



UK FUND

July 2017 Factsheet

FUND OBJECTIVE

The aim of the Fund is to seek long term capital appreciation through investment in United Kingdom securities.

INVESTMENT MANAGER

Aberdeen Asset Investments Limited.

FUND PERFORMANCE

	30/06/16 to 30/06/17 (%)	30/06/15 to 30/06/16 (%)	30/06/14 to 30/06/15 (%)	30/06/13 to 30/06/14 (%)	30/06/12 to 30/06/13 (%)
Sterling (£)	16.71	-2.61	-1.10	6.14	19.93
Euro (€)	9.72	-17.47	11.17	13.18	12.90
US dollar (\$)	12.35	-17.57	-9.30	18.45	17.09

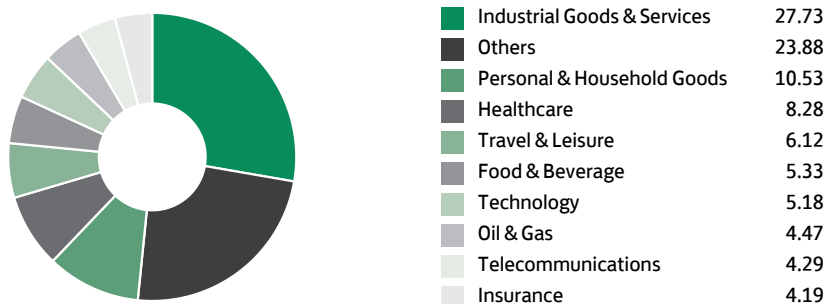
The figures show the performance growth over 5 years as discrete 12 month periods, on a mid price basis with gross income reinvested. All charges and fees, except any initial charge, have been included in the performance figures. Source: FE.

Sector is Lipper UK Equity.

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

The value of investments and the income from them can go down as well as up and cannot be guaranteed. Investments in a currency other than the shareholder's own currency, or in a fund that invests in securities denominated in currencies other than its own base currency, will be subject to the movements of foreign exchange rates, which may cause an additional favourable or unfavourable change in value. Consequently, investors may, on selling their shares, receive an amount greater or less than their original investment.

SECTOR BREAKDOWN (%)



LARGEST INVESTMENTS (%)

Unilever	4.50
Prudential	4.19
British American Tobacco	4.09
Compass Group	3.91
Croda International Plc	3.48
Rolls-Royce Holdings	3.39
The Sage Group plc	3.21
Diageo	3.13
AstraZeneca	3.05
Experian Ltd	2.97

All data as at 30th June 2017 unless otherwise stated.

MARKET OVERVIEW

UK equities rose in the second quarter, helped by encouraging Eurozone and US data and Emmanuel Macron's decisive French presidential victory. However, gains were capped by the shock result of the snap general election that ended in a hung parliament. This caused a sharp fall in the pound and damaged Prime Minister Theresa May's bargaining position at the start of Brexit negotiations. Sterling rebounded on speculation that the Bank of England could raise interest rates, while the incumbent Conservative Party hung on to power after forging an alliance with Northern Ireland's Democratic Unionist Party.

In economic news, confidence among both businesses and consumers were shaken by the unexpected election results. Data in May showed the manufacturing sector continuing to grow but retail sales declined by more than expected because of lower fuel prices for cars, while consumers cut back on spending, squeezed by sluggish wage growth and inflation. Consumer prices accelerated to their highest in four years, with costlier imports because of sterling weakness. The unemployment rate was unchanged in April at its lowest since 1975 but wage increases stayed subdued.

For the quarter to the end of June, the portfolio rose by 2.48% in sterling terms. Both asset allocation and stock selection were positive. At the stock level, contributors to relative return included Rolls-Royce, which did well on a combination of stable trading, management efforts to deliver efficiency savings, and a favourable currency tailwind. All helped to boost investor sentiment, with the shares enjoying a pronounced valuation re-rating after a challenging few years. BTG's healthy results showed progress in key new drug areas, which led to its upbeat share price performance. Croda's shares were buoyed by good first quarter results, contributing to relative returns.

Conversely, key detractors included a lack of exposure to HSBC which proved costly as its shares strengthened on the back of hints of further interest rate rises by central banks. Provident Financial's shares were hurt by operational issues associated with a new working model in the company's home credit business. Wood Group's share price was dampened by the weaker oil price, along with concerns over takeover target Amec's links to potential investigations by the serious Fraud Office.

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FUTURE POLICY

The unexpected election result in the UK has added an extra layer of uncertainty to the more cautious economic outlook, with growth set to weaken further. While it is too early to draw any firm conclusions about the implications for the UK's Brexit stance, higher inflation following sterling's depreciation could undermine the UK economy's post-referendum resilience.

We continue to believe that the portfolio is comprised of businesses that, while not immune to the external environment, are able to weather the difficulties that lie ahead. We have not significantly changed our positioning and maintain our rigorous focus on seeking good quality companies with diversified earnings streams, superior business models and robust balance sheets that also trade at reasonable valuations.

Please Note: The commentary contained in this document has been derived from sources, which we consider to be reasonable and appropriate. It may also include our views and expectations, which cannot be taken as fact. The forecast of future performance is not a reliable guide to actual future results.

GENERAL INFORMATION

Value of Fund as at 30th June 2017

£15.77m

Dealing Price as at 30th June 2017

£7.8060

€8.8940

\$10.1300

Estimated Yield

1.07%

Distribution Dates

22nd November

Ex Dividend Dates

1st October

Minimum Initial Investment

£1,000 or currency equivalent

Minimum Subsequent Investment

£500 or currency equivalent

Minimum Regular Savings Investment

£100/US\$200/€200 per month

Initial Charge

5%

Annual Management Charge

1.5%

Total Holdings

42

Sedol/ISIN

0871767/GB0008717679

CONTACT DETAILS

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Legislation or regulations in your home jurisdiction may prohibit you from entering into such a transaction with us. We reserve the right to make final determination on whether you are eligible for any products or services.

Collective investment funds are generally medium to long-term investments. They are traded at the dealing prices and may engage in borrowing and stocklending.

Details of any commissions payable and copies of the Prospectus are available free of charge upon request from the Manager.