

# LGIM Sterling Liquidity Plus Fund

LGIM Liquidity Funds plc (UCITS compliant) 4-Class GBP Acc



## FUND AIM

To preserve capital and to generate income.

## RISK AND REWARD PROFILE



The synthetic risk and reward indicator (SRRI) is based on the historic volatility of the fund's value and it may change in the future.

The fund is in category 1 as it invests in instruments which are very liquid, have short maturities which have a high credit rating and are considered lower risk than longer maturing securities.

For more information, please refer to the Key Risks section on page 3.

## WHO IS THIS FUND FOR?

- This fund is designed for investors looking for capital stability over a time horizon of 6 to 12 months from an investment in money market and fixed income instruments
- This fund may be appropriate for investors looking to invest for a short period of time and may not be appropriate for investors who seek long-term capital growth
- If you do not understand this document we recommend you seek additional information to help you decide if this fund is right for you.

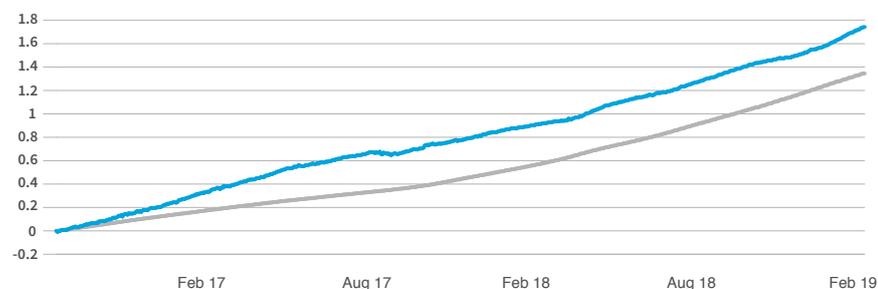
## FUND FACTS

Fund size <b>£3,078.1m</b>	Base currency <b>GBP</b>	Weighted average maturity <b>68 days</b>	Benchmark <b>3 Month GBP LIBOR</b>
Launch date <b>6 Sep 2016</b>	Domicile <b>Ireland</b>	Weighted average final maturity <b>276 days</b>	

## COSTS

Initial charge <b>0.00%</b>	Ongoing charge <b>0.15%</b>
Price basis <b>Single- dilution levy</b>	Dilution levy <b>0.06%- round trip</b>

## PERFORMANCE (%)



	1m	3m	1y	3y	Launch
■ Fund	0.10	0.26	0.82	-	0.70
■ Benchmark	0.07	0.22	0.78	-	0.55
Relative	+0.03	+0.04	+0.04	-	+0.15

## 12 MONTH PERFORMANCE TO MOST RECENT QUARTER (%)

12 months to 31 December	2018	2017	2016	2015	2014
Fund	0.72	0.62	-	-	-
Benchmark	0.72	0.36	-	-	-
Relative	+0.00	+0.26	-	-	-

Performance for the 4 share class in GBP, launched on 06 September 2016. Source: Lipper. Performance is gross of fees and assumes that all income generated by the investments, before deduction of tax, remains in the fund.

**Past performance is not a guide to future returns. The value of your investment and any income taken from it is not guaranteed and may go up and down.**

## FUND RATINGS

In addition to LGIM's risk management oversight, the Fund is rated by the following agencies:

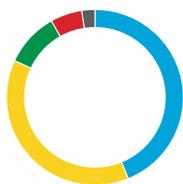
Fitch AAAf/S1

## FUND SNAPSHOT

- Aims to preserve capital over a time horizon of 6 to 12 months
- Invests selectively in a range of money market and fixed income assets, incorporating yield curve positioning, sector and security selection
- Diversifies risk across a range of financial institutions, sovereign and corporate issuers

## PORTFOLIO BREAKDOWN

All data source LGIM unless otherwise stated. Totals may not sum due to rounding.



### ASSET (%)

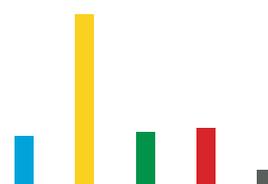
Certificate of Deposit	43.8
Floating Rate Notes	38.0
Liquidity Fund	9.9
Commercial Paper	5.8
Deposit (Overnight)	2.4



### CREDIT RATING (%)

AAA	22.6
AA	1.7
AA-	29.3
A+	25.4
A	21.0

Source: Fitch



### DAYS TO MATURITY (%)

0 to 7 days	14.3
7 days to 6 months	48.6
6 to 12 months	15.5
1 to 3 years	16.6
3+ years	4.9

### COUNTRY (%)

Corporate	14.8
France	12.7
United Kingdom	11.6
Australia	9.9
Canada	9.2
Netherlands	6.8
Japan	6.3
United Arab Emirates	5.3
Switzerland	5.0
Other	18.4

### TOP 10 ISSUERS (%)

LGIM Sterling Liquidity Fund	9.9
First Abu Dhabi Bank	3.6
National Australia Bank	3.6
BFCM	3.6
Mizuho Corporate Bank	3.5
ING Bank	3.5
Bank of Nova Scotia	3.3
Santander UK PLC	3.2
Toronto Dominion Bank	2.9
Lloyds Banking Group	2.9

## FUND MANAGER COMMENTARY

Sterling money market rates drifted lower during February. The latest GDP (Gross Domestic Product) data highlighted the UK economy continued its relatively subdued performance over the last year, slowing to 0.2% during the fourth quarter from 0.6% during the previous three months. The economy has not been weaker since the second quarter of 2012, with the slowdown late last year partly due to Brexit uncertainty and slower growth across other European economies. The Bank of England voted unanimously to leave the Bank Base Rate unchanged at 0.75% last month, and indicated there would be fewer increases in borrowing costs this year as the UK economy faces the headwinds of persistent concerns about Brexit and a global economic slowdown. The Bank lowered its economic growth forecast to 1.2% from 1.7%, while inflation is expected to fall slightly below its 2% target in the near-term, largely due to a sharp decline in petrol prices. The subsequent release of the consumer price index (CPI) for January highlighted inflation fell to a 2-year low of 1.8% year-on-year mostly due to a slowdown in electricity, gas and other fuel prices. Discounted prices for clothing and footwear boosted retail sales, which rebounded strongly in January. Consumer spending has been underpinned by the strength of the labour market, with unemployment remaining at a 44-year low of 4.0% and wages expanding at their fastest pace in a decade. The fund is conservatively positioned in terms of both interest rate and credit risk versus its permitted range, reflecting a potential steepening of the money market curve.

### LGIM LIQUIDITY TEAM MANAGEMENT

LGIM has a team-based approach to liquidity management which forms a strategic part of our asset management capability drawing on the expertise of over 70 investment professionals from our liquidity and fixed income teams globally.

**KEY RISKS**

- This fund holds bonds that are traded through agents, brokers or investment banks matching buyers and sellers. This makes the bonds less easy to buy and sell than investments traded on an exchange. In exceptional circumstances the fund may not be able to sell bonds and may defer withdrawals, or suspend dealing. The Directors can only delay paying out if it is in the interests of all investors and with the permission of the fund depositary.
- The fund invests directly or indirectly in bonds which are issued by companies or governments. If these companies or governments experience financial difficulty, they may be unable to pay back some or all of the interest, original investment or other payments that they owe. If this happens, the value of the fund may fall.
- The fund could lose money if any institution providing services such as acting as counterparty to derivatives or other instruments, becomes unwilling or unable to meet its obligations to the fund.
- Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains.
- Shares in the fund are not the same as deposits. The amount invested in the fund may fluctuate up or down. The fund is not protected by any national deposit protection scheme.
- The fund may have underlying investments that are valued in currencies that are different from the currency of this share class. Exchange rate fluctuations will impact the value of your investment. Currency hedging techniques may be applied to reduce this impact but may not entirely eliminate it.
- Investment returns on bonds are sensitive to trends in interest rate movements. Such changes will affect the value of your investment.

For more information, please refer to the key investor information document on our website [↗](#)

**CODES**

Institutional	OCF (%)	Min. Investment	ISIN	Bloomberg
Class 4	0.15	£20,000,000	IE00BYCC701	LGLIP4G ID



**SPOTLIGHT ON LEGAL & GENERAL INVESTMENT MANAGEMENT**

We are one of Europe’s largest asset managers and a major global investor, with assets under management of £984.8 billion (as at 30 June 2018). We work with a wide range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors.

Assets under management include derivative positions and assets managed by LGIMA, an SEC Registered Investment Advisor.

**DEALING INFORMATION**

Valuation frequency	Daily, 16:00 Irish time
Dealing frequency	Each Business Day
Settlement period	T+2

**COUNTRY REGISTRATION**

- Ireland
- United Kingdom

**TO FIND OUT MORE**

Visit [www.lgim.com/liquidity](http://www.lgim.com/liquidity)

Call **+44 (0)203 124 3155**

We may record and monitor calls. Call charges will vary.

**Important information**

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**Internal Fund Code: 9344**