	98.70p	100.00p	n/a	n/a
Return before operating charges*	1.37p	(0.78p)	n/a	n/a
Operating charges	(0.40p)	(0.21p)	n/a	n/a
Return after operating charges*	0.97p	(0.99p)	n/a	n/a
Distributions on income shares	(0.69p)	(0.31p)	n/a	n/a
Closing net asset value per share	98.98p	98.70p	n/a	n/a
*after direct transactions costs ¹ of:	0.04p	0.07p	n/a	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	0.98%	(0.99%)	n/a	n/a
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Other information

Closing net asset value	£87,707	£30,071	n/a	n/a
Closing number of shares	88,614	30,468	n/a	n/a
Operating charges UCITS	0.97%	1.04%	n/a	n/a
Operating charges PRIIPS	1.08%	—	n/a	n/a
Direct transaction costs	0.04%	0.07%	n/a	n/a

Prices

Highest share price	103.73p	100.11p	n/a	n/a
Lowest share price	98.70p	98.36p	n/a	n/a

[†] M-Class income was launched on 23 June 2017.

Net asset value per share and comparative tables *(continued)***M-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	102.05p	100.00p	n/a	n/a
Return before operating charges*	1.40p	2.43p	n/a	n/a
Operating charges	(0.42p)	(0.38p)	n/a	n/a
Return after operating charges*	0.98p	2.05p	n/a	n/a
Distributions on accumulation shares	(0.71p)	(0.77p)	n/a	n/a
Retained distributions on accumulation shares	0.71p	0.77p	n/a	n/a
Closing net asset value per share	103.03p	102.05p	n/a	n/a
*after direct transactions costs [‡] of:	0.04p	0.07p	n/a	n/a

[‡] Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	0.96%	2.05%	n/a	n/a
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Other information

Closing net asset value	£1,317,217	£694,591	n/a	n/a
Closing number of shares	1,278,506	680,647	n/a	n/a
Operating charges UCITS	0.97%	1.04%	n/a	n/a
Operating charges PRIIPS	1.08%	—	n/a	n/a
Direct transaction costs	0.04%	0.07%	n/a	n/a

Prices

Highest share price	107.57p	103.27p	n/a	n/a
Lowest share price	102.36p	99.06p	n/a	n/a

[†] M-Class Accumulation was launched on 5 April 2017.

Risk and reward profile as published in the fund's most recent Key Investor Information Document

Lower potential risk/reward
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

Net asset value per share and comparative tables *(continued)***Discrete annual performance, quarter ending 31 March 2018**

	2014	2015	2016	2017	2018
R-Class shares	3.96%	9.73%	-1.27%	14.26%	2.28%
S-Class shares	5.05%	10.82%	-0.27%	15.41%	3.16%
UK Consumer Price Index +3%	4.67%	2.99%	3.54%	5.36%	5.17%
UK Consumer Price Index +5%	6.70%	4.99%	5.57%	7.40%	7.06%

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

Portfolio and net other assets as at 31 March 2018

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
United Kingdom (30.09.17: 23.81%)		
£500,000	A2D Funding 4.5% 2026**	0.13
£2,500,000	Aviva 6.125% VRN perp**	0.66
£800,000	Barclays 10% 2021**	0.23
148,500	Bunzl*	0.74
66,900	Carnival*	0.73
£6,000,000	Credit Suisse 0% 2023**	1.38
1,500,000	Coupland Cardiff Japan Income & Growth Trust**	0.52
66,500	Ferguson*	0.85
130,301	HG Capital Trust**	0.55
980,000	iShares FTSE 100 UCITS ETF+	1.63
1,675,000	ITV*	0.58
£1,300,000	John Lewis 6.125% 2025**	0.36
80,000	JP Morgan Smaller Companies Investment Trust**	0.21
1,375,000	Legal & General*	0.84
2,110,000	Lloyds Banking Group*	0.33
\$2,800,000	Marks and Spencer 7.125% 2037**	0.53
60,000	Mercantile Investment Trust**	0.30
197,656	Micro Focus International*	0.46
£358,000	Old Mutual 8% 2021**	0.10
95,000	Pantheon International**	0.43
£775,000	Provident Financial 6% 2021**	0.18
1,475,000	Rentokil Initial*	0.95
86,500	Rio Tinto*	0.74
£500,000	RL Finance 6.125% 2028**	0.14
158,000	Royal Dutch Shell 'A'*	0.84
£1,000,000	Sainsburys Bank 6% VRN 2027**	0.25
£412,000	Santander UK 3.625% 2026**	0.10
340,000	Schroder UK Mid Cap Fund*	0.42
259,500	Smith & Nephew*	0.82
680,000	Starwood European Real Estate**	0.17
10,000	Tencent*	0.09
1,650,000	Tritax Big Box REIT*	0.57
£500,000	TSB Banking 5.75% VRN 2026**	0.13
£4,000,000	UK Treasury 1.5% 2026**	0.97
106,000	Unilever*	1.00
CHF2,500,000	Vodafone 0.50% 2031**	0.40
1,720,000	Vodafone*	0.79
£468,000	Yorkshire Building Society 3.5% 2026**	0.12
Total United Kingdom	85,003,065	20.24

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Asia (ex Japan) (30.09.17: 3.90%)		
110,000 ChinaAMC China Opportunities Fund	1,877,559	0.45
912,492 Invesco Asia Trust**	2,509,353	0.60
160,000 Martin Currie Asia Unconstrained Trust**	608,000	0.14
30,000 Veritas Asian Fund	10,273,918	2.44
Total Asia (ex Japan)	15,268,830	3.63
Australia (30.09.17: 0.00%)		
AUD13,000,000 Government of Australia 4.75% 2027**	8,341,489	1.98
AUD13,000,000 Government of Australia 5.5% 2023**	8,173,908	1.95
Total Australia	16,515,397	3.93
Belgium (30.09.17: 0.83%)		
26,000 Anheuser-Busch InBev*	2,034,635	0.48
Bermuda (30.09.17: 0.17%)		
5,000,000 CATCo Reinsurance Opportunities C Shares**	3,653,407	0.87
£500,000 Hiscox 6.125% VRN 2045**	579,575	0.14
Total Bermuda	4,232,982	1.01
China (30.09.17: 0.46%)		
1,020,000 Travelsky Technology*	2,098,442	0.50
Channel Islands (30.09.17: 1.83%)		
456,350 AXA Property*	187,104	0.05
CHF2,000,000 Credit Suisse Group Funding (Guernsey) 1% 2023**	1,526,515	0.36
1,000,000 ETFs GBP Daily Hedged Physical Gold+	7,845,000	1.87
Total Channel Islands	9,558,619	2.28
Denmark (30.09.17: 0.77%)		
29,500 Christian Hansen*	1,805,620	0.43
132,000 Danske Bank*	3,505,621	0.83
Total Denmark	5,311,241	1.26
Emerging Markets (30.09.17: 1.98%)		
29,150 Ashmore SICAV Emerging Markets Short Duration Fund	3,160,151	0.75
2,100,000 Investec Emerging Markets Fund	1,726,410	0.41
400,000 JP Morgan Emerging Markets Investment Trust**	3,400,000	0.81
Total Emerging Markets	8,286,561	1.97
Finland (30.09.17: 0.80%)		
86,300 Sampo Oyj*	3,415,299	0.81

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
France (30.09.17: 1.15%)		
7,200 Eurofins Scientific*	2,706,722	0.64
60,000 Total SA*	2,426,560	0.58
4,000 Ubisoft Entertainment*	240,219	0.06
Total France	5,373,501	1.28
Germany (30.09.17: 1.21%)		
25,100 Dürr AG*	1,965,966	0.47
30,000 Henkel preference*	2,810,296	0.67
Total Germany	4,776,262	1.14
Hong Kong (30.09.17: 0.57%)		
470,000 AIA*	2,832,484	0.67
Ireland (30.09.17: 4.00%)		
525,000 Coupland Cardiff Japan Alpha Fund	8,435,700	2.01
56,000 DCC*	3,673,600	0.88
102,500 Johnson Controls*	2,574,191	0.61
158,000 Source Bloomberg Commodity UCITS ETF*	1,992,458	0.47
43,700 Source LGIM Commodity Composite UCITS ETF*	2,069,115	0.49
Total Ireland	18,745,064	4.46
Italy (30.09.17: 0.00%)		
240,000 Davide Campari-Milano*	1,294,025	0.31
Japan (30.09.17: 3.45%)		
300,000 Goodhart Partners Horizon Michinori Japan Equity Fund	5,816,700	1.39
800,000 JP Morgan Fund ICVC Japan C Acc*	2,052,800	0.49
1,402,149 JP Morgan Japanese Trust**	6,183,477	1.47
Total Japan	14,052,977	3.35
Luxembourg (30.09.17: 1.76%)		
97,000 Schroder GAIA BlueTrend	7,914,230	1.88
Netherlands (30.09.17: 0.97%)		
23,000 ASML*	3,228,312	0.77
243,000 RELX*	3,585,475	0.85
Total Netherlands	6,813,787	1.62
Sweden (30.09.17: 0.89%)		
212,600 Assa Abloy 'B'*	3,262,788	0.78

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Switzerland (30.09.17: 1.54%)		
42,500 Novartis*	2,444,353	0.58
23,000 Roche*	3,751,374	0.90
Total Switzerland	6,195,727	1.48
United States (30.09.17: 22.87%)		
10,000 Activision Blizzard*	480,610	0.11
10,670,000 AHFM US Enhanced Equity Fund	10,070,630	2.40
248,800 Allianz Technology Trust**	3,010,480	0.72
4,200 Alphabet 'C'*	3,088,503	0.73
3,250 Amazon.com*	3,345,475	0.80
23,000 Amgen*	2,794,825	0.67
50,000 Aptiv*	3,028,229	0.72
70,000 BankUnited*	1,995,010	0.47
90,000 Coca-Cola*	2,786,997	0.66
55,000 Colgate-Palmolive*	2,810,771	0.67
60,000 Discover Financial Services*	3,060,736	0.73
5,500 Electronic Arts*	475,349	0.11
23,100 Estée Lauder*	2,464,626	0.59
32,150 Exxon Mobil*	1,710,175	0.41
45,500 First Republic Bank*	3,002,196	0.71
12,500 Lockheed Martin*	3,011,210	0.72
23,000 Mastercard*	2,870,737	0.68
30,000 Nike 'B'*	1,416,168	0.34
42,000 Northern Trust*	3,087,725	0.73
31,000 PPG Industries*	2,466,652	0.59
38,600 Schlumberger*	1,782,512	0.42
4,000 Take-Two Interactive*	278,814	0.07
50,000 US Energy Infrastructure UCITS ETF*	1,763,000	0.42
12,350 Ulta Salon, Cosmetics & Fragrance*	1,798,268	0.43
\$7,650,000 US Treasury 0.125% Index-Linked 2020**	5,747,588	1.37
\$6,150,000 US Treasury 0.25% Index-Linked 2025**	4,485,332	1.07
\$7,300,000 US Treasury Note 2.25% 2027**	5,001,619	1.19
68,500 Verizon Communications*	2,335,094	0.55
28,600 Visa*	2,438,584	0.58
41,000 Wabtec*	2,378,222	0.57
Total United States	84,986,137	20.23

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Global (30.09.17: 6.69%)		
72,000 Aspect Capital Diversified Trends Fund	8,850,240	2.11
143,048 DW Catalysts Fund**	1,401,541	0.33
3,300,000 NB Global Floating Rate Income Fund**	3,072,300	0.73
115,000 Polar Capital Technology Trust**	1,248,900	0.30
1,328,786 SQN Asset Finance Income*	1,182,620	0.28
3,000,000 SQN Asset Finance Income Fund**	2,646,000	0.63
Total Global	18,401,601	4.38
Alternative Investments (30.09.17: 4.28%)		
5,000,000 Credit Suisse 999 FTSE/S&P Defensive Autocall	5,116,500	1.22
2,876,580 Credit Suisse AG London ELN 2020	3,117,638	0.74
1,200,000 HSBC ELN 2021	1,245,360	0.29
2,400,000 RBC Capital Markets 90034 Gaming Basket	4,386,720	1.04
56,500 S&P500 Composite Warrants 2019	3,935,225	0.94
53,000,000 UBS AG 1094 Euro Style Put Warrants S&P500 2018	283,362	0.07
11,500,000 UBS AG 1152 FTSE S&P Defensive Autocall		
9.32% 2024 Preference	7,885,550	1.88
Total Alternative Investments	25,970,355	6.18
Forward Foreign Exchange Contracts (30.09.17: (0.03%))		
Buy £14,920,043 Sell AUD27,500,000	(63,846)	(0.02)
Buy £21,525,112 Sell €24,500,000	(16,743)	—
Buy £63,554,040 Sell \$90,000,000	(361,120)	(0.09)
Buy £22,273,138 Sell JPY3,330,000,000	(95,751)	(0.02)
Total Forward Foreign Exchange Contracts	(537,460)	(0.13)
Total value of investments (30.09.17: 83.90%)	351,806,549	83.74
Net other assets (30.09.17: 16.10%)	68,295,740	16.26
Total value of the fund as at 31 March 2018	420,102,289	100.00

* Equity shares

** Debt securities

+ Open-ended Exchange Traded Funds (ETFs)

++ Closed-end funds

Rathbone Strategic Growth Portfolio
Summary of portfolio investments

	Value £	Percentage of total net assets
Debt Securities	57,708,114	13.74
Equity Securities	185,585,499	44.17
Collective Investment Schemes	80,699,091	19.21
Real Estate Investment Trusts (REIT)	2,380,950	0.57
Structured Product	25,970,355	6.18
Forwards	(537,460)	(0.13)
Total value of investments	351,806,549	83.74

ACD's report for the half year ended 31 March 2018

The S-Class shares lost 1% in the six months to 31 March, undershooting its benchmark range of CPI+3% to CPI +5%, which delivered 2% and 2.9%. Over the past two years, the fund has gained 15.0%, within the benchmark range of 10.8% and 15%. Its volatility over the past two years was 56% of the MSCI World Index, beneath the target of two-thirds.

During the last six months, the equities component of the portfolio lost 2.5% on a gross basis, while fixed income holdings dropped 1.7%. Alternatives returned -2%.

Highlights included:

- Amazon.com +44%
- S&P 500 Composite Warrants 2019 RBC +30%
- Nike 'B' +23%
- Ferguson +11%

Disappointing areas included:

- Micro Focus International -58%
- CATCo Reinsurance Opportunities -33%
- Source Morningstar US Energy Infrastructure UCITS ETF -20%

Trades

Purchases

Government of Australia 4.75% 2027 – We bought these bonds late last year, while hedging the Australian dollar exposure to sterling. This is portfolio defence against faltering global growth, if it materialises. Because the natural resources-heavy Australian economy is highly sensitive to global growth – particularly China – sovereign yields and the Australian dollar should fall as soon as growth worries began to rise. Our hedge eliminates the currency risk, so we would be left with the benefit of falling yields.

ETFs GBP Daily Hedged Physical Gold – We added to this position as another bit of portfolio protection.

UK Treasury 4.25% 2027 – In February, we made our first foray into gilt markets in over a year, as 10-year yields broke through the key 1.50% threshold. The 10-year yield eventually hit 1.65% before settling back down to 1.35%.

Baillie Gifford Japanese Income Growth Fund – Japan had a strong 2017, both in terms of its stock market and economy. With the re-election of Prime Minister Shinzo Abe in October, we felt the momentum of reform in Japan warranted us maintaining our overweight position. Companies have been pressured to improve profitability and to increase dividends and share buybacks that return unnecessary capital to investors. We believe this should continue.

Schroder Asian Income Maximiser Fund – As our fund grew in size, we bought more of this fund to maintain our position to Asia. The region sports the highest growth of anywhere in the world.

Sales

Nike 'B' – This footwear and sports clothes manufacturer has been increasing its direct retail presence around the world for a few years now. By vertically integrating its supply chain, it hopes to boost its profit margin by giving away less value to retailers in what is a pretty competitive market. This strategy has been paying off, with profitability steadily ticking upwards over the past few years. In early 2018, some analysts have forecasted easing pricing pressure for Nike, too, which helped boost the stock. We decided to take profits as the price was looking pretty full.

Muzinich Global Tactical Credit Fund – We sold this credit-focused fund in order to reduce our exposure to lower-grade US bonds which we felt were not providing a sufficient return for the risk being taken, despite the conservative nature of the fund.

Anheuser-Busch InBev – We sold this brewing giant because we were concerned about how slowly it's reducing its debt burden after the SABMiller takeover. Also, increasing competition in beer markets may lead to a lack of pricing power.

Ashmore Emerging Markets Short Duration Fund – Emerging market debt can be a fickle place, so we took profits after its spread above US Treasuries fell to around 300 basis points. Historically, this tends to be a low point for emerging markets.

Schroder Real Estate Investment Trust – Our growing unease about UK property led us to continue to reduce our position in this fund.

Outlook

In a bid to protect Americans against the tyrannies of cheaper materials and consumer products, President Donald Trump levelled tens of billions of tariffs at China this quarter. China responded with a proportionate amount of new tariffs on American goods and a warning that it didn't want a trade war. Mr Trump on the other hand, has welcomed an escalation of the trade dispute, saying it would help rebalance the Sino-American relationship. In reality, neither country would do well out of a sustained increase in protectionism. China's appetite for foreign metals, hogs and services is voracious, while millions of US workers depend on cheap imported parts that go into much more valuable exports and muted American wage growth has been assuaged by low-priced foreign televisions, fridges and cars. Stock markets have lurched around as the world's largest markets trade new and wider tariffs. However, as with all things Trump, we are hesitant to take anything at face value. The tariffs aren't set to go live till May and throughout the debacle high-level figures of the Trump administration have been negotiating in China. There's a good chance that this brinksmanship will end with some compromises on trade, but no new widespread barriers to trade. China will keep its most important end market, and Mr Trump can show his Main Street base that he went to bat for them. There's still a large risk that this spirals out of hand and damages global growth. This uncertainty will continue to weigh on stock markets until it is satisfactorily resolved.

Meanwhile, US dollar Libor, an interest rate used to benchmark trillions of dollars in loans and other transactions, has almost doubled since October. So many factors influence this rate, so it's virtually impossible to say with any certainty what's behind it (although many people will try!). What's important to us is the effect: short-term borrowing costs for US firms have increased drastically at a time when corporate debt is elevated. This reinforces our preference for companies with low levels of debt, as they will be less effected by this move in interest rates.

This is just one of several factors pushing up companies' cost of capital – the return that investors need to justify the risks of an investment. As this cost of capital creeps up, driven by higher debt payments and greater uncertainty, the share prices of lower-growth companies will be pushed down. We think the remainder of 2018 will be as bumpy as the past few months, but we are optimistic about the state of the world economy and therefore the growth prospects for quality firms. Solid, reliable growth should attract investors in the long-run, regardless of today's tweets or tomorrow's headlines.

David Coombs
Fund Manager
23 April 2018

Will McIntosh-Whyte
Assistant Fund Manager

Net asset value per share and comparative tables

S-Class income shares[†]

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share
Change in net assets per share			
Opening net asset value per share	112.74p	109.38p	100.00p
Return before operating charges*	(0.61p)	8.31p	13.66p
Operating charges	(0.38p)	(0.88p)	(1.09p)
Return after operating charges*	(0.99p)	7.43p	12.57p
Distributions on income shares	(1.80p)	(4.07p)	(3.19p)
Closing net asset value per share	109.95p	112.74p	109.38p
*after direct transactions costs ¹ of:	0.02p	0.13p	0.18p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.88%)	6.79%	12.57%
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Other information

Closing net asset value	£36,212,590	£30,063,814	£11,771,870
Closing number of shares	32,935,322	26,665,632	10,762,706
Operating charges UCITS	0.78%	0.91%	1.16%
Operating charges PRIIPS	0.91%	—	—
Direct transaction costs	0.02%	0.12%	0.17%

Prices

Highest share price	115.99p	115.45p	110.61p
Lowest share price	109.53p	107.12p	97.29p

[†] The fund was launched on 1 October 2015.

Net asset value per share and comparative tables *(continued)***S-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share
Change in net assets per share			
Opening net asset value per share	120.49p	112.78p	100.00p
Return before operating charges*	(0.70p)	8.65p	13.92p
Operating charges	(0.41p)	(0.94p)	(1.14p)
Return after operating charges*	(1.11p)	7.71p	12.78p
Distributions on accumulation shares	(1.80p)	(4.28p)	(3.19p)
Retained distributions on accumulation shares	1.80p	4.28p	3.19p
Closing net asset value per share	119.38p	120.49p	112.78p
*after direct transactions costs ¹ of:	0.02p	0.14p	0.18p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.92%)	6.84%	12.78%
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Other information

Closing net asset value	£1,573,060	£1,404,711	£556,902
Closing number of shares	1,317,713	1,165,837	493,777
Operating charges UCITS	0.79%	0.91%	1.20%
Operating charges PRIIPS	0.92%	–	–
Direct transaction costs	0.02%	0.12%	0.17%

Prices

Highest share price	124.94p	122.17p	113.45p
Lowest share price	118.61p	110.94p	98.02p

[†] The fund was launched on 1 October 2015.

Net asset value per share and comparative tables

M-Class income shares[†]

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share
Change in net assets per share			
Opening net asset value per share	100.00p	n/a	n/a
Return before operating charges*	(2.11p)	n/a	n/a
Operating charges	(0.36p)	n/a	n/a
Return after operating charges*	(2.47p)	n/a	n/a
Distributions on income shares	(1.24p)	n/a	n/a
Closing net asset value per share	96.29p	n/a	n/a
*after direct transactions costs ¹ of:	0.02p		

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(2.47%)	n/a	n/a
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Other information

Closing net asset value	£597,372	n/a	n/a
Closing number of shares	620,395	n/a	n/a
Operating charges UCITS	1.04%	n/a	n/a
Operating charges PRIIPS	1.16%	n/a	n/a
Direct transaction costs	0.02%	n/a	n/a

Prices

Highest share price	101.55p	n/a	n/a
Lowest share price	95.92p	n/a	n/a

[†] M-Class income was launched on 2 November 2017.

Net asset value per share and comparative tables *(continued)***M-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share
Change in net assets per share			
Opening net asset value per share	100.00p	n/a	n/a
Return before operating charges*	(4.09p)	n/a	n/a
Operating charges	(0.20p)	n/a	n/a
Return after operating charges*	(4.29p)	n/a	n/a
Distributions on accumulation shares	(0.67p)	n/a	n/a
Retained distributions on accumulation shares	0.67p	n/a	n/a
Closing net asset value per share	95.71p	n/a	n/a

*after direct transactions costs¹ of: 0.02p n/a n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges (4.29%) n/a n/a

Other information

Closing net asset value	£19,142	n/a	n/a
Closing number of shares	20,000	n/a	n/a
Operating charges UCITS	1.04%	n/a	n/a
Operating charges PRIIPS	1.16%	n/a	n/a
Direct transaction costs	0.02%	n/a	n/a

Prices

Highest share price	100.19p	n/a	n/a
Lowest share price	95.08p	n/a	n/a

[†] M-Class accumulation was launched on 9 January 2018.

Risk and reward profile as published in the fund's most recent Key Investor Information Document

Lower potential risk/reward
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

Net asset value per share and comparative tables *(continued)***Discrete annual performance, quarter ending 31 March 2018**

	2014	2015	2016	2017	2018
S-Class shares	–	–	–	14.72%	0.23%
UK Consumer Price Index +3%	–	–	–	5.36%	5.17%
UK Consumer Price Index +5%	–	–	–	7.40%	7.06%

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

Portfolio and net other assets as at 31 March 2018

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets	
United Kingdom (30.09.17: 53.93%)			
£200,000	3i 6.875% 2023**	240,825	0.63
£120,000	A2D Funding 4.75% 2022**	130,471	0.34
1,000	ASML*	140,361	0.36
£200,000	Aviva 6.875% VRN perp**	211,141	0.55
950,000	Baillie Gifford Japanese Income Growth††	1,240,700	3.23
13,000	Bunzl*	272,350	0.71
150,000	Coupland Cardiff Japan Income & Growth Trust††	220,500	0.57
£500,000	Credit Suisse 1012 FTSE 6.3% 2023**	497,850	1.30
16,500	Diageo*	397,980	1.04
£600,000	EIB 6% 2028**	845,993	2.20
6,500	Ferguson*	347,750	0.90
28,000	GlaxoSmithKline*	390,320	1.02
20,500	HG Capital Trust††	361,825	0.94
£100,000	Imperial Brands 6.25% 2018**	103,300	0.27
£200,000	Investec Bank 9.625% 2022**	243,226	0.63
210,000	iShares FTSE 100 UCITS ETF†	1,468,110	3.82
200,000	ITV*	288,300	0.75
£100,000	J Sainsbury 6.5% VRN perp**	107,600	0.28
£150,000	John Lewis 6.125% 2025**	175,875	0.46
560,000	JP Morgan Global Emerging Markets Income Trust††	716,800	1.87
147,500	Legal & General*	380,255	0.99
£150,000	Legal & General 5.875% VRN perp**	154,629	0.40
385,000	Lloyds Banking Group*	248,941	0.65
1,400,000	M&G Global Macro Bond Fund*	1,724,380	4.49
83,594	Marks & Spencer*	225,871	0.59
18,500	Micro Focus International*	182,558	0.48
£100,000	Old Mutual 8% 2021**	113,070	0.30
£100,000	Paragon 6.125% 2022**	105,044	0.27
£135,000	Principality Building Society 7% VRN perp**	141,574	0.37
£100,000	Provident Financial 6% 2021**	97,990	0.26
130,000	Rentokil Initial*	353,210	0.92
26,500	RELX*	391,009	1.02
7,740	Rio Tinto*	279,491	0.73
14,550	Royal Dutch Shell 'A'*	324,974	0.85
£200,000	Santander UK 9.625% VRN 2023**	209,080	0.54
£140,000	Scottish & Southern 8.375% 2028**	211,406	0.55
£200,000	Scottish Widows 5.5% 2023**	220,778	0.57
22,000	Smith & Nephew*	292,710	0.76

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)		Value £	Percentage of total net assets
£100,000	Standard Life 6.546% VRN perp**	107,253	0.28
500	Tencent Holdings*	18,602	0.05
£100,000	Tesco 6% 2029**	118,370	0.31
55,000	TR Property Investment Trust††	209,825	0.55
120,000	Tritax Big Box REIT*	173,160	0.45
£100,000	TSB Banking 5.75% VRN 2026**	108,274	0.28
100,000	UK Commercial Property Trust††	89,400	0.23
£280,000	UK Treasury 4.25% 2027**	353,394	0.92
£2,330,000	UK Treasury 8% 2021**	2,849,963	7.42
9,750	Unilever*	385,661	1.00
170,000	Vodafone*	329,902	0.86
Total United Kingdom		18,802,051	48.96
Asia (ex Japan) (30.09.17: 2.92%)			
1,950,000	Schroder Asian Income Fund	1,116,570	2.91
Australia (30.09.17: 0.00%)			
AUD\$875,000	Government of Australia 4.75% 2027**	561,446	1.46
AUD\$875,000	Government of Australia 5.5% 2023**	550,167	1.44
Total Australia		1,111,613	2.90
Belgium (30.09.17: 0.99%)			
2,700	Anheuser-Busch InBev*	211,289	0.55
Bermuda (30.09.17: 2.24%)			
350,000	CATCo Reinsurance Opportunities*	179,641	0.47
175,000	CATCo Reinsurance Opportunities C Shares*	127,869	0.33
£200,000	Fidelity International 7.125% 2024**	245,586	0.64
£150,000	Hiscox 6.125% VRN 2045**	173,872	0.45
Total Bermuda		726,968	1.89
Channel Islands (30.09.17: 5.90%)			
149,400	Aberdeen Asian Income Fund*	306,270	0.80
£200,000	Beazley 5.375% 2019**	203,088	0.53
66,000	ETFs GBP Daily Hedged Physical Gold†	517,770	1.35
248,775	Hadrains Wall Secured Investment Fund*	243,799	0.64
£200,000	Heathrow Funding 6% 2020**	216,627	0.56
£100,000	Heathrow Funding 7.125% 2024**	122,873	0.32
£150,000	Rothschild 9% perp**	188,250	0.49
250,000	SQN Asset Finance Income Fund††	220,500	0.57
Total Channel Islands		2,019,177	5.26

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
China (30.09.17: 1.10%)		
40,000 AIA*	241,062	0.63
110,000 TravelSky Technology*	226,303	0.59
Total China	467,365	1.22
Denmark (30.09.17: 1.14%)		
13,500 Danske Bank*	358,529	0.93
Emerging Markets (30.09.17: 2.78%)		
4,200 Ashmore SICAV Emerging Markets Short Duration Fund	455,322	1.18
400,000 Investec Emerging Markets Fund	328,840	0.86
Total Emerging Markets	784,162	2.04
Europe (30.09.17: 0.34%)		
£100,000 Rabobank Capital Funding Trust 5.556% VRN perp**	104,515	0.27
Finland (30.09.17: 1.05%)		
9,000 Sampo Oyj*	356,172	0.93
France (30.09.17: 0.87%)		
7,500 Total SA*	303,320	0.79
350 Ubisoft Entertainment*	21,019	0.05
Total France	324,339	0.84
Germany (30.09.17: 0.97%)		
3,000 Henkel preference*	281,030	0.73
Ireland (30.09.17: 2.50%)		
690,000 Carador Income Fund ^{††}	314,799	0.82
11,500 Johnson Controls*	288,812	0.75
£200,000 PGH Capital 4.125% 2022**	207,320	0.54
Total Ireland	810,931	2.11
Sweden (30.09.17: 0.95%)		
20,500 Assa Abloy 'B'*	314,615	0.82
Switzerland (30.09.17: 2.06%)		
6,000 Novartis*	345,085	0.90
2,550 Roche*	415,913	1.08
Total Switzerland	760,998	1.98

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
United States (30.09.17: 14.55%)		
600 Activision Blizzard*	28,837	0.08
450 Alphabet 'C'*	330,911	0.86
265 Amazon.com*	272,785	0.71
2,400 Amgen*	291,634	0.76
6,750 BankUnited*	192,376	0.50
11,100 Coca-Cola*	343,730	0.90
6,400 Colgate-Palmolive*	327,072	0.85
1,000 Delphi Automotive*	60,565	0.16
7,000 Discover Financial Services*	357,086	0.93
350 Electronic Arts*	30,249	0.08
3,835 Exxon Mobil*	203,997	0.53
1,500 Lockheed Martin*	361,345	0.94
2,500 Nike 'B'*	118,014	0.31
4,300 Northern Trust*	316,124	0.82
4,750 Schlumberger*	219,351	0.57
8,500 Source Morningstar US Energy Infrastructure UCITS ETF†	299,710	0.78
250 Take-Two Interactive Software*	17,426	0.04
\$500,000 US Treasury 5.25% 2028**	437,922	1.14
9,250 Verizon Communications*	315,323	0.82
2,740 Visa*	233,627	0.61
Total United States	4,758,084	12.39
Global (30.09.17: 3.05%)		
5,500 Muznich Global Tactical Credit Fund	546,150	1.42
150,000 Schroder Real Estate Investment Trust††	87,450	0.23
164,517 SQN Asset Finance Income Fund*	146,420	0.38
Total Global	780,020	2.03
Alternatives (30.09.17: 1.11%)		
280,000 JP Morgan 878 FTSE S&P Daily Accrual 6.7%	287,173	0.75
5,000 S&P 500 Composite Warrants 2019 RBC	348,250	0.90
4,000,000 UBS AG 1094 Euro Style Put Warrants S&P 500 2018	21,386	0.06
Total Alternatives	656,809	1.71

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Forward Foreign Exchange Contracts (30.09.17: (0.03%))		
Buy £1002,367, Sell AUD\$1,850,000	(5,640)	(0.01)
Buy £1,290,873, Sell ¥1,930,000,000	(5,582)	(0.01)
Buy £1,531,457, Sell €1,744,000	(1,972)	(0.01)
Buy £4,156,657, Sell \$5,880,000	(19,134)	(0.05)
Total Forward Foreign Exchange Contracts	(32,328)	(0.08)
Total value of investments (30.09.17: 98.42%)	34,712,909	90.39
Net other assets (30.09.17: 1.58%)	3,689,255	9.61
Total value of the fund as at 31 March 2018	38,402,164	100.00

* Equity shares

** Debt securities

† Open-ended Exchange Traded Funds (ETFs)

†† Closed-end funds

Summary of portfolio investments

	Value £	Percentage of total net assets
Debt securities	10,358,772	26.97
Equity Securities	15,858,944	41.30
Collective Investment Schemes	7,697,552	20.04
Real Estate Investment Trusts (REIT)	173,160	0.45
Structured Products	656,809	1.71
Forward Foreign Exchange Contracts	(32,328)	(0.08)
Total value of investments	34,712,909	90.39

ACD's report for the half year ended 31 March 2018

The S-Class shares returned -0.3% in the six months to 31 March, below its sterling six-month LIBOR +2% benchmark, which delivered 1.3%. Over the past three years, the fund has gained 7.7%, less than its benchmark of 8.1%. Its volatility over the past three years was 29% of the MSCI World Index, underneath the target of one-third.

During the last six months, the equities component of the portfolio lost 2.7% on a gross basis, while fixed income holdings fell 0.7%. Alternatives dropped 0.2%.

Highlights included:

- Amazon.com +40%
- Estée Lauder +34%
- S&P 500 Composite Warrants 2019 RBC +30%
- Nike 'B' +24%

Disappointing areas included:

- Micro Focus International -58%
- Eurofins Scientific -20%
- ITV -16%

Trades

Purchases

Treasury 0% T-Bill 2018 – We bought this short-dated debt because it is a safe place to hold cash that offers better returns. We used the proceeds of a maturing T-Bill to buy this one.

Government of Australia 4.75% 2027 – We bought these bonds late last year, while hedging the Australian dollar exposure to sterling. This is portfolio defence against faltering global growth, if it materialises. Because the natural resources-heavy Australian economy is highly sensitive to global growth – particularly China – sovereign yields and the Australian dollar should fall as soon as growth worries began to rise. Our hedge eliminates the currency risk, so we would be left with the benefit of falling yields.

ETFs GBP Daily Hedged Physical Gold – We added to this position as another bit of portfolio protection.

RBC Leveraged 3 Year Yield Spread Steepener – With the spread between 10-year and 5-year US treasury yields falling to an extremely flat 20bps in January, we took the opportunity to wager that it would rise from here. Yield inversion – when longer-

term debt yields less than short-term – almost always signals a recession; however, we think the world is not on the verge of a downturn. Economic growth (UK excepted) is strong and improving, while business and consumer sentiment is buoyant. This structured product is capital protected and pays a multiple of the change in yield spread between the 5-year and 10-year US treasury. We will benefit from any “steepening” in the US yield curve.

UBS AG 1152 FTSE S&P Defensive Autocall 9.32% 2024 Preference – We bought this structured product as equity market volatility increased in early 2018. This has made the terms of the contract more attractive to us.

Sales

M&G Global Macro Bond Fund – This fund has a global benchmark which means it comes with a large amount of foreign currency risk. Given our concern that sterling could strengthen on a favourable Brexit scenario, we decided to sell the fund and reduce this exposure.

Janus Henderson Absolute Return Fund – We started to sell down our holding in this fund, which in our view has become more like a lower-beta equity fund than a true diversifier.

Muzinich Global Tactical Credit Fund – We sold this credit-focused fund in order to reduce our exposure to lower-grade US bonds which we felt were not providing a sufficient return for the risk being taken, despite the conservative nature of the fund.

BankUnited – We sold this US lender in January, swapping it for Danske Bank. BankUnited had been a great holding for us, but we felt the best might be behind it. Its extremely experienced chief executive, John Kanas, retired on the first day of 2017 and the new managers, while competent, are not him. BankUnited did well in past years by exploiting the big banks' retreat from commercial property lending in New York and Florida. Lately, the behemoths have been returning, meaning the niche is no longer as cosy and lucrative as it once was. Danske Bank is a Danish bank with one of the strongest balance sheets of any lender in Europe.

Tritax Big Box REIT – We sold shares in this lessor of distribution warehouses to blue chip clients because its premium over the net value of its assets hit double-digits. We have been uneasy about UK property and felt it was a good time to reduce our holding.

Outlook

In a bid to protect Americans against the tyrannies of cheaper materials and consumer products, President Donald Trump levelled tens of billions of tariffs at China this quarter. China responded with a proportionate amount of new tariffs on American goods and a warning that it didn't want a trade war. Mr Trump on the other hand, has welcomed an escalation of the trade dispute, saying it would help rebalance the Sino-American relationship. In reality, neither country would do well out of a sustained increase in protectionism. China's appetite for foreign metals, hogs and services is voracious, while millions of US workers depend on cheap imported parts that go into much more valuable exports and muted American wage growth has been assuaged by low-priced foreign televisions, fridges and cars. Stock markets have lurched around as the world's largest markets trade new and wider tariffs. However, as with all things Trump, we are hesitant to take anything at face value. The tariffs aren't set to go live till May and throughout the debacle high-level figures of the Trump administration have been negotiating in China. There's a good chance that this brinksmanship will end with some compromises on trade, but no new widespread barriers to trade. China will keep its most important end market, and Mr Trump can show his Main Street base that he went to bat for them. There's still a large risk that this spirals out of hand and damages global growth. This uncertainty will continue to weigh on stock markets until it is satisfactorily resolved.

Meanwhile, US dollar Libor, an interest rate used to benchmark trillions of dollars in loans and other transactions, has almost doubled since October. So many factors influence this rate, so it's virtually impossible to say with any certainty what's behind it (although many people will try!). What's important to us is the effect: short-term borrowing costs for US firms have increased drastically at a time when corporate debt is elevated. This reinforces our preference for companies with low levels of debt, as they will be less affected by this move in interest rates.

This is just one of several factors pushing up companies' cost of capital – the return that investors need to justify the risks of an investment. As this cost of capital creeps up, driven by higher debt payments and greater uncertainty, the share prices of lower-growth companies will be pushed down. We think the remainder of 2018 will be as bumpy as the past few months, but we are optimistic about the state of the world economy and therefore the growth prospects for quality firms. Solid, reliable growth should attract investors in the long-run, regardless of today's tweets or tomorrow's headlines.

David Coombs
Fund Manager
23 April 2018

Will McIntosh-Whyte
Assistant Fund Manager

Net asset value per share and comparative tables

R-Class income shares

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	130.24p	130.38p	124.43p	123.25p
Return before operating charges*	0.06p	3.76p	10.10p	5.42p
Operating charges	(1.02p)	(2.04p)	(2.06p)	(2.16p)
Return after operating charges*	(0.96p)	1.72p	8.04p	3.26p
Distributions on income shares	(0.82p)	(1.86p)	(2.09p)	(2.08p)
Closing net asset value per share	128.46p	130.24p	130.38p	124.43p
*after direct transactions costs ¹ of:	0.02p	0.06p	0.09p	0.03p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.74%)	1.32%	6.46%	2.65%
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Other information

Closing net asset value	£149,494	£151,607	£369,078	£760,800
Closing number of shares	116,374	116,409	283,087	611,448
Operating charges UCITS	1.68%	1.74%	1.87%	2.19%
Operating charges PRIIPS	1.78%	—	—	—
Direct transaction costs	0.02%	0.04%	0.07%	0.02%

Prices

Highest share price	132.64p	133.40p	131.62p	130.29p
Lowest share price	128.36p	128.72p	123.49p	121.20p

Net asset value per share and comparative tables *(continued)***R-Class accumulation shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	148.00p	146.09p	137.16p	133.64p
Return before operating charges*	0.06p	4.19p	11.21p	5.88p
Operating charges	(1.16p)	(2.28p)	(2.28p)	(2.36p)
Return after operating charges*	(1.10p)	1.91p	8.93p	3.52p
Distributions on accumulation shares	(0.93p)	(2.09p)	(2.32p)	(2.27p)
Retained distributions on accumulation shares	0.93p	2.09p	2.32p	2.27p
Closing net asset value per share	146.90p	148.00p	146.09p	137.16p
*after direct transactions costs ¹ of:	0.03p	0.07p	0.10p	0.03p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.74%)	1.31%	6.51%	2.63%
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Other information

Closing net asset value	£2,570,676	£2,714,952	£2,569,673	£7,541,567
Closing number of shares	1,749,952	1,834,475	1,758,972	5,498,494
Operating charges UCITS	1.68%	1.73%	1.87%	2.19%
Operating charges PRIIPS	1.78%	—	—	—
Direct transaction costs	0.02%	0.04%	0.07%	0.02%

Prices

Highest share price	151.16p	150.22p	146.94p	142.22p
Lowest share price	146.28p	144.21p	136.63p	131.36p

Net asset value per share and comparative tables *(continued)***I-Class income shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	n/a	n/a	n/a	125.34p
Return before operating charges*	n/a	n/a	n/a	(122.93p)
Operating charges	n/a	n/a	n/a	(1.05p)
Return after operating charges*	n/a	n/a	n/a	(123.98p)
Distributions on income shares	n/a	n/a	n/a	(1.36p)
Closing net asset value per share	n/a	n/a	n/a	—
*after direct transactions costs ¹ of:	n/a	n/a	n/a	0.03p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	n/a	n/a	n/a	(98.91%)
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Other information

Closing net asset value	n/a	n/a	n/a	—
Closing number of shares	n/a	n/a	n/a	—
Operating charges	n/a	n/a	n/a	n/a
Direct transaction costs	n/a	n/a	n/a	0.02%

Prices

Highest share price	n/a	n/a	n/a	133.03p
Lowest share price	n/a	n/a	n/a	123.30p

[†] I-Class was closed on 31 July 2015.

Net asset value per share and comparative tables *(continued)***I-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	n/a	n/a	n/a	135.78p
Return before operating charges*	n/a	n/a	n/a	(134.64p)
Operating charges	n/a	n/a	n/a	(1.14p)
Return after operating charges*	n/a	n/a	n/a	(135.78p)
Distributions on accumulation shares	n/a	n/a	n/a	(1.49p)
Retained distributions on accumulation shares	n/a	n/a	n/a	1.49p
Closing net asset value per share	n/a	n/a	n/a	—
*after direct transactions costs ¹ of:	n/a	n/a	n/a	0.03p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	n/a	n/a	n/a	(100.00%)
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Other information

Closing net asset value	n/a	n/a	n/a	—
Closing number of shares	n/a	n/a	n/a	—
Operating charges	n/a	n/a	n/a	n/a
Direct transaction costs	n/a	n/a	n/a	0.02%

Prices

Highest share price	n/a	n/a	n/a	145.07p
Lowest share price	n/a	n/a	n/a	133.50p

[†] I-Class was closed on 31 July 2015.

Net asset value per share and comparative tables *(continued)***S-Class income shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	116.78p	115.80p	109.41p	107.31p
Return before operating charges*	0.02p	3.27p	8.93p	4.72p
Operating charges	(0.33p)	(0.63p)	(0.69p)	(0.79p)
Return after operating charges*	(0.31p)	2.64p	8.24p	3.93p
Distributions on income shares	(0.73p)	(1.66p)	(1.85p)	(1.83p)
Closing net asset value per share	115.74p	116.78p	115.80p	109.41p
*after direct transactions costs ¹ of:	0.02p	0.05p	0.08p	0.02p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.27%)	2.28%	7.53%	3.66%
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Other information

Closing net asset value	£39,299,005	£31,545,538	£23,951,135	£20,214,567
Closing number of shares	33,954,391	27,012,614	20,683,671	18,476,012
Operating charges UCITS	0.68%	0.73%	0.87%	1.19%
Operating charges PRIIPS	0.78%	—	—	—
Direct transaction costs	0.02%	0.04%	0.07%	0.02%

Prices

Highest share price	119.27p	119.21p	116.75p	114.04p
Lowest share price	115.63p	114.52p	108.99p	105.56p

Net asset value per share and comparative tables *(continued)***S-Class accumulation shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	126.90p	124.10p	115.35p	111.28p
Return before operating charges*	0.00p	3.48p	9.49p	4.88p
Operating charges	(0.35p)	(0.68p)	(0.74p)	(0.81p)
Return after operating charges*	(0.35p)	2.80p	8.75p	4.07p
Distributions on accumulation shares	(0.80p)	(1.78p)	(1.97p)	(1.90p)
Retained distributions on accumulation shares	0.80p	1.78p	1.97p	1.90p
Closing net asset value per share	126.55p	126.90p	124.10p	115.35p

*after direct transactions costs¹ of: 0.02p 0.06p 0.09p 0.02p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges (0.28%) 2.26% 7.59% 3.66%

Other information

Closing net asset value	£149,237,048	£112,752,019	£55,014,634	£40,158,861
Closing number of shares	117,925,686	88,853,451	44,332,506	34,814,820
Operating charges UCITS	0.68%	0.73%	0.87%	1.19%
Operating charges PRIIPS	0.78%	—	—	—
Direct transaction costs	0.02%	0.04%	0.07%	0.02%

Prices

Highest share price	129.98p	128.35p	124.66p	119.06p
Lowest share price	126.00p	122.70p	115.33p	109.42p

Net asset value per share and comparative tables *(continued)***X-Class income shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	102.42p	101.14p	100.10p	n/a
Return before operating charges*	(0.03p)	2.76p	1.38p	n/a
Operating charges	(0.03p)	(0.04p)	(0.02p)	n/a
Return after operating charges*	(0.06p)	2.72p	1.36p	n/a
Distributions on income shares	(0.64p)	(1.44p)	(0.32p)	n/a
Closing net asset value per share	101.72p	102.42p	101.14p	n/a
*after direct transactions costs ¹ of:	0.02p	0.05p	0.07p	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.06%)	2.69%	1.36%	n/a
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Other information

Closing net asset value	£22,568,839	£24,107,217	£22,507,424	n/a
Closing number of shares	22,187,805	23,536,567	22,253,213	n/a
Operating charges UCITS	0.18%	0.23%	0.27%	n/a
Operating charges PRIIPS	0.28%	—	—	n/a
Direct transaction costs	0.02%	0.04%	0.07%	n/a

Prices

Highest share price	104.75p	104.03p	101.87p	n/a
Lowest share price	101.61p	100.11p	100.10p	n/a

[†] X-Class was launched on 25 May 2016 (X-Class accumulation) and on 18 July 2016 (X-Class income).

Net asset value per share and comparative tables *(continued)***X-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	107.21p	104.42p	100.00p	n/a
Return before operating charges*	(0.04p)	2.83p	4.46p	n/a
Operating charges	(0.03p)	(0.04p)	(0.04p)	n/a
Return after operating charges*	(0.07p)	2.79p	4.42p	n/a
Distributions on accumulation shares	(0.67p)	(1.50p)	(0.59p)	n/a
Retained distributions on accumulation shares	0.67p	1.50p	0.59p	n/a
Closing net asset value per share	107.14p	107.21p	104.42p	n/a

*after direct transactions costs¹ of: 0.02p 0.05p 0.08p n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges (0.07%) 2.67% 4.42% n/a

Other information

Closing net asset value	£65,669,412	£68,852,903	£46,086,907	n/a
Closing number of shares	61,295,634	64,221,649	44,136,410	n/a
Operating charges UCITS	0.18%	0.23%	0.29%	n/a
Operating charges PRIIPS	0.28%	—	—	n/a
Direct transaction costs	0.02%	0.04%	0.07%	n/a

Prices

Highest share price 109.96p 108.32p 104.84p n/a
 Lowest share price 106.66p 103.34p 99.89p n/a

[†] X-Class was launched on 25 May 2016 (X-Class accumulation) and on 18 July 2016 (X-Class income).

Net asset value per share and comparative tables *(continued)***M-Class income shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	98.71p	100.00p	n/a	n/a
Return before operating charges*	0.04p	(0.80p)	n/a	n/a
Operating charges	(0.40p)	(0.21p)	n/a	n/a
Return after operating charges*	(0.36p)	(1.01p)	n/a	n/a
Distributions on income shares	(0.62p)	(0.28p)	n/a	n/a
Closing net asset value per share	97.73p	98.71p	n/a	n/a
*after direct transactions costs ¹ of:	0.02p	0.04p	n/a	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.36%)	(1.01%)	n/a	n/a
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Other information

Closing net asset value	£61,052	£20,900	n/a	n/a
Closing number of shares	62,470	21,172	n/a	n/a
Operating charges UCITS	0.93%	0.96%	n/a	n/a
Operating charges PRIIPS	1.03%	—	n/a	n/a
Direct transaction costs	0.02%	0.04%	n/a	n/a

Prices

Highest share price	100.75p	100.11p	n/a	n/a
Lowest share price	97.64p	98.77p	n/a	n/a

[†] M-Class was launched on 26 May 2017 (M-Class accumulation) and on 29 May 2017 (M-Class income).

Net asset value per share and comparative tables *(continued)***M-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	99.40p	100.00p	n/a	n/a
Return before operating charges*	0.03p	(0.33p)	n/a	n/a
Operating charges	(0.40p)	(0.27p)	n/a	n/a
Return after operating charges*	(0.37p)	(0.60p)	n/a	n/a
Distributions on accumulation shares	(0.62p)	(0.47p)	n/a	n/a
Retained distributions on accumulation shares	0.62p	0.47p	n/a	n/a
Closing net asset value per share	99.03p	99.40p	n/a	n/a
*after direct transactions costs ¹ of:	0.02p	0.04p	n/a	n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	(0.37%)	(0.60%)	n/a	n/a
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Other information

Closing net asset value	£620,083	£341,412	n/a	n/a
Closing number of shares	626,129	343,459	n/a	n/a
Operating charges UCITS	0.93%	0.96%	n/a	n/a
Operating charges PRIIPS	1.03%	—	n/a	n/a
Direct transaction costs	0.02%	0.04%	n/a	n/a

Prices

Highest share price	101.75p	100.58p	n/a	n/a
Lowest share price	98.61p	99.28p	n/a	n/a

[†] M-Class was launched on 26 May 2017 (M-Class accumulation) and on 29 June 2017 (M-Class income).

Risk and reward profile as published in the fund's most recent Key Investor Information Document

Lower potential risk/reward
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

Net asset value per share and comparative tables *(continued)***Discrete annual performance, quarter ending 31 March 2018**

	2014	2015	2016	2017	2018
R-Class shares	0.77%	7.44%	0.11%	5.58%	-1.03%
S-Class shares	1.87%	8.49%	1.12%	6.64%	-0.12%
LIBOR GBP 6 month +2%	2.63%	2.69%	2.75%	2.60%	2.52%

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

Portfolio and net other assets as at 31 March 2018

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets	
United Kingdom (30.09.17: 61.27%)			
£680,000	3i 6.875% 2023**	0.29	
£250,000	A2D Funding 4.75% 2022**	0.10	
94,550	Assa Abloy 'B'*	1,451,066	0.52
£700,000	Aviva 6.125% VRN perp**	769,913	0.27
£1,350,000	Barclays Bank 10% 2021**	1,641,828	0.59
5,500,000	BlackRock Fixed Income Global Opportunities Fund	5,438,950	1.94
68,000	Bunzl*	1,424,600	0.51
£230,000	Close Brothers Group 4.25% 2027**	238,809	0.09
£2,000,000	Credit Suisse 1012 FTSE 6.3% 2023**	1,991,400	0.71
£4,400,000	Credit Suisse 1053 FTSE 0% 2023**	4,259,200	1.52
£500,000	CPUK Finance 3.588% 2042**	527,950	0.19
62,000	Diageo*	1,495,440	0.53
900,000	ETFS GBP Daily Hedged Physical Gold†	7,060,500	2.52
29,000	Ferguson*	1,551,500	0.55
£600,000	Heathrow Funding 7.125% 2024**	737,237	0.26
50,313	HG Capital Trust††	888,024	0.32
£1,700,000	Investec Bank 4.5% 2022**	1,827,532	0.65
700,000	ITV*	1,009,050	0.36
£880,000	John Lewis 6.125% 2025**	1,031,800	0.37
£500,000	Land Securities Capital Markets 1.974% 2026**	500,899	0.18
£600,000	Legal 5.875% VRN perp**	618,518	0.22
625,000	Legal & General*	1,611,250	0.57
1,000,000	Lloyds Banking Group*	646,600	0.23
£500,000	Marks & Spencer 3% 2023**	508,490	0.18
115,000	Martin Currie Asia Unconstrained Trust††	437,000	0.16
25,000	Mercantile Investment Trust††	516,250	0.18
69,835	Micro Focus International*	689,132	0.25
19,400	Northern Trust*	1,426,235	0.51
£224,000	Old Mutual 8% 2021**	253,277	0.09
500,000	Rentokil Initial*	1,358,500	0.48
27,700	Rio Tinto*	1,000,247	0.36
£932,000	Santander UK 3.625% 2026**	991,601	0.35
£126,000	Santander UK 9.625% VRN 2023**	131,720	0.05
£1,000,000	Scottish Widows 5.5% 2023**	1,103,891	0.39
£800,000	Skipton Building Society 1.75% 2022**	790,147	0.28
111,100	Smith & Nephew*	1,478,185	0.53
£800,000	Standard Life 6.546% VRN perpetual**	858,027	0.31
3,500	Tencent*	130,214	0.05
£275,000	Tesco 6% 2029**	325,518	0.12

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
£300,000 Tesco Personal Finance 1% Index-Linked 2019**	351,855	0.13
300,000 TR Property Investment Trust††	1,144,500	0.41
£900,000 Transport for London 2.125% 2025**	918,621	0.33
700,000 Tritax Big Box REIT*	1,010,100	0.36
£750,000 TSB Banking 5.75% VRN 2026**	812,057	0.29
£6,375,000 UK Treasury 0.125% Index-Linked 2024**	8,168,395	2.92
£2,750,000 UK Treasury 1.5% 2026**	2,796,833	1.00
£12,000,000 UK Treasury Bill 0% 2018**	11,998,440	4.28
£10,000,000 UK Treasury Bill 0% 2018**	9,997,929	3.57
£5,000,000 UK Treasury Bill 0% 2018**	4,997,600	1.78
£10,000,000 UK Treasury Bill 0% 2018**	9,989,270	3.56
£10,000,000 UK Treasury Bill 0% 2018**	9,987,000	3.56
£10,000,000 UK Treasury Gilt 1.25% 2018**	10,021,300	3.58
44,000 Unilever*	1,740,420	0.62
680,000 Vodafone*	1,319,608	0.47
CHF1,700,000 Vodafone 0.50% 2031**	1,135,804	0.40
£522,000 Yorkshire Building Society 3.5% 2026**	553,180	0.20
Total United Kingdom	126,754,031	45.24
Australia (30.09.17: 0.00%)		
AUD10,750,000 Government of Australia 4.75% 2027**	6,897,769	2.46
AUD10,750,000 Government of Australia 5.5% 2023**	6,759,193	2.41
Total Australia	13,656,962	4.87
Denmark (30.09.17: 0.00%)		
45,000 Danske Bank*	1,195,098	0.43
France (30.09.17: 0.00%)		
2,000 Ubisoft Entertainment*	120,109	0.04
Netherlands (30.09.17: 0.00%)		
9,000 ASML*	1,263,253	0.45
Europe (30.09.17: 3.29%)		
£1,000,000 Citigroup 5.125% 2018**	1,026,400	0.37
£700,000 EIB 6% 2028**	986,991	0.35
£500,000 HBOS Capital Funding 6.461% VRN perp**	512,750	0.18
£700,000 Rabobank Capital Funding Trust 5.556% VRN perp**	731,604	0.26
72,500 Schroder GAIA Blue Trend	5,915,275	2.11
Total Europe	9,173,020	3.27

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
United States (30.09.17: 10.33%)		
5,000 Activision Blizzard*	240,305	0.09
1,850 Alphabet 'C'*	1,360,412	0.48
600 Amazon.com*	617,626	0.22
9,250 Amgen*	1,124,006	0.40
11,000 Aptiv*	666,210	0.24
42,000 Coca-Cola*	1,300,599	0.46
27,000 Colgate-Palmolive*	1,379,833	0.49
28,500 Discover Financial Services*	1,453,849	0.52
3,000 Electronic Arts*	259,281	0.09
11,500 Estée Lauder*	1,226,978	0.44
12,500 Exxon Mobil*	664,920	0.24
22,500 First Republic Bank*	1,484,602	0.53
5,500 Lockheed Martin*	1,324,932	0.47
10,500 MasterCard*	1,310,554	0.47
15,500 Nike 'B'*	731,687	0.26
20,000 Schlumberger*	923,581	0.33
2,000 Take-Two Interactive*	139,407	0.05
6,195 Ulta Beauty*	902,046	0.32
\$4,500,000 US Treasury 0.125% Index-Linked 2020**	3,380,934	1.21
\$5,000,000 US Treasury 0.25% Index-Linked 2025**	3,646,611	1.30
\$5,400,000 United States Treasury 2.25% 2027**	3,699,828	1.32
35,000 Verizon Communications*	1,193,114	0.43
15,400 Visa*	1,313,084	0.47
Total United States	30,344,399	10.83
Global (30.09.17: 18.55%)		
170,000 AIA*	1,024,515	0.37
13,000 Anheuser-Busch InBev*	1,017,318	0.36
66,000 Aspect Capital Diversified Trends Fund	8,112,720	2.89
195,000 BH Macro Fund ^{††}	3,864,900	1.38
121,000 Biotech Growth Trust*	844,580	0.30
1,100,000 CATCo Reinsurance Opportunities C Shares ^{††}	803,750	0.29
CHF1,400,000 Credit Suisse Group Funding (Guernsey) 1% 2023**	1,068,561	0.38
19,500 DCC*	1,279,200	0.46
84,064 DW Catalysts Fund ^{††}	823,634	0.29
2,900 Eurofins Scientific*	1,090,207	0.39
£1,500,000 Fidelity International 6.75% 2020**	1,676,824	0.60
£700,000 Fidelity International 7.125% 2024**	859,550	0.31
156,000 Goodhart Partners Horizon Michinori Japan Equity Fund	3,024,684	1.08

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets	
£1,200,000	Heathrow Funding 6% 2020**	1,299,761	0.46
13,750	Henkel preference*	1,288,053	0.46
£500,000	Hiscox 6.125% VRN 2045**	579,575	0.21
1,823,336	HSBC Bank 0% 2020**	1,951,517	0.70
245,000	iShares FTSE 100 UCITS ETF†	1,712,795	0.61
42,000	Johnson Controls*	1,054,790	0.38
19,000	Novartis*	1,092,769	0.39
£975,000	PGH Capital 4.125% 2022**	1,010,685	0.36
107,500	RELX*	1,586,167	0.57
11,200	Roche*	1,826,756	0.65
38,100	Sampo Oyj*	1,507,797	0.54
220,000	Source Bloomberg Commodity Composite UCITS ETF†	2,774,309	0.99
57,000	Source LGIM Commodity Composite UCITS ETF†	2,698,845	0.96
32,000	Source Morningstar US Energy Infrastructure UCITS ETF†	1,128,320	0.40
1,285,180	SQN Asset Finance Income*	1,143,810	0.41
1,393,486	SQN Asset Finance Income Fund††	1,229,055	0.44
35,000	Total SA*	1,415,493	0.50
Total Global		50,790,940	18.13
Alternative Investments (30.09.17: 2.72%)			
4,000,000	Credit Suisse 999 FTSE/S&P Defensive Autocall	4,093,200	1.46
1,200,000	JP Morgan 878 FTSE S&P Daily Accrual 6.7%**	1,230,740	0.44
575,000	RBC Capital Markets 90034 Gaming Basket	1,050,985	0.37
9,250,000	RBC Capital Markets New Issue USD Notes 2021	6,387,564	2.28
20,750	S&P 500 Composite Warrants 2019 RBC	1,445,238	0.52
20,000,000	UBS AG 1094 Euro Style Put Warrants S&P500 2018	106,929	0.04
6,000,000	UBS AG 1152 FTSE S&P Defensive Autocall		
	9.32% 2024 Preference	4,114,200	1.47
Total Alternative Investments		18,428,856	6.58

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Forward Foreign Currency Contracts (30.09.17: (0.01%))		
Bought Sterling £8,076,965: Sold €9,200,000	(12,221)	0.00
Bought Sterling £28,970,600: Sold \$41,000,000	(146,306)	(0.05)
Bought Sterling £2,774,055: Sold JPY 415,000,000	(13,660)	(0.01)
Bought Sterling £12,303,523: Sold AUD 22,700,000	(64,995)	(0.02)
Total Forward Foreign Currency Contracts	(237,182)	(0.08)
Total value of investments (30.09.17: 96.15%)	251,489,486	89.76
Net other assets (30.09.17: 3.85%)	28,686,123	10.24
Total value of the fund as at 31 March 2018	280,175,609	100.00

* Equity shares

** Debt Securities

† Open-ended Exchange Traded Funds (ETFs)

†† Closed-end funds

Summary of portfolio investments

	Value £	Percentage of total net assets
Debt Securities	128,015,213	45.69
Equity Securities	66,406,101	23.70
Collective Investment Schemes	37,866,398	13.51
Real Estate Investment Trusts (REIT)	1,010,100	0.36
Structured Products	18,428,856	6.58
Forward Contracts	(237,182)	(0.08)
Total value of investments	251,489,486	89.76

ACD's report for the half year ended 31 March 2018

The S-Class shares returned 0.9% in the six months to 31 March, below the benchmark of CPI +5%, which delivered 2.9%. Over the past three years, the fund has gained 23.7%, above the benchmark of 21.4%. Its volatility over the past three years was 96% of the MSCI World Index, below the target of 100%.

During the last six months, the equities component of the portfolio returned 0.2% on a gross basis, while fixed income holdings lost 2.3%. Alternatives gained 1.5%.

Highlights included:

- Amazon.com +44%
- Estée Lauder +34%
- S&P 500 Composite Warrants 2019 RBC +30%
- Baillie Gifford Shin Nippon Trust +28%

Disappointing areas included:

- Micro Focus International -57%
- CATCo Reinsurance Opportunities -33%
- Dürr AG -21%

Trades

Purchases

Ashmore Emerging Markets Short Duration Fund – Emerging market debt can be a fickle place, so we took profits after its spread above US Treasuries fell to around 300 basis points. Historically, this tends to be a low point for emerging markets.

UBS AG 1152 FTSE S&P Defensive Autocall 9.32% 2024 Preference – We bought this structured product as equity market volatility increased in early 2018. This has made the terms of the contract more attractive to us.

US Treasury 0.25% Index-Linked 2025 – Over the first quarter of 2018 we added to our inflation-linked US government debt, to protect us against higher inflation in the world's largest economy.

Goodhart Partners Horizon Michinori Japan Equity Fund – We bought more of this fund to keep maintain the position as the fund grew over the period.

ASML – We bought this world-leading lithography equipment maker (machines that make computer chips for specific products and tasks) early in the period. Historically, this Dutch company has enjoyed a large market share and it is firmly embedded in its customers' supply chains. Importantly, ASML occupies a monopoly position in next-generation extreme ultraviolet lithography (EUV) technology. EUV machines will become critical as semiconductor chip sophistication and volume increases in several applications – artificial intelligence and automotive markets, for example. Owning ASML means we don't need to bet which chipmaker is the ultimate winner, because it will be supplying all the contenders. We also like that 30% of ASML's revenue comes from servicing, usually a recurring income.

Sales

M&G Global Macro Bond Fund – This fund has a global benchmark which means it comes with a large amount of foreign currency risk. Given our concern that sterling could strengthen on a favourable Brexit scenario, we decided to sell the fund and reduce this exposure.

Anheuser-Busch InBev – We sold this brewing giant because we were concerned about how slowly it's reducing its debt burden after the SABMiller takeover. Also, increasing competition in beer markets may lead to a lack of pricing power.

Investec Emerging Markets Local Currency Debt Fund – We took profits following a strong run for emerging market debt.

Julius Baer Multibond Emerging Markets Bond Fund – Emerging market debt can be a fickle place, so we took profits after its spread above US Treasuries fell to around 300 basis points. Historically, this tends to be a low point for emerging markets.

Brown Advisory US Small Cap Blend Fund – We exited this fund as part of our continuing move toward more direct equity investments.

Outlook

In a bid to protect Americans against the tyrannies of cheaper materials and consumer products, President Donald Trump levelled tens of billions of tariffs at China this quarter. China responded with a proportionate amount of new tariffs on American goods and a warning that it didn't want a trade war. Mr Trump on the other hand, has welcomed an escalation of the trade dispute, saying it would help rebalance the Sino-American relationship. In reality, neither country would do well out of a sustained increase in protectionism. China's appetite for foreign metals, hogs and services is voracious, while millions of US workers depend on cheap imported parts that go into much more valuable exports and muted American wage growth has been assuaged by low-priced foreign televisions, fridges and cars. Stock markets have lurched around as the world's largest markets trade new and wider tariffs. However, as with all things Trump, we are hesitant to take anything at face value. The tariffs aren't set to go live till May and throughout the debacle high-level figures of the Trump administration have been negotiating in China. There's a good chance that this brinkmanship will end with some compromises on trade, but no new widespread barriers to trade. China will keep its most important end market, and Mr Trump can show his Main Street base that he went to bat for them. There's still a large risk that this spirals out of hand and damages global growth. This uncertainty will continue to weigh on stock markets until it is satisfactorily resolved.

Meanwhile, US dollar Libor, an interest rate used to benchmark trillions of dollars in loans and other transactions, has almost doubled since October. So many factors influence this rate, so it's virtually impossible to say with any certainty what's behind it (although many people will try!). What's important to us is the effect: short-term borrowing costs for US firms have increased drastically at a time when corporate debt is elevated. This reinforces our preference for companies with low levels of debt, as they will be less effected by this move in interest rates.

This is just one of several factors pushing up companies' cost of capital – the return that investors need to justify the risks of an investment. As this cost of capital creeps up, driven by higher debt payments and greater uncertainty, the share prices of lower-growth companies will be pushed down. We think the remainder of 2018 will be as bumpy as the past few months, but we are optimistic about the state of the world economy and therefore the growth prospects for quality firms. Solid, reliable growth should attract investors in the long-run, regardless of today's tweets or tomorrow's headlines.

David Coombs
Fund Manager
23 April 2018

Will McIntosh-Whyte
Assistant Fund Manager

Net asset value per share and comparative tables

R-Class accumulation shares

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	156.01p	139.76p	114.31p	117.25p
Return before operating charges*	2.19p	18.69p	27.65p	(0.33p)
Operating charges	(1.29p)	(2.44p)	(2.20p)	(2.61p)
Return after operating charges*	0.90p	16.25p	25.45p	(2.94p)
Distributions on accumulation shares	(0.12p)	(0.03p)	(0.40p)	–
Retained distributions on accumulation shares	0.12p	0.03p	0.40p	–
Closing net asset value per share	156.91p	156.01p	139.76p	114.31p

*after direct transactions costs¹ of: 0.09p 0.20p 0.26p 0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges 0.58% 11.63% 22.26% (2.51%)

Other information

Closing net asset value	£389,468	£306,216	£354,438	£330,547
Closing number of shares	248,214	196,284	253,611	289,156
Operating charges UCITS	1.79%	1.84%	1.98%	2.65%
Operating charges PRIIPS	2.01%	–	–	–
Direct transaction costs	0.06%	0.14%	0.21%	0.05%

Prices

Highest share price	166.84p	157.55p	140.68p	135.37p
Lowest share price	155.58p	137.54p	110.78p	110.20p

Net asset value per share and comparative tables *(continued)***I-Class accumulation shares[†]**

	31.03.18	30.09.17	30.09.16	30.09.15
	pence per share	pence per share	pence per share	pence per share
Change in net assets per share				
Opening net asset value per share	n/a	n/a	n/a	119.47p
Return before operating charges*	n/a	n/a	n/a	10.63p
Operating charges	n/a	n/a	n/a	(1.45p)
Return after operating charges*	n/a	n/a	n/a	9.18p
Distributions on accumulation shares	n/a	n/a	n/a	—
Retained distributions on accumulation shares	n/a	n/a	n/a	—
Cancellation price	n/a	n/a	n/a	(128.65p)
Closing net asset value per share	n/a	n/a	n/a	—
*after direct transactions costs ¹ of:	n/a	n/a	n/a	0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	n/a	n/a	n/a	7.68%
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Other information

Closing net asset value	n/a	n/a	n/a	—
Closing number of shares	n/a	n/a	n/a	—
Operating charges	n/a	n/a	n/a	n/a
Direct transaction costs	n/a	n/a	n/a	0.05%

Prices

Highest share price	n/a	n/a	n/a	138.49p
Lowest share price	n/a	n/a	n/a	112.33p

[†] I-Class accumulation was closed on 28 October 2015.

Net asset value per share and comparative tables *(continued)***S-Class accumulation shares**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share	30.09.15 pence per share
Change in net assets per share				
Opening net asset value per share	166.74p	147.95p	119.80p	121.66p
Return before operating charges*	2.33p	19.81p	29.17p	(0.48p)
Operating charges	(0.53p)	(1.02p)	(1.02p)	(1.38p)
Return after operating charges*	1.80p	18.79p	28.15p	(1.86p)
Distributions on accumulation shares	(1.00p)	(1.63p)	(1.75p)	–
Retained distributions on accumulation shares	1.00p	1.63p	1.75p	–
Closing net asset value per share	168.54p	166.74p	147.95p	119.80p

*after direct transactions costs¹ of: 0.10p 0.22p 0.27p 0.07p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges 1.08% 12.70% 23.50% (1.53%)

Other information

Closing net asset value	£43,836,931	£33,461,332	£16,978,255	£10,569,105
Closing number of shares	26,009,126	20,067,541	11,475,895	8,821,936
Operating charges UCITS	0.79%	0.84%	0.99%	1.62%
Operating charges PRIIPS	1.01%	–	–	–
Direct transaction costs	0.06%	0.14%	0.21%	0.05%

Prices

Highest share price	178.89p	168.20p	148.92p	141.20p
Lowest share price	167.09p	145.79p	116.54p	114.39p

Net asset value per share and comparative tables *(continued)***X-Class accumulation shares[†]**

	31.03.18 pence per share	30.09.17 pence per share	30.09.16 pence per share
Change in net assets per share			
Opening net asset value per share	126.40p	111.61p	100.00p
Return before operating charges*	1.76p	14.96p	11.70p
Operating charges	(0.07p)	(0.17p)	(0.09p)
Return after operating charges*	1.69p	14.79p	11.61p
Distributions on accumulation shares	(1.08p)	(1.83p)	(0.56p)
Retained distributions on accumulation shares	1.08p	1.83p	0.56p
Closing net asset value per share	128.09p	126.40p	111.61p
*after direct transactions costs ¹ of:	0.08p	0.17p	0.23p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	1.34%	13.25%	11.61%
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Other information

Closing net asset value	£14,263,149	£8,536,091	£1,230,822
Closing number of shares	11,135,558	6,752,976	1,102,750
Operating charges UCITS	0.29%	0.34%	0.42%
Operating charges PRIIPS	0.51%	—	—
Direct transaction costs	0.06%	0.14%	0.21%

Prices

Highest share price	135.82p	127.46p	112.34p
Lowest share price	126.97p	110.08p	97.94p

[†] X-Class accumulation was launched on 20 May 2016.

Net asset value per share and comparative tables *(continued)***M-Class accumulation shares[†]**

	31.03.18	30.09.17
	pence per share	pence per share
Change in net assets per share		
Opening net asset value per share	100.03p	100.00p
Return before operating charges*	1.37p	0.28p
Operating charges	(0.43p)	(0.25p)
Return after operating charges*	0.94p	0.03p
Distributions on accumulation shares	(0.47p)	(0.16p)
Retained distributions on accumulation shares	0.47p	0.16p
Closing net asset value per share	100.97p	100.03p

*after direct transactions costs¹ of: 0.06p 0.14p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges 0.94% 0.03%

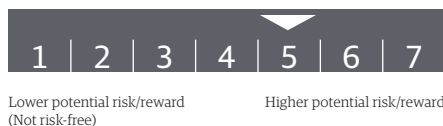
Other information

Closing net asset value	£420,365	£6,529
Closing number of shares	416,333	6,527
Operating charges UCITS	1.04%	1.10%
Operating charges PRIIPS	0.25%	–
Direct transaction costs	0.06%	0.14%

Prices

Highest share price	107.21p	101.06p
Lowest share price	100.10p	98.51p

[†] M-Class accumulation was launched on 16 June 2017.

Risk and reward profile as published in the fund's most recent Key Investor Information Document

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

Net asset value per share and comparative tables *(continued)***Discrete annual performance, quarter ending 31 March 2018**

	2014	2015	2016	2017	2018
R-Class shares	-0.64%	16.24%	-4.98%	21.48%	3.99%
S-Class shares	0.43%	17.41%	-4.02%	22.66%	5.02%
UK Consumer Price Index +5%	6.70%	4.99%	5.57%	7.40%	7.06%

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

Portfolio and net other assets as at 31 March 2018

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets	
United Kingdom (30.09.17: 23.47%)			
39,000	Advance Developing Markets Fund ^{††}	234,000	0.40
11,000	Carnival*	503,580	0.86
11,150	Ferguson*	596,525	1.01
46,400	HG Capital Trust ^{††}	818,960	1.39
340,000	ITV*	490,110	0.83
17,000	JP Morgan Smaller Companies Investment Trust ^{††}	187,000	0.32
240,000	Legal & General*	618,720	1.05
430,000	Lloyds Banking Group*	278,038	0.47
13,000	Mercantile Investment Trust ^{††}	268,450	0.46
32,400	Micro Focus International*	319,723	0.54
£100,000	Old Mutual 8% 2021**	113,070	0.19
42,500	Pantheon International ^{††}	803,250	1.36
82,000	Polar Capital Technology Trust ^{††}	890,520	1.51
£120,000	Principality Building Society 7% VRN perp**	125,844	0.21
235,000	Rentokil Initial*	638,495	1.08
16,500	Rio Tinto*	595,815	1.01
24,000	Royal Dutch Shell 'A'*	536,040	0.91
100,000	Schroder Japan Growth Investment Trust ^{††}	207,000	0.35
63,000	Schroder UK Mid Cap Fund*	328,860	0.56
40,600	Smith & Nephew*	540,183	0.92
112,000	Strategic Equity Capital*	250,880	0.43
6,000	Tencent*	223,224	0.38
15,500	Unilever*	613,103	1.04
300,000	Vodafone*	582,180	0.99
Total United Kingdom		10,763,570	18.27
Asian (Ex Japan) (30.09.17: 7.69%)			
99,000	AIA*	596,630	1.01
45,000	ChinaAMC China Opportunities Fund	768,092	1.30
181,400	Edinburgh Dragon Trust*	658,482	1.12
218,539	Invesco Asia Trust ^{††}	600,982	1.02
200,000	Martin Currie Asia Unconstrained Trust ^{††}	760,000	1.29
52,492	Scottish Oriental Smaller Companies Fund*	498,674	0.85
2,000	Veritas Asian Fund	684,928	1.16
Total Asian (Ex Japan)		4,567,788	7.75

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Bermuda (30.09.17: 0.85%)		
590,000 CATCo Reinsurance Opportunities*	302,823	0.51
500,000 CATCo Reinsurance Opportunities C Shares*	365,341	0.62
Total Bermuda	668,164	1.13
Canada (30.09.17: 0.94%)		
250,000 RBC Capital Markets**	456,950	0.78
China (30.09.17: 0.66%)		
200,000 TravelSky Technology*	411,459	0.70
Continental Europe (30.09.17: 0.88%)		
32,500 TR European Growth Investment Trust*	340,600	0.58
Denmark (30.09.17: 0.97%)		
6,600 Christian Hansen*	403,969	0.69
22,000 Danske Bank*	584,270	0.99
Total Denmark	988,239	1.68
Emerging Markets (30.09.17: 4.90%)		
16,900 Ashmore SICAV Emerging Markets Short Duration Fund	1,832,129	3.11
110,000 JP Morgan Emerging Markets Investment Trust ^{††}	935,000	1.59
Total Emerging Markets	2,767,129	4.70
Finland (30.09.17: 0.95%)		
12,750 Sampo Oyj*	504,578	0.86
France (30.09.17: 1.52%)		
1,300 Eurofins Scientific*	488,714	0.83
11,000 Total SA*	444,869	0.76
1,000 Ubisoft Entertainment*	60,055	0.10
Total France	993,638	1.69
Germany (30.09.17: 1.90%)		
5,250 Dürr AG*	411,208	0.70
4,800 Henkel preference*	449,648	0.76
Total Germany	860,856	1.46

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Ireland (30.09.17: 3.82%)		
1,050,000 Carador Income Fund ^{††}	479,042	0.81
9,600 DCC*	629,760	1.07
20,000 Johnson Controls*	502,281	0.85
41,300 Source Bloomberg Commodity UCITS ETF [†]	520,813	0.89
10,000 Source LGIM Commodity Composite UCITS ETF [†]	473,482	0.80
Total Ireland	2,605,378	4.42
Italy (30.09.17: 0.00%)		
99,000 Davide Campari*	533,785	0.91
Japan (30.09.17: 8.07%)		
60,000 Baillie Gifford Shin Nippon Trust ^{††*}	565,200	0.96
145,000 Coupland Cardiff Japan Alpha Fund	2,329,860	3.95
58,000 Goodhart Partners Horizon Michinori Japan Equity Fund	1,124,562	1.91
250,000 JP Morgan Japanese Trust ^{††}	1,102,500	1.87
Total Japan	5,122,122	8.69
Netherlands (30.09.17: 1.11%)		
4,200 ASML*	589,518	1.00
42,500 RELX*	627,089	1.07
Total Netherlands	1,216,607	2.07
Sweden (30.09.17: 0.90%)		
35,500 Assa Abloy 'B'*	544,821	0.92
Switzerland (30.09.17: 1.85%)		
8,000 Novartis*	460,113	0.78
3,850 Roche*	627,948	1.07
Total Switzerland	1,088,061	1.85
United States (30.09.17: 21.02%)		
2,250 Activision Blizzard*	108,137	0.18
800,000 AHFM US Enhanced Equity Fund	755,061	1.28
840 Alphabet 'C'*	617,701	1.05
600 Amazon.com*	617,626	1.05
4,200 Amgen*	510,359	0.87
9,250 Aptiv*	560,222	0.95
11,000 BankUnited*	313,502	0.53
17,000 Coca-Cola*	526,433	0.89
8,500 Colgate-Palmolive*	434,392	0.74

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
11,250 Discover Financial Services*	573,888	0.97
1,300 Electronic Arts*	112,355	0.19
4,750 Estée Lauder*	506,795	0.86
7,920 Exxon Mobil*	421,293	0.72
9,200 First Republic Bank*	607,037	1.03
2,750 Lockheed Martin*	662,466	1.12
3,700 Mastercard*	461,814	0.78
4,750 Nike 'B'*	224,227	0.38
7,700 Northern Trust*	566,083	0.96
5,750 PPG Industries*	457,524	0.78
10,200 S&P 500 Composite Warrants 2019 RBC	710,430	1.21
8,800 Schlumberger*	406,376	0.69
10,000 Source Morningstar US Energy Infrastructure UCITS ETF [†]	352,600	0.60
1,000 Take-Two Interactive*	69,704	0.12
1,600,000 UBS AG 9.32% preference 2024	1,097,120	1.86
3,000 Ulta Salon Cosmetics & Fragrance*	436,826	0.74
\$1,000,000 US Treasury 0.25% Index-Linked 2025**	729,322	1.24
13,000 Verizon Communications*	443,157	0.75
5,300 Visa*	451,906	0.77
7,400 Wabtec*	429,240	0.73
Total United States	14,163,596	24.04
Global (30.09.17: 5.71%)		
4,480 Ashmore Global Opportunities Fund ^{††*}	15,232	0.03
12,000 Aspect Capital Diversified Trends Fund	1,475,040	2.50
131,000 Biotech Growth Trust*	914,380	1.55
50,960 JP Morgan Indian Investment Trust ^{††*}	342,961	0.58
345,000 SQN Asset Finance Income Fund ^{††}	304,290	0.52
280,000 SQN Asset Finance Income Fund 'C' ^{††}	249,200	0.42
Total Global	3,301,103	5.60
Alternative Investments (30.09.17: 3.03%)		
1,250,000 HSBC Bank 1019 FTSE Accelerator ELN 2023	1,100,875	1.87
7,000,000 UBS AG 1094 Euro Style Put Warrants S&P500 2018	37,425	0.06
Total Alternative Investments	1,138,300	1.93

Portfolio and net other assets as at 31 March 2018 *(continued)*

Holding (Collective Investment Schemes unless otherwise stated)	Value £	Percentage of total net assets
Forward Foreign Exchange Contracts (30.09.17: (0.04%))		
Buy £3,950,717, Sell €4,500,000	(5,951)	(0.01)
Buy £9,894,038, Sell \$14,000,000	(48,320)	(0.08)
Buy £4,782,199, Sell ¥715,000,000	(20,731)	(0.04)
Total Forward Foreign Exchange Contracts	(75,002)	(0.13)
Total value of investments (30.09.17: 91.00%)	52,961,742	89.90
Net other assets (30.09.17: 9.00%)	5,948,171	10.10
Total value of the fund as at 31 March 2018	58,909,913	100.00

Countries eliminated since the beginning of the year:

Belgium 0.80%

* Equity shares

** Debt securities

† Open-ended Exchange Traded Funds (ETFs)

†† Closed-end funds

Summary of portfolio investments

	Value £	Percentage of total net assets
Debt Securities	1,425,186	2.42
Equity Securities	40,156,691	68.18
Collective Investment Schemes	10,316,567	17.50
Structured Products	1,138,300	1.93
Forward Foreign Exchange Contracts	(75,002)	(0.13)
Total value of investments	52,961,742	89.90

Statement of total return for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Income				
Net capital gains		448,806		12,392,446
Revenue	2,999,871		1,678,070	
Expenses	(697,845)		(364,307)	
Interest payable and similar charges	—		(4,753)	
Net revenue before taxation	2,302,026		1,309,010	
Taxation	(119,541)		(72,532)	
Net revenue after taxation		2,182,485		1,236,478
Total return before distributions		2,631,291		13,628,924
Distributions		(2,616,703)		(1,531,632)
Change in net assets attributable to shareholders from investment activities		14,588		12,097,292

Statement of change in net assets attributable to shareholders for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Opening net assets attributable to shareholders		334,545,193		208,409,418
Amounts receivable on issue of shares	141,469,931		73,330,212	
Amounts payable on cancellation of shares	(57,865,249)		(29,788,293)	
		83,604,682		43,541,919
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		14,588		12,097,292
Retained distributions on accumulation shares		1,937,826		974,786
Closing net assets attributable to shareholders		420,102,289		265,023,415

Rathbone Strategic Growth Portfolio
Balance sheet as at 31 March 2018

	31.03.18	31.03.18	30.09.17	30.09.17
	£	£	£	£
Assets				
Fixed assets:				
Investments	352,344,009		280,797,760	
Current assets:				
Debtors	10,170,660		6,370,613	
Cash and bank balances	66,461,337		52,895,460	
Total assets	428,976,006		340,063,833	
Liabilities				
Investment liabilities	(537,460)		(98,425)	
Creditors:				
Other creditors	(7,896,018)		(5,087,620)	
Distribution payable on income shares	(440,239)		(332,595)	
Total liabilities	(8,873,717)		(5,518,640)	
Net assets attributable to shareholders	420,102,289		334,545,193	

Notes to the interim financial statements

Accounting policies

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

All accounting policies applied are consistent with those of the annual report for the year ended 30 September 2017 and are detailed in full in those financial statements.

Portfolio transaction costs

Total purchases and sales transactions for the half year ended 31 March 2018 were £113,426,283 and £38,546,453 respectively.

Statement of total return for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Income				
Net capital (losses)/gains		(786,869)		712,290
Revenue	540,579		247,187	
Expenses	(114,834)		(63,065)	
Interest payable and similar charges	—		(265)	
Net revenue before taxation	425,745		183,857	
Taxation	(37,852)		(14,406)	
Net revenue after taxation		387,893		169,451
Total return before distributions		(398,976)		881,741
Distributions		(532,156)		(269,268)
Change in net assets attributable to shareholders from investment activities		(931,132)		612,473

Statement of change in net assets attributable to shareholders for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Opening net assets attributable to shareholders		31,468,525		12,328,772
Amounts receivable on issue of shares	8,712,698		8,915,691	
Amounts payable on cancellation of shares	(871,303)		(747,686)	
		7,841,395		8,168,005
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(931,132)		612,473
Retained distributions on accumulation shares		23,376		10,030
Closing net assets attributable to shareholders		38,402,164		21,119,280

Balance sheet as at 31 March 2018

	31.03.18 £	31.03.18 £	30.09.17 £	30.09.17 £
Assets				
Fixed assets:				
Investments		34,745,237		30,979,505
Current assets:				
Debtors	2,107,716		415,581	
Cash and bank balances	2,030,246		1,895,629	
Total assets		38,883,199		33,290,715
Liabilities				
Investment liabilities		(32,328)		(8,330)
Creditors:				
Distribution payable on income shares	(192,565)		(196,160)	
Other creditors	(256,142)		(1,617,700)	
Total liabilities		(481,035)		(1,822,190)
Net assets attributable to shareholders		38,402,164		31,468,525

Notes to the interim financial statements

Accounting policies

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

All accounting policies applied are consistent with those of the annual report for the year ended 30 September 2017 and are detailed in full in those financial statements.

Portfolio transaction costs

Total purchases and sales transactions for the half year ended 31 March 2018 were £5,716,000 and £791,760 respectively.

Statement of total return for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Income				
Net capital (losses)/gains		(2,231,725)		3,279,055
Revenue	1,916,331		987,015	
Expenses	(515,338)		(270,707)	
Interest payable and similar charges	(252)		(1,759)	
Net revenue before taxation	1,400,741		714,549	
Taxation	(142,280)		(59,295)	
Net revenue after taxation		1,258,461		655,254
Total return before distributions		(973,264)		3,934,309
Distributions		(1,657,633)		(866,409)
Change in net assets attributable to shareholders from investment activities		(2,630,897)		3,067,900

Statement of change in net assets attributable to shareholders for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Opening net assets attributable to shareholders		240,486,548		150,498,851
Amounts receivable on issue of shares	91,989,657		73,658,671	
Amounts payable on cancellation of shares	(50,999,322)		(31,742,073)	
		40,990,335		41,916,598
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(2,630,897)		3,067,900
Retained distributions on accumulation shares		1,329,623		679,311
Closing net assets attributable to shareholders		280,175,609		196,162,660

Balance sheet as at 31 March 2018

	31.03.18 £	31.03.18 £	30.09.17 £	30.09.17 £
Assets				
Fixed assets:				
Investments		251,726,668		231,257,332
Current assets:				
Debtors		5,090,246	3,948,175	
Cash and bank balances	26,889,251		8,771,739	
Total assets		283,706,165		243,977,246
Liabilities				
Investment liabilities		(237,182)		(34,291)
Creditors:				
Other creditors		(3,088,202)	(3,456,358)	
Distribution payable on income shares		(205,172)	(49)	
Total liabilities		(3,530,556)		(3,490,698)
Net assets attributable to shareholders		280,175,609		240,486,548

Notes to the interim financial statements

Accounting policies

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

All accounting policies applied are consistent with those of the annual report for the year ended 30 September 2017 and are detailed in full in those financial statements.

Portfolio transaction costs

Total purchases and sales transactions for the half year ended 31 March 2018 were £170,850,802 and £146,188,155 respectively.

Statement of total return for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Income				
Net capital (losses)/gains		(238,322)		1,595,415
Revenue	477,868		180,116	
Expenses	(126,789)		(60,916)	
Interest payable and similar charges	—		(372)	
Net revenue before taxation	351,079		118,828	
Taxation	(20,891)		(8,878)	
Net revenue after taxation		330,188		109,950
Total return before distributions		91,866		1,705,365
Distributions		(329,751)		(116,195)
Change in net assets attributable to shareholders from investment activities		(237,885)		1,589,170

Statement of change in net assets attributable to shareholders for the half year ended 31 March 2018

	31.03.18 £	31.03.18 £	31.03.17 £	31.03.17 £
Opening net assets attributable to shareholders		42,310,168		18,563,515
Amounts receivable on issue of shares	17,657,927		7,501,584	
Amounts payable on cancellation of shares	(1,202,907)		(1,108,088)	
		16,455,020		6,393,496
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(237,885)		1,589,170
Retained distributions on accumulation shares		382,610		142,909
Closing net assets attributable to shareholders		58,909,913		26,689,090

Rathbone Enhanced Growth Portfolio
Balance sheet as at 31 March 2018

	31.03.18 £	31.03.18 £	30.09.17 £	30.09.17 £
Assets				
Fixed assets:				
Investments		53,036,744		38,520,442
Current assets:				
Debtors	865,418		884,152	
Cash and bank balances	5,361,733		4,088,155	
Total assets		59,263,895		43,492,749
Liabilities				
Investment liabilities		(75,002)		(16,500)
Creditors:				
Other creditors	(278,980)		(1,166,081)	
Total liabilities		(353,982)		(1,182,581)
Net assets attributable to shareholders		58,909,913		42,310,168

Notes to the interim financial statements

Accounting policies

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS102 and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by The Investment Association in May 2014.

All accounting policies applied are consistent with those of the annual report for the year ended 30 September 2017 and are detailed in full in those financial statements.

Portfolio transaction costs

Total purchases and sales transactions for the half year ended 31 March 2018 were £19,331,125 and £4,218,131 respectively

Distribution tables for the half year ended 31 March 2018

Distribution tables (pence per share)

First Interim

Group 1 – Shares purchased prior to 1 October 2017

Group 2 – Shares purchased on or after 1 October 2017 and on or before 31 December 2017

R-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.55	–	0.55	0.55
Group 2	0.31	0.24	0.55	0.55
R-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.59	–	0.59	0.59
Group 2	0.31	0.28	0.59	0.59
S-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.45	–	0.45	0.45
Group 2	0.22	0.23	0.45	0.45
S-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.48	–	0.48	0.47
Group 2	0.23	0.25	0.48	0.47
X-Class income*	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.36	–	0.36	0.35
Group 2	0.15	0.21	0.36	0.35
X-Class accumulation**	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.38	–	0.38	0.37
Group 2	0.19	0.19	0.38	0.37
M-Class income***	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.32	–	0.32	n/a
Group 2	0.32	0.00	0.32	n/a
M-Class accumulation****	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.33	–	0.33	n/a
Group 2	0.19	0.14	0.33	n/a

Distribution tables (pence per share) *(continued)*

Second Interim

Group 1 – Shares purchased prior to 1 January 2018

Group 2 – Shares purchased on or after 1 January 2018 and on or before 31 March 2018

R-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.63	–	0.63	0.54
Group 2	0.47	0.16	0.63	0.54
R-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.70	–	0.70	0.59
Group 2	0.22	0.48	0.70	0.59
S-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.53	–	0.53	0.45
Group 2	0.28	0.25	0.53	0.45
S-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.57	–	0.57	0.48
Group 2	0.35	0.22	0.57	0.48
X-Class income* shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.41	–	0.41	0.35
Group 2	0.27	0.14	0.41	0.35
X-Class accumulation** shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.44	–	0.44	0.37
Group 2	0.25	0.19	0.44	0.37
M-Class income*** shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.37	–	0.37	n/a
Group 2	0.23	0.14	0.37	n/a
M-Class accumulation**** shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.38	–	0.38	n/a
Group 2	0.25	0.13	0.38	n/a

Distribution tables (pence per share) *(continued)*

* X-Class income was launched on 19 July 2016.

** X-Class accumulation was launched on 20 May 2016.

*** M-Class income was launched on 23 June 2017.

**** M-Class accumulation was launched on 5 April 2017.

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018

Distribution tables (pence per share)**First Interim**

Group 1 – Shares purchased prior to 1 October 2017

Group 2 – Shares purchased on or after 1 October 2017 and on or before 31 October 2017

S-Class income shares	Net Income	Equalisation	Paid 29.12.17	Paid 31.12.16
Group 1	0.30	–	0.30	0.24
Group 2	0.05	0.25	0.30	0.24

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	79.96%
Unfranked investment income	20.04%
Depository net liability to corporation tax	0.01586770 pence per share

S-Class accumulation shares	Net Income	Equalisation	Accumulated 29.12.17	Accumulated 31.12.16
Group 1	0.30	–	0.30	0.25
Group 2	0.14	0.16	0.30	0.25

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	80.05%
Unfranked investment income	19.95%
Depository net liability to corporation tax	0.01704866 pence per share

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018 *(continued)***Distribution tables (pence per share)** *(continued)*

Second Interim

Group 1 – Shares purchased prior to 1 November 2017

Group 2 – Shares purchased on or after 1 November 2017 and on or before 30 November 2017

S-Class income shares	Net Income	Equalisation	Paid 31.01.18	Paid 31.01.17
Group 1	0.30	—	0.30	0.24
Group 2	0.03	0.27	0.30	0.24

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	63.19%
Unfranked investment income	36.81%
Depository net liability to corporation tax	0.02431859 pence per share

S-Class accumulation shares	Net Income	Equalisation	Accumulated 31.01.18	Accumulated 31.01.17
Group 1	0.30	—	0.30	0.24
Group 2	0.07	0.23	0.30	0.24

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	63.72%
Unfranked investment income	36.28%
Depository net liability to corporation tax	0.02452499 pence per share

M-Class income shares*	Net Income	Equalisation	Paid 31.01.18	Paid 31.01.17
Group 1	0.23	—	0.23	n/a
Group 2	0.23	0.00	0.23	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	74.12%
Unfranked investment income	25.88%
Depository net liability to corporation tax	0.01236233 pence per share

* The M-Class income share class was launched on 2 November 2017.

Distribution tables (pence per share) *(continued)***Equalisation**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Third Interim

Group 1 – Shares purchased prior to 1 December 2017

Group 2 – Shares purchased on or after 1 December 2017 and on or before 31 December 2017

S-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.30	—	0.30	0.30
Group 2	0.07	0.23	0.30	0.30

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	34.01%
Unfranked investment income	65.99%
Depository net liability to corporation tax	0.04158964 pence per share

S-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.30	—	0.30	0.32
Group 2	0.00	0.30	0.30	0.32

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	33.79%
Unfranked investment income	66.21%
Depository net liability to corporation tax	0.04536095 pence per share

Distribution tables (pence per share) *(continued)*

M-Class income shares*	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.26	—	0.26	n/a
Group 2	0.26	0.00	0.26	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	36.35%
Unfranked investment income	63.65%
Depository net liability to corporation tax	0.03259159 pence per share

* M-Class income was launched on 2 November 2017.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Fourth Interim

Group 1 – Shares purchased prior to 1 January 2018

Group 2 – Shares purchased on or after 1 January 2018 and on or before 31 January 2018

S-Class income shares	Net Income	Equalisation	Paid 29.03.18	Paid 31.03.17
Group 1	0.30	—	0.30	0.21
Group 2	0.07	0.23	0.30	0.21

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	65.90%
Unfranked investment income	34.10%
Depository net liability to corporation tax	0.01716139 pence per share

Distribution tables (pence per share) *(continued)*

S-Class accumulation shares	Net Income	Equalisation	Accumulated 29.03.18	Accumulated 31.03.17
Group 1	0.30	—	0.30	0.22
Group 2	0.00	0.30	0.30	0.22

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	65.88%
Unfranked investment income	34.12%
Depository net liability to corporation tax	0.01823692 pence per share

M-Class income shares*	Net Income	Equalisation	Paid 29.03.18	Paid 31.03.17
Group 1	0.19	—	0.19	n/a
Group 2	0.10	0.09	0.19	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	61.99%
Unfranked investment income	38.01%
Depository net liability to corporation tax	0.00812661 pence per share

M-Class accumulation shares**	Net Income	Equalisation	Accumulated 29.03.18	Accumulated 31.03.17
Group 1	0.11	—	0.11	n/a
Group 2	0.11	0.00	0.11	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

* M-Class income was launched on 2 November 2017.

** M-Class accumulation was launched on 9 January 2018.

Distribution tables for the half year ended 31 March 2018 *(continued)***Distribution tables (pence per share)** *(continued)***Equalisation**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Fifth Interim

Group 1 – Shares purchased prior to 1 February 2018

Group 2 – Shares purchased on or after 1 February 2018 and on or before 28 February 2018

S-Class income shares	Net Income	Equalisation	Paid 30.04.18	Paid 28.04.17
Group 1	0.30	—	0.30	0.25
Group 2	0.07	0.23	0.30	0.25

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of his distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	64.38%
Unfranked investment income	35.62%
Depository net liability to corporation tax	0.02470401 pence per share

S-Class accumulation shares	Net Income	Equalisation	Accumulated 30.04.18	Accumulated 28.04.17
Group 1	0.30	—	0.30	0.25
Group 2	0.00	0.30	0.30	0.25

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	64.09%
Unfranked investment income	35.91%
Depository net liability to corporation tax	0.02962936 pence per share

Distribution tables (pence per share) *(continued)*

M-Class income shares*	Net Income	Equalisation	Paid 30.04.18	Paid 28.04.17
Group 1	0.29	—	0.29	n/a
Group 2	0.19	0.10	0.29	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	70.56%
Unfranked investment income	29.44%
Depository net liability to corporation tax	0.01520520 pence per share

M-Class accumulation shares**	Net Income	Equalisation	Accumulated 30.04.18	Accumulated 28.04.17
Group 1	0.29	—	0.29	n/a
Group 2	0.29	0.00	0.29	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	57.27%
Unfranked investment income	42.73%
Depository net liability to corporation tax	0.02500000 pence per share

* M-Class income was launched on 2 November 2017.

** M-Class accumulation was launched on 9 January 2018.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018 *(continued)***Distribution tables (pence per share)** *(continued)***Sixth Interim**

Group 1 – Shares purchased prior to 1 March 2018

Group 2 – Shares purchased on or after 1 March 2018 and on or before 31 March 2018

S-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.30	–	0.30	0.61
Group 2	0.00	0.30	0.30	0.61

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	0.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	pence per share

S-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.30	–	0.30	0.67
Group 2	0.00	0.30	0.30	0.67

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	0.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	pence per share

M-Class income shares*	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.27	–	0.27	n/a
Group 2	0.00	0.27	0.27	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	0.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	pence per share

Distribution tables (pence per share) *(continued)*

M-Class accumulation shares**	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.27	—	0.27	n/a
Group 2	0.27	0.00	0.27	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	0.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	pence per share

* M-Class income was launched on 2 November 2017.

** M-Class accumulation was launched on 9 January 2018.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018

Distribution tables (pence per share)**First Interim**

Group 1 – Shares purchased prior to 1 October 2017

Group 2 – Shares purchased on or after 1 October 2017 and on or before 31 December 2017

R-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.39	–	0.39	0.25
Group 2	0.09	0.30	0.39	0.25

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

R-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.44	–	0.44	0.27
Group 2	0.28	0.16	0.44	0.27

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Distribution tables (pence per share) *(continued)*

S-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.35	—	0.35	0.21
Group 2	0.19	0.16	0.35	0.21

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	81.90%
Unfranked investment income	18.10%
Depository net liability to corporation tax	0.00947079 pence per share

S-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.38	—	0.38	0.22
Group 2	0.20	0.18	0.38	0.22

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	82.26%
Unfranked investment income	17.74%
Depository net liability to corporation tax	0.01000054 pence per share

Distribution tables (pence per share) *(continued)*

X-Class income shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.30	—	0.30	0.18
Group 2	0.17	0.13	0.30	0.18

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	52.19%
Unfranked investment income	47.81%
Depository net liability to corporation tax	0.03645259 pence per share

X-Class accumulation shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.32	—	0.32	0.19
Group 2	0.16	0.16	0.32	0.19

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	52.34%
Unfranked investment income	47.66%
Depository net liability to corporation tax	0.03769766 pence per share

Distribution tables (pence per share) *(continued)*

M-Class income* shares	Net Income	Equalisation	Paid 28.02.18	Paid 28.02.17
Group 1	0.29	—	0.29	n/a
Group 2	0.29	0.00	0.29	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

M-Class accumulation** shares	Net Income	Equalisation	Accumulated 28.02.18	Accumulated 28.02.17
Group 1	0.29	—	0.29	n/a
Group 2	0.12	0.17	0.29	n/a

* M-Class income was launched on 23 June 2017.

** M-Class accumulation was launched on 26 May 2017.

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018 *(continued)***Distribution tables (pence per share)** *(continued)*

Second Interim

Group 1 – Shares purchased prior to 1 January 2018

Group 2 – Shares purchased on or after 1 January 2018 and on or before 31 March 2018

R-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.43	—	0.43	0.41
Group 2	0.39	0.04	0.43	0.41

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

R-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.49	—	0.49	0.46
Group 2	0.25	0.24	0.49	0.46

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Distribution tables (pence per share) *(continued)*

S-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.38	—	0.38	0.37
Group 2	0.23	0.15	0.38	0.37

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	85.97%
Unfranked investment income	14.03%
Depository net liability to corporation tax	0.00939201 pence per share

S-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.42	—	0.42	0.39
Group 2	0.23	0.19	0.42	0.39

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	86.09%
Unfranked investment income	13.91%
Depository net liability to corporation tax	0.00989945 pence per share

Distribution tables for the half year ended 31 March 2018 *(continued)***Distribution tables (pence per share)** *(continued)*

X-Class income shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.34	—	0.34	0.32
Group 2	0.19	0.15	0.34	0.32

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	60.34%
Unfranked investment income	39.66%
Depository net liability to corporation tax	0.03406826 pence per share

X-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.35	—	0.35	0.33
Group 2	0.19	0.16	0.35	0.33

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	60.41%
Unfranked investment income	39.59%
Depository net liability to corporation tax	0.03593078 pence per share

Distribution tables (pence per share) *(continued)*

M-Class income* shares	Net Income	Equalisation	Payable 31.05.18	Paid 31.05.17
Group 1	0.33	—	0.33	n/a
Group 2	0.19	0.14	0.33	n/a

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

M-Class accumulation** shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.33	—	0.33	n/a
Group 2	0.23	0.10	0.33	n/a

* M-Class income was launched on 23 June 2017.

** M-Class accumulation was launched on 26 May 2017.

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Distribution tables for the half year ended 31 March 2018

Distribution tables (pence per share)

Group 1 – Shares purchased prior to 1 October 2017

Group 2 – Shares purchased on or after 1 October 2017 and on or before 31 March 2018

R-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.12	–	0.12	0.03
Group 2	0.09	0.03	0.12	0.03

S-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	1.00	–	1.00	0.80
Group 2	0.54	0.46	1.00	0.80

X-Class accumulation shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	1.08	–	1.08	0.89
Group 2	0.49	0.59	1.08	0.89

M-Class accumulation* shares	Net Income	Equalisation	Allocated 31.05.18	Accumulated 31.05.17
Group 1	0.47	–	0.47	n/a
Group 2	0.15	0.32	0.47	n/a

*M-Class accumulation was launched on 16 June 2017.

Notes for corporate shareholders

Corporate shareholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate shareholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depository net liability to corporation tax	nil pence per share

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Directors' statement

This report is approved in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and the FCA's Investment Funds Sourcebook (FUND).

MM Webb
for Rathbone Unit Trust Management Limited
ACD of Rathbone Multi-Asset Portfolio ICVC
17 May 2018

General information

Authorised status

Rathbone Multi-Asset Portfolio (the Company) is an investment Company with variable capital (ICVC) incorporated in England and Wales under registered number 498834 and authorised by the Financial Conduct Authority on 29 May 2009.

Rathbone Multi-Asset Portfolio is structured as an umbrella scheme. Provision exists for an unlimited number of sub-funds, and at the date of this report four sub-funds, Rathbone Strategic Growth Portfolio, Rathbone Strategic Income Portfolio, Rathbone Total Return Portfolio and Rathbone Enhanced Growth Portfolio, are available for investment. If it were itself an investment Company with variable capital in respect of which an authorisation order made by the Financial Conduct Authority were in force. The shareholders are not liable for the debts of the Company.

As a sub-fund is not a legal entity, if the assets attributable to any sub-funds were insufficient to meet the liabilities attributable to it, the shortfall might have to be met out of the assets attributable to one or more other sub-fund.

On 21 December 2011, the Open Ended Investment Company Regulations 2001 (SI 2001/1228) (the Regulations) were amended to introduce a Protected Cell Regime (PCR) for OEICs. Under the PCR, each fund represents a segregated portfolio of assets and accordingly, the asset of each fund belong exclusively to that fund and shall not be used or made available to discharge the liabilities of any other fund.

Investment objectives, policies and strategies

Rathbone Strategic Growth Portfolio

Investment objective

The fund's objective is to seek to achieve a long term total return of between 3% and 5% above the Consumer Price Index (CPI) over a minimum five year period. The fund has a targeted risk budget of two thirds of the volatility of global equities as measured by the MSCI World Equity index. There is no guarantee that the fund will achieve a positive return over this, or any other, period and you may not get back the original amount you invested.

Investment policy

The fund will make investments in a mix of UK and overseas securities, which may include equities, convertibles, loan stock, money market instruments, deposits, warrants, collective investment schemes and other investments to the extent that each is permitted by the FCA Regulations. Collective Investment Schemes are typically established in the UK and Europe including the Channel Islands.

Rathbone Strategic Income Portfolio

Investment objective

The objective of the fund is to seek to generate a long term total return of CPI +3-5% over a minimum five year period subject to a targeted annual minimum yield of 3%. The fund has a targeted risk budget of two thirds of the volatility of the MSCI World index over a rolling three year period. There is no guarantee that the fund will achieve a positive return over this, or any other, period and investors may not get back the original amount they invested.

Investment policy

The fund will make investments in a mix of UK and overseas securities, which may include equities, convertibles, loan stock, money market instruments, deposits, warrants, collective investment schemes and structured products. Collective Investment Schemes are typically established in the UK and Europe and the Channel Islands.

Rathbone Total Return Portfolio

Investment objective

The fund's objective is to seek to achieve a total return in excess of 2% above sterling six month LIBOR over a minimum three year period. The fund has a targeted risk budget of one third of the volatility of global equities as measured by the MSCI World Equity index.

There is no guarantee that the fund will achieve a positive return over this, or any other, period and you may not get back the original amount you invested.

Investment policy

The fund will make investments in a mix of UK and overseas securities, which may include equities, convertibles, loan stock, money market instruments, deposits, warrants, collective investment schemes and other investments to the extent that each is permitted by the FCA Regulations. Collective Investment Schemes are typically established in the UK and Europe including the Channel Islands.

Rathbone Enhanced Growth Portfolio

Investment objective

The fund's objective is to seek to achieve a long term total return in excess of the Consumer Price Index (CPI) +5% over a minimum five to ten year period. The fund has a targeted risk budget of 100% of the volatility of global equities as measured by the MSCI World Equity index. The income yield will at best be minimal. There is no guarantee that the fund will achieve a positive return over this, or any other, period and you may not get back the original amount you invested.

Investment policy

The fund will make investments in a mix of UK and overseas securities, which may include equities, convertibles, loan stock, money market instruments, deposits, warrants, collective investment schemes and other investments to the extent that each is permitted by the investment and borrowing powers of the fund as set out in the Prospectus. The fund will gain exposure to a range of asset classes primarily through investing in other collective investment schemes. Collective Investment Schemes are typically established in the UK and Europe including the Channel Islands.

For all sub-funds

Subject to the FCA Regulations, the relative weightings of each asset class, will be determined by the Manager's view on worldwide securities markets, and their ability to provide both capital return and income over the long term.

The Manager's investment policy may mean that at times it is appropriate for the property of the fund not to be fully invested and for cash or near cash to be held. This will only occur when the Manager reasonably regards it as necessary in order to enable redemption of shares, efficient management of the fund or for a purpose ancillary to the objectives of the fund.

The impact of potential currency movements on the sterling value of capital and income will be taken into account when selecting investments. Derivatives and forward transactions may be used by the sub-funds for the purposes of efficient portfolio management (including hedging). The use of derivatives for investment purposes may increase the volatility of the sub-fund's Net Asset Value, and may increase its risk profile.

Fund benchmark

The benchmark used for the Rathbone Strategic Growth Portfolio is: UK CPI +3% to 5%.

The benchmark used for the Rathbone Strategic Income Portfolio is: UK CPI +3% to 5%.

The benchmark used for the Rathbone Total Return Portfolio is: £ LIBOR +2%.

The benchmark used for the Rathbone Enhanced Growth Portfolio is UK CPI +5%.

Valuation of the sub-funds

The sub-funds are valued on each business day at 12 noon for the purpose of determining prices at which shares in the sub-funds may be bought or sold. Valuations may be made at other times on business days with the Depositary's approval.

Stewardship code

Rathbone Unit Trust Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council. Our statement on complying with the Code can be found on our website: rutm.com

UCITS V Remuneration

The European Securities and Markets Authority (ESMA) published guidelines on sound remuneration policies under the UCITS V Directive in March 2016. As a result the ACD will be subject to the UCITS V remuneration guidelines from 1 January 2017.

In order for the Company to meet its obligations under the UCITS V Directive it will need to ensure that all information provided in the annual report is presented in a manner that provides materially relevant, reliable, comparable and clear information.

The ACD is currently reviewing its remuneration policy as a result of the UCITS V remuneration rules and therefore does not believe that disclosing information for the current financial year would be relevant, comparable and clear. Based on the ESMA guidance published, the Company has omitted any information regarding remuneration at this stage since the first full performance year of the ACD concludes on 31 December 2017.

The ACD commits to full disclosure on remuneration for all periods beginning on or after 1 January 2017, when the full UCITS V remuneration rules apply to the Company.

Buying and selling of shares

The ACD is available to receive requests for the buying and selling of shares on business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for shares (obtainable from the ACD or the Administrator) should be completed and sent to the Administrator. In respect of telephoned orders, remittances should be sent

on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of shares are required to enter their registration details on the form supplied with their contract note. Once shares are paid for these details will be entered on the share register.

Shares can be sold by telephone, fax or letter followed by despatch to the Administrator of the authorisation to sell duly completed by all shareholders.

In the absence of clear written instructions signed by all the registered holders, a Form of Renunciation will be sent out together with the repurchase contract note. This will need to be signed by all registered holders, and returned to our Administrators before settlement can be made. Settlement will be made on whichever is the later of four business days after the dealing date or four days after the receipt of written confirmation.

Shareholders may sell shares on submitting the purchase contract note and a duly executed Deed of Transfer. The issue and redemption of shares will not take place if dealing in the shares is suspended by operation of law or any statute for the time being in place. Sales, in retail units, constituting a "large deal" of £50,000 or more may receive a lower price than the published price.

The minimum initial investment for R-Class shares at present is to the value of £1,000 which may be varied by the ACD. The minimum initial investment for S-Class shares is £1,000. Thereafter holders may invest additional amounts to the value of £500 or more from time to time as they wish. Any number of shares may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

The ACD currently receives an annual remuneration for managing the R-Class, I-Class and S-Class from the property of the fund at the rate of 1.50%, 0.75% and 0.5% respectively.

Statements

A distribution statement showing the rate per share and your shareholding will be sent half yearly on the 31 May and 30 November.

The current value of your shares is shown on a valuation statement, which shows the number of shares bought over the previous six months, the total number of shares in your account and their current value.

Twice yearly on 30 June and 31 December, shareholders will receive a consolidated valuation statement showing, where applicable, their ICVC, Unit Trust and ISA holdings for each fund held.

Prices

The prices of R-Class shares are published in the Financial Times under the heading Rathbone Unit Trust Management Limited. The prices for the I-Class and S-Class shares are available on request from the ACD.

Other information

You can see the Instrument of Incorporation, the Prospectus, the Key Investor Information Document (KIID) and the most recent half yearly report of each sub-fund by visiting the registered offices of the ACD. Copies of the Prospectus, the KIID and the most recent half yearly report of each sub-fund may be obtained free of charge on application to the ACD.

The Register of Shareholders can be inspected during normal business hours at the office of the Registrar, DST Financial Services International Ltd, DST House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ.

Shareholders who have any queries or complaints about the operation of the Company should address them in the first instance to the Compliance Officer, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

If you have occasion to complain, and in the unlikely event that you do not receive a satisfactory response, you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at financial-ombudsman.org.uk

ISA eligibility

The fund has been managed throughout the year to ensure that it is eligible to qualify and be included in an Individual Savings Account (ISA). The fund will at all times be invested in such a way that the units will constitute "Qualifying Investments" for the purposes of the Individual Savings Account (ISA) Regulations 1998, as amended from time to time.

Risk factors

Investments in an investment Company with variable capital should be regarded as a longer term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates which can be favourable or unfavourable. Where the ACD's charge is fully or partly taken out of the fund's capital, distributable income will be increased at the expense of capital which will either be eroded or future growth restricted.

Other funds

Rathbone Unit Trust Management Limited is the Manager of the following funds:

Rathbone Active Income and Growth Fund
Rathbone Blue Chip Income and Growth Fund
Rathbone Core Investment Fund for Charities
Rathbone Dragon Trust
Rathbone Ethical Bond Fund
Rathbone Global Opportunities Fund
Rathbone Heritage Fund
Rathbone Income Fund
Rathbone Spenser Fund
Rathbone Strategic Bond Fund
Rathbone UK Opportunities Fund

and the Authorised Corporate Director of:

Rathbone Global Alpha Fund
Rathbone Pharaoh Fund
Rathbone Quercus Growth Fund
Rathbone Sherwood Fund
Rathbone Sussex Income Fund
Rathbone Sussex Growth Fund

Further details

Should you need further details of this fund or any of the other funds managed by Rathbone Unit Trust Management Limited, a Prospectus, Key Investor Information Document and Supplementary Information Document or an application form for the purchase of shares or units, please write to:

Client Services Department
Rathbone Unit Trust Management Limited
8 Finsbury Circus
London EC2M 7AZ

All literature is available free of charge.
Information is also available on our website:
rutm.com

Data protection

If you do not wish to receive information on other products and services offered by the Rathbone Group, please write to us at the following address:

Data Protection Officer
Rathbone Unit Trust Management Limited
8 Finsbury Circus
London EC2M 7AZ

Rathbones

Look forward

Rathbone Unit Trust Management Limited

8 Finsbury Circus, London EC2M 7AZ

Tel 020 7399 0000

Fax 020 7399 0057

Information line

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Authorised and regulated by the
Financial Conduct Authority

A member of The
Investment Association

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