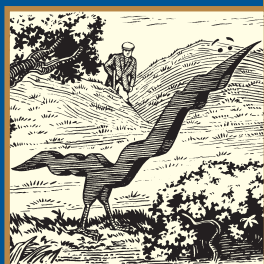


ARTEMIS
Monthly
Distribution *Fund*

Half-Yearly Report (unaudited)
for the six months ended
30 June 2016

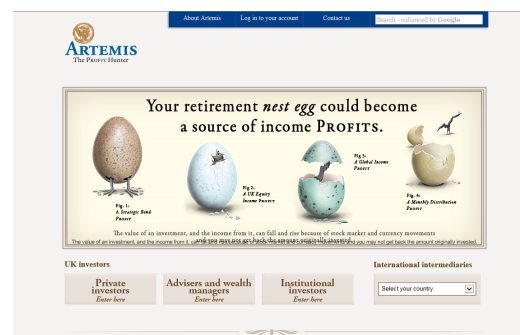


ARTEMIS
The PROFIT Hunter

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- Market and fund insights
- Fund briefings and research articles
- *The Hunters' Tails*, our weekly market newsletter
- Daily fund prices
- Fund literature



artemis.co.uk

General information

Company profile

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £23.2 billion* across a range of funds, two investment trusts, a venture capital trust and both pooled and segregated institutional portfolios.

Artemis' fund managers invest in the funds that they and their colleagues manage. This has been a key tenet of Artemis' approach to investment since the firm started. It means that we 'eat our own cooking' and means that our fund managers' interests are directly aligned with those of our investors.

* Source: Artemis as at 31 July 2016.

Fund status

Artemis Monthly Distribution Fund was constituted by a Trust Deed dated 10 February 2012 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Investment objective

The fund aims to achieve an income in addition to capital growth.

Investment policy

The fund aims to achieve its objective by investing in a globally diversified portfolio of assets. Exposure will normally be to global equities, bonds and cash. The proportion of the fund allocated to each asset class as well as the underlying stock selection will be actively managed.

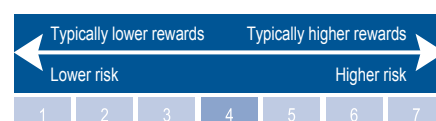
The fund will actively allocate between gilts, corporate bonds and high yield bonds, and within equities between sector and geographies.

The fund may, in addition to its other investment powers, use cash and near cash (which includes money market instruments and deposits) and exchange traded and over the counter derivatives and forward currency contracts for hedging and investment purposes.

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 2 or via the website artemis.co.uk. Valuation of the fund takes place each business day at 12 noon on a forward pricing basis. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

Risk and reward profile



■ This indicator is based on historical data and may not be a reliable indication of the future risk profile of the fund.

■ The risk category shown is not guaranteed and may change over time.

■ A risk indicator of "1" does not mean that the investment is "risk free".

■ The indicator is not a measure of the possibility of losing your investment.

The risk indicator for the fund is as above because:

■ The price of units, and the income from them, can fall and rise because of stock market and currency movements.

■ Stock market prices, currencies and interest rates can move irrationally and can be affected unpredictably by diverse factors, including political and economic events.

■ A portion of the fund's assets may be invested in a currency other than the fund's accounting currency (sterling). The value of these assets,

and the income from them, may decrease if the currency falls in relation to sterling, in which the fund is valued and priced.

■ The fund may hold derivatives with the aim of profiting from falling prices. If the related assets rise in value the fund will lose money.

■ A portion of the fund's assets may be invested in new, emerging markets. Investment in emerging markets can involve greater risk than that usually associated with more established markets. This means that above-average rises and falls in unit prices can be expected.

■ Investments in fixed interest securities are subject to market and credit risk and will be impacted by movements in interest rates. Interest rate movements are determined by a number of economic factors, in particular market expectations of future inflation.

■ The fund can invest in higher-yielding bonds, which may increase the risk to your capital due to a higher likelihood of the company issuing the bonds failing to pay returns on investments. Changes to market conditions and interest rates can have a larger effect on the values of higher-yielding bonds than other bonds.

■ The fund holds bonds which could prove difficult to sell. As a result, the fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on page 2.

General information (continued)

Manager

Artemis Fund Managers Limited *
Cassini House
57 St James's Street
London SW1A 1LD

Dealing information:
Artemis Fund Managers Limited
PO Box 9688
Chelmsford CM99 2AE
Telephone: 0800 092 2051
Website: artemis.co.uk

Investment adviser

Artemis Investment Management LLP *
Cassini House
57 St James's Street
London SW1A 1LD

Report of the manager

We hereby approve the Half-Yearly Report of the Artemis Monthly Distribution Fund for the six months ended 30 June 2016 on behalf of Artemis Fund Managers Limited in accordance with the requirements of as issued and amended by the Financial Conduct Authority.

M J Murray	R J Turpin
Director	Director
Artemis Fund Managers Limited	

Trustee

National Westminster Bank Plc †
Trustee & Depositary Services
Younger Building
1st Floor, 3 Redheughs Avenue
Edinburgh EH12 9RH

London
17 August 2016

The maintenance and integrity of the Artemis Fund Managers Limited web site is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Registrar

International Financial Data Services (UK) Limited *
IFDS House
St Nicholas Lane
Basildon
Essex SS15 5FS

Auditor

Ernst & Young LLP
Ten George Street
Edinburgh EH2 2DZ

* Authorised and regulated by the FCA, 25 The North Colonnade, Canary Wharf, London E14 5HS.

† Authorised by the Prudential Regulation Authority ('PRA'), 20 Moorgate, London EC2R 6DA and regulated by the PRA and the FCA.

Investment review

- The fund returned 5.0%* vs 2.9%* from its peer group.
- We added to the fund's holdings in 'coco' bonds.
- Despite political and economic uncertainty, we find attractive sources of income.

Performance – Finding the right balance ...

The fund performed well over the period, returning 5.0% versus an average return of 2.9% from its (diverse) peer group, the rather long-winded "mixed investment 20-60% shares" sector. Moreover, the fund's longer term performance remains very strong. Since its launch in May 2012 the fund has generated a return of 63.4%, more than double the return from its peer group (up 29.0%). We are gratified that our approach achieved this outperformance.

Interest rates globally were lower than anticipated over the period. The income-generating nature of the assets the fund owns remained in demand, helping its performance. At present, we see no reason to think this will change.

We feel it is worth reiterating a comment made in previous reports. In managing the fund, we tread a tightrope, moving forward by seeking the right balance between risk and reward. If we were to reach for too high a level of income we would put unitholders' capital at undue risk. In a world where good assets have seen their yields falling (and their prices, conversely, going up) high-yielding assets often come with increased risk. But if we were to stick to only the safest assets and hide in government bonds, the level of income we could deliver would not be satisfactory. For now, we feel we have found the right balance, but will adapt as the markets evolve.

Review – The ECB intervenes ...

So far, 2016 has been quite a year for bond and equity markets alike. The first three months of the year were

particularly brutal. Only the response of the European Central Bank ('ECB') prevented a retreat in the early part of the year turning into a rout. We were not surprised when the ECB intervened. The risks that a period of renewed deflation would pose to the European project would be too severe and hence financial markets and economies got yet another shot of liquidity and stimulus from monetary policy makers.

The ECB's approach was both broad and radical. The increase to its quantitative easing ('QE') programme had been expected and has helped to push the yields on an even wider range of government bonds into negative territory. The cheap financing it offered to banks was less expected. To date, however, it has done little to ease fears that European banks are in trouble. The performance of bank shares across Europe (including the UK) has been abominable. Returns from their bonds, however, have been more mixed.

We took full advantage of the perceived weakness of banks to buy their 'contingent convertible bonds' (a terrible mouthful generally shortened to 'coco' bonds). These are very junior bonds – so junior, in fact, that they can be converted into equity and their coupon payments are optional. The market, however, was acting irrationally in pricing cocos, leaving them trading on ridiculously high yields – well over 10% in some cases. So at the lows in February, we took the opportunity to double the fund's weighting to them from 2% to 4%. Despite the persistent weakness in the equities of European banks, our cocos duly recovered over the coming months, benefiting the fund's performance. We then reduced our position, locking in healthy profits.

Although cocos can be considered to be quasi-equities, they represent much better value than conventional bank equity. So in looking at banks, we used this fund's ability to compare different parts of a company's capital structure – from its senior bonds down to its equity – to find the asset that shows the best value. Because the risk-reward is currently much better, the fund has

much more exposure to the bonds of financial companies than it does to their equities.

Bonds issued by banks and insurers are an important part of the portfolio. We increased our positions here in February but reduced them subsequently, particularly after the UK's referendum on the EU in June (more about that later). Our insurance positions have increased in importance. New Europe-wide solvency rules were introduced at the beginning of the year. They make comparisons easier and give us more comfort about the creditworthiness of these companies. At the moment, investors remain cautious towards insurers, mostly because lower interest rates are reducing these companies' investment income. We believe this misses the important point that many insurance companies are improving their underwriting skills. Admittedly the new solvency rules are riddled with holes, but their introduction is giving us comfort.

As part of its QE programme, the ECB announced that it would start buying corporate bonds with the aim of reducing borrowing costs for investment-grade companies. After months of preparation, the purchases began in June. The mere prospect of the ECB buying corporate bonds proved as significant as the reality. The implications, however, could be even more profound than they initially appear. Bonds of any investment-grade issuer with a European subsidiary are eligible. The ECB has also been very active in the primary market (that is to say buying bonds at issue). The result has changed the way in which corporate bonds are perceived, with investors now feeling the downside risk is limited. In the longer term, that is a recipe for disaster. Companies will be encouraged to take on more debt than they can service. In the short term, however, low funding rates are enabling companies to invest more.

Moreover, the ECB has changed the entire investment background for bonds. Companies are more likely to do their utmost to retain their investment-grade ratings. The financial benefits are so great that they will cut their dividends,

* Source: Lipper Limited, class I accumulation units, bid to bid basis, in sterling with net income reinvested. Sector is IA Mixed Investment 20-60% shares, universe of funds is those reporting net of UK taxes. Benchmark is Weighted MSCI All Country World Index (40%), iBoxx Index (60%).

Investment review (continued)

issue equity and sell assets to reduce their borrowings. We have already seen RWE in Germany and Centrica in the UK undertaking precisely these policies.

High-yield companies, meanwhile, will do their utmost to obtain investment-grade ratings and could also lower their dividends or raise equity to do so. This creates a very supportive backdrop to the fund's bonds in the BBB to BB range, which comprise around 31.2% of the portfolio.

The backdrop for higher yielding bonds – those rated BB and below – has also been volatile. Sentiment in the first quarter of 2016 was weak and deteriorated as the risk of recession in Europe increased. These types of bonds react very poorly to any threat of rising default rates. With sentiment weak in February and March, they struggled. However, the generosity of the ECB and stronger economic growth readings helped to improve sentiment. Low oil prices have triggered more defaults in the US, where energy issuers are more prevalent. Default rates are higher than they were, but only in the energy sector and areas related to it.

We felt the doom was overdone and used the opportunity to increase our energy related bonds. Admittedly, our focus was on better quality companies such as Total, the French oil company. But we also increased positions in electricity producers such as EDF, RWE and Centrica. In a related move, we further increased the fund's exposure to commodity companies. All of these moves proved beneficial.

One important area for the fund is the hybrid market. These bonds are perpetual but come with call options, dates at which the issuer has the option to repay at par. They have technical quirks so they do not become a default instrument. In other words, if they don't pay a coupon it rolls over to the following year without triggering a default. In practice, if the situation is that dire, we have made a serious mistake in buying them. These hybrids have proven to be good investments for us. They sold off in February and we used the opportunity to increase the fund's holdings in them. Their technical idiosyncrasies mean

some investors remain wary of these bonds. We believe this concern is misplaced. For as long as the underlying company is generating solid cashflows then its bonds will perform and, most importantly, provide a healthy income, which is our priority.

In equities, our response to the volatility – and to the political and economic uncertainties facing the markets – has been measured. We have been appraising our holdings and the wider market as rationally as possible. And in some cases, the sell off prompted by the Brexit vote appeared to be more about sentiment than fundamentals. We will not run away from assets that are too cheap and whose prospects remain good. We retain, for example, our Italian TV and telecoms 'tower' companies – EIT Towers and RAI Way. Their revenues are predictable and their dividends attractive. And we have been adding to some of our European holdings, albeit selectively. We have, for example, been adding to infrastructure group Ferrovial. Its shares have been treated harshly; investors seem to be ignoring the significant proportion of its revenues derived from toll roads in Canada. It also owns a stake in Heathrow Airport, which will remain a premium asset whose revenues will be derived from fees set by the regulator whether the UK is part of the EU or not.

Outlook – Political uncertainty brings opportunity ...

The Brexit vote came right at the end of the reporting period. Clearly, it will have significant implications for the UK over the long term. Although the outcome of the referendum came as a surprise to us, the portfolio was somewhat cushioned from sterling's weakness because our equity holdings are predominantly in overseas companies and the resulting exposure to overseas currencies (the US dollar and the euro) is unhedged. The value of these overseas equities rose as sterling fell. Furthermore, we had reduced our exposure to bank bonds prior to the

vote, and this was the area that came under the most pressure.

The initial result of the referendum has been to increase uncertainty. Property funds have already felt the impact, with investors rushing to make withdrawal requests and funds being closed. While a new UK prime minister had been appointed at the time of writing, the terms of the UK's withdrawal from the EU will take a long time to determine.

Although we have always been concerned about a potential liquidity crisis in bond markets, we are not convinced that there will be any immediate contagion from property funds. Were the bond market to close, the implications for corporate investment – and, ultimately, for the economy – would be dreadful. The mere threat would likely force the authorities to react and it would be an easy matter for the Bank of England to resume buying corporate bonds as it did in response to the financial crisis. For now, companies are likely to scale back their plans to invest until there is more political certainty – and that will no doubt slow growth. That, however, is good news for the fund's bond investments: slow growth is exactly what bond markets like.

In equities, some European financials may now be almost un-investable and we have lowered our risk profile in this area. Yet there are a handful of exceptions. Moneta Money Bank, for example, which we bought at IPO. This used to be General Electric's ('GE') Czech consumer lending business. The Czech Republic is a beneficiary of the ongoing economic success of Germany, its neighbour, and unemployment is low. The yield is likely to be around 8% and our experience in owning Cembra Money Bank, a Swiss lender which also once belonged to GE, reassures us that this will be a well-run, dependable business. And beyond financials, prospects for many other European stocks look OK. The prospect of interest rates that are 'lower for longer' should be seen as an opportunity for many of our holdings – notably real estate companies such as TLG Immobilien and infrastructure stocks such as

Ferrovial – rather than a threat.

For high-yield bonds the outlook is positive. For as long as the ECB continues to print money under the guise of QE it will compel investors to buy high-yield bonds in search for income. The US economy is also performing reasonably well, keeping defaults low. Despite the uncertainty created by Brexit, that oil prices have risen means we can expect default rates to fall.

At the same time, there are a number of legitimate concerns. The greatest, perhaps, is in the Italian banking system. A solution to the problem of non-performing loans needs to be found without wiping out the savings of Italian households (many of whom are direct holders of Italian bank bonds). Finding a solution to this problem that is acceptable both to the EU and to Italian voters will be hard. Other risks are familiar: levels of debt across Europe are too high and growth is still too slow.

At the same time, we can expect more political uncertainty as election season approaches. Populist politicians are finding success, with the Brexit vote being just one example. The consequences are likely to be lower growth, lower interest rates and more QE. That should tend to be supportive for higher yielding bonds and equities, the bedrock of our portfolio. Our record in making political predictions is rather chequered, so our aim will be to focus on finding companies able to service handsome coupons or pay attractive dividends. As the last few months have shown, we believe politically inspired volatility will provide us with plenty of opportunity.

James Foster & Jacob de Tusch-Lec
Fund managers

Investment information

Five largest purchases and sales for the six months ended 30 June 2016

Purchases	Cost £'000	Sales	Proceeds £'000
UK Treasury 2.00% 07/09/2025	5,262	Franco-Nevada Corp.	2,861
Altria Group, Inc.	3,917	Imperial Brands Plc	2,102
Reynolds American, Inc.	3,324	Reynolds American, Inc.	1,444
Johnson & Johnson	3,081	MetLife, Inc.	1,424
US Treasury 1.63% 15/05/2026	2,944	Occidental Petroleum Corp.	1,249

Portfolio statement as at 30 June 2016

Investment	Holding	Valuation £'000	% of net assets
Equities 46.87% (44.71%)			
Australia 0.59% (1.21%)			
Aurizon Holdings Ltd.	132,651	353	0.20
Insurance Australia Group Ltd.	130,637	392	0.22
Newcrest Mining Ltd.	23,998	305	0.17
		1,050	0.59
Brazil 1.43% (0.00%)			
AES Tiete Energia SA	237,819	777	0.43
Banco do Brasil SA	17,300	65	0.04
Cia Energetica de Minas Gerais Preference	1,079,111	1,715	0.96
		2,557	1.43
Canada 0.00% (0.73%)			
China 0.57% (2.12%)			
Beijing Capital International Airport Co. Ltd. H shares	588,000	470	0.26
Shenzhen Expressway Co. Ltd. H shares	814,000	548	0.31
Zhejiang Expressway Co. Ltd. H shares	14,000	10	-
		1,028	0.57
Czech Republic 1.61% (0.00%)			
Moneta Money Bank A/S	1,301,433	2,880	1.61
		2,880	1.61
Denmark 1.52% (0.62%)			
AP Moeller - Maersk A/S B shares	792	765	0.43
Danske Bank A/S	3,045	59	0.03
DFDS A/S	11,028	359	0.20
Dong Energy A/S	33,587	896	0.50
Scandinavian Tobacco Group A/S	53,474	640	0.36
		2,719	1.52
Finland 0.00% (0.26%)			
France 3.15% (1.38%)			
Amundi SA	14,511	449	0.25
Fonciere Des Regions, REIT	10,540	688	0.39
Groupe Eurotunnel SE	167,921	1,285	0.72
Klepierre, REIT	27,789	915	0.51
Total SA	39,065	1,402	0.78
Unibail-Rodamco SE, REIT	4,629	893	0.50
		5,632	3.15
Germany 4.45% (3.62%)			
Bayer AG	18,565	1,372	0.77
Deutsche Pfandbriefbank AG	148,316	1,080	0.60
Drillisch AG	17,245	495	0.28
ProSiebenSat.1 Media SE	16,176	520	0.29

Investment	Holding	Valuation £'000	% of net assets
Siemens AG	14,134	1,062	0.59
TLG Immobilien AG	194,886	3,017	1.69
TUI AG	50,046	420	0.23
		7,966	4.45
Greece 0.12% (0.00%)			
OPAP SA	41,791	223	0.12
		223	0.12
Hong Kong 0.78% (0.83%)			
CK Hutchison Holdings Ltd.	35,580	288	0.16
Guangdong Investment Ltd.	984,000	1,110	0.62
		1,398	0.78
Ireland 0.35% (0.51%)			
Green REIT Plc	538,706	621	0.35
		621	0.35
Israel 2.75% (2.43%)			
Bezeq The Israeli Telecommunication Corp. Ltd.	1,317,483	1,922	1.07
Israel Chemicals Ltd.	395,041	1,140	0.64
Shikun & Binui Ltd.	1,444,120	1,868	1.04
		4,930	2.75
Italy 1.75% (3.90%)			
EI Towers SpA	23,690	890	0.50
Infrastrutture Wireless Italiane SpA	214,202	711	0.40
RAI Way SpA	464,226	1,532	0.85
		3,133	1.75
Japan 2.42% (1.10%)			
LaSalle Logiport REIT	1,500	1,131	0.63
Nippon Telegraph & Telephone Corp.	27,700	959	0.54
Nomura Real Estate Holdings, Inc.	32,604	418	0.23
NTT DOCOMO, Inc.	65,581	1,308	0.73
Sekisui House Ltd.	40,900	525	0.29
		4,341	2.42
Jersey 0.00% (0.17%)			
Luxembourg 0.23% (0.39%)			
RTL Group SA	6,785	412	0.23
		412	0.23
New Zealand 2.85% (2.32%)			
Air New Zealand Ltd.	603,452	662	0.37
Arvida Group Ltd.	6,087,359	3,696	2.06
Skycity Entertainment Group Ltd.	309,903	746	0.42
		5,104	2.85
Norway 1.71% (2.12%)			
BW LPG Ltd.	65,872	185	0.11
Ocean Yield ASA	438,953	2,315	1.29
Storebrand ASA	201,472	559	0.31
		3,059	1.71
Portugal 0.18% (1.06%)			
CTT-Correios de Portugal SA	52,605	318	0.18
		318	0.18
Russia 0.00% (0.14%)			
Singapore 0.67% (1.00%)			
Ascendas Real Estate Investment Trust	462,576	629	0.35
Mapletree Logistics Trust, REIT	1,043,000	575	0.32
		1,204	0.67

Investment information (continued)

Investment	Holding or nominal value	Valuation £'000	% of net assets
Spain 1.75% (2.83%)			
Enagas SA	36,158	802	0.45
Euskaltel SA	237,886	1,607	0.90
Ferrovial SA	49,916	721	0.40
		3,130	1.75
Sweden 2.39% (1.88%)			
Akelius Residential Property AB Preference	21,356	555	0.31
Nobina AB	956,509	3,717	2.08
		4,272	2.39
Switzerland 0.71% (1.75%)			
Cembra Money Bank AG	20,308	1,039	0.58
VAT Group AG	5,183	238	0.13
		1,277	0.71
United Kingdom 3.94% (4.32%)			
3i Group Plc	108,259	581	0.33
Aberdeen Asset Management Plc	609,623	1,667	0.93
BAE Systems Plc	112,789	577	0.32
BHP Billiton Plc	162,150	1,517	0.85
Doric Nimrod Air Three Ltd. Preference	40,000	41	0.02
Imperial Brands Plc	13,631	540	0.30
Legal & General Group Plc	106,842	201	0.11
Phoenix Group Holdings	106,363	834	0.47
Prudential Plc	63,815	793	0.44
Tritax Big Box REIT Plc	228,850	292	0.17
		7,043	3.94
United States of America 10.95% (8.02%)			
AbbVie, Inc.	13,804	632	0.35
Altria Group, Inc.	74,759	3,761	2.10
Apple, Inc.	12,305	861	0.48
Blackstone Group LP (The)	17,411	319	0.18
Booz Allen Hamilton Holding Corp.	5,789	123	0.07
General Motors Co.	34,265	715	0.40
Intersil Corp. A shares	8,931	87	0.05
Johnson & Johnson	36,691	3,245	1.81
Johnson Controls, Inc.	11,177	358	0.20
JPMorgan Chase & Co.	18,382	834	0.47
Lazard Ltd. A shares	21,462	470	0.26
KKR & Co. LP	47,414	438	0.24
Northrop Grumman Corp.	4,133	666	0.37
Occidental Petroleum Corp.	15,935	887	0.50
Outfront Media, Inc., REIT	47,435	840	0.47
Pfizer, Inc.	69,681	1,809	1.01
Reynolds American, Inc.	58,274	2,285	1.28
Western Digital Corp.	37,737	1,276	0.71
		19,606	10.95
Equities total		83,903	46.87
Government Bonds 5.02% (0.63%)			
United Kingdom 3.35% (0.63%)			
UK Treasury 2.00% 07/09/2025	£5,500,000	5,996	3.35
		5,996	3.35

Investment	Holding or nominal value	Valuation £'000	% of net assets
United States of America 1.67% (0.00%)			
US Treasury 1.63% 15/05/2026	\$4,000,000	2,995	1.67
		2,995	1.67
Government Bonds total		8,991	5.02
Corporate Bonds 50.16% (50.59%)			
Australia 0.92% (0.86%)			
BHP Billiton Finance Ltd., FRN 6.50% 22/10/2077	£1,600,000	1,649	0.92
		1,649	0.92
Belgium 0.12% (0.23%)			
Ethias SA 5.00% 14/01/2026	€300,000	206	0.12
		206	0.12
Bermuda 0.62% (0.45%)			
Fidelity International Ltd. 7.13% 13/02/2024	£900,000	1,115	0.62
		1,115	0.62
Bulgaria 0.16% (0.33%)			
Bulgarian Telecommunications Co. EAD 6.63% 15/11/2018	€350,000	293	0.16
		293	0.16
Canada 0.40% (1.10%)			
Entertainment One Ltd. 6.88% 15/12/2022	£500,000	503	0.28
Valeant Pharmaceuticals International, Inc. 5.38% 15/03/2020	\$330,000	209	0.12
		712	0.40
Cayman Islands 0.65% (0.34%)			
Mizzen Bondco Ltd. 7.00% 01/05/2021	£1,231,100	1,171	0.65
		1,171	0.65
France 3.77% (3.15%)			
Axa SA, FRN 6.46% Perpetual	\$1,000,000	772	0.43
Electricite de France SA, FRN 6.00% Perpetual	£1,000,000	897	0.50
Horizon Holdings I SASU 7.25% 01/08/2023	€400,000	342	0.19
Numericable-SFR SA 7.38% 01/05/2026	\$2,500,000	1,815	1.02
Orange SA, FRN 5.87% Perpetual	£1,300,000	1,325	0.74
Paprec Holding 7.38% 01/04/2023	€600,000	488	0.27
Total SA, FRN 3.94% Perpetual	€1,300,000	1,113	0.62
		6,752	3.77
Germany 2.60% (3.12%)			
Bayer AG, FRN 2.38% 02/04/2075	€1,500,000	1,175	0.66
Kirk Beauty One GmbH 8.75% 15/07/2023	€700,000	611	0.34
RWE AG, FRN 7.00% Perpetual	£1,300,000	1,267	0.71
Safari Holding Verwaltungs GmbH 8.25% 15/02/2021	€500,000	433	0.24
Unitymedia Hessen GmbH & Co. KG 5.63% 15/04/2023	€360,000	314	0.18
Unitymedia Hessen GmbH & Co. KG 4.63% 15/02/2026	€1,000,000	851	0.47
		4,651	2.60
Ireland 2.75% (2.98%)			
Allied Irish Bank Plc 12.50% 25/06/2035	£470,000	393	0.22
Bank of Ireland, FRN 4.25% 11/06/2024	€973,000	778	0.44
Eircom Finance DAC 4.50% 31/05/2022	€1,000,000	817	0.46
Lambay Capital Securities Plc 6.25% Perpetual *	£442,000	5	-
National Asset Management Ltd. 5.26% 01/03/2020	€2,000,000	1,488	0.83
PGH Capital Ltd. 5.75% 07/07/2021	£700,000	728	0.41
Zurich Insurance Co. Ltd., FRN 4.25% 01/10/2045	\$1,000,000	706	0.39
		4,915	2.75
Italy 1.66% (0.76%)			
Enel SpA, FRN 6.62% 15/09/2076	£1,050,000	1,069	0.60
Snai SpA 7.63% 15/06/2018	€500,000	424	0.24

Investment information (continued)

Investment	Holding or nominal value	Valuation £'000	% of net assets
Snai SpA 12.00% 15/12/2018	€750,000	630	0.35
Telecom Italia SpA 3.63% 25/05/2026	€1,000,000	849	0.47
		2,972	1.66
Jersey 1.62% (2.03%)			
CPUK Finance Ltd. 7.00% 28/02/2042	£900,000	918	0.51
Galaxy Bidco Ltd., FRN 5.59% 15/11/2019	£425,000	420	0.24
HBOS Sterling Finance Jersey LP, FRN 7.88% Perpetual	£800,000	965	0.54
Lincoln Finance Ltd. 6.88% 15/04/2021	€600,000	530	0.30
Porterbrook Rail Finance Ltd. 6.50% 20/10/2020	£50,000	59	0.03
		2,892	1.62
Luxembourg 3.73% (2.33%)			
Altice Luxembourg SA 7.75% 15/05/2022	\$700,000	518	0.29
Cirsa Funding Luxembourg SA 5.88% 15/05/2023	€1,100,000	911	0.51
Ineos Group Holdings SA 6.50% 15/08/2018	€1,000,000	835	0.47
Topaz Marine SA 8.63% 01/11/2018	\$1,700,000	1,186	0.66
Trinseo Materials Operating SCA 6.38% 01/05/2022	€1,750,000	1,454	0.81
Wind Acquisition Finance SA 4.00% 15/07/2020	€500,000	407	0.23
Wind Acquisition Finance SA 7.38% 23/04/2021	\$1,950,000	1,363	0.76
		6,674	3.73
Mexico 0.52% (0.51%)			
America Movil SAB de CV, FRN 6.37% 06/09/2073	£900,000	933	0.52
		933	0.52
Netherlands 4.15% (2.78%)			
Chapel BV, FRN, Series 2007 C 0.56% 17/07/2066	€300,000	161	0.09
Cooperatieve Rabobank UA 4.63% 23/05/2029	£650,000	661	0.37
Hydra Dutch Holdings 2 BV 8.00% 15/04/2019	€1,485,563	1,309	0.73
Koninklijke KPN NV, FRN 6.87% 14/03/2073	€1,400,000	1,445	0.81
NN Group NV, FRN 4.62% 08/04/2044	€800,000	667	0.37
Nyrstar Netherlands Holdings BV 8.50% 15/09/2019	€1,700,000	1,412	0.79
Swiss Re Ltd., FRN 5.75% 15/08/2050	\$1,000,000	764	0.43
Telefonica Europe BV, FRN 6.75% Perpetual	€1,000,000	1,012	0.56
		7,431	4.15
Portugal 0.14% (0.30%)			
GNB - Cia de Seguros de Vida SA, FRN 3.24% Perpetual	€500,000	255	0.14
		255	0.14
Spain 0.05% (0.44%)			
Ence Energia y Celulosa SA 5.38% 01/11/2022	€100,000	87	0.05
		87	0.05
Sweden 0.53% (0.84%)			
Vattenfall AB, FRN 3.00% 19/03/2077	€1,400,000	946	0.53
		946	0.53
Switzerland 0.16% (0.72%)			
UBS Group AG, FRN 7.00% Perpetual	\$373,000	280	0.16
		280	0.16
United Kingdom 21.16% (22.49%)			
Aberdeen Asset Management Plc 7.00% Perpetual	\$500,000	380	0.21
Anglian Water Osprey Financing Plc 5.00% 30/04/2023	£1,325,000	1,340	0.75
Arqiva Broadcast Finance Plc 9.50% 31/03/2020	£200,000	212	0.12
Aviva Plc, FRN 3.38% 04/12/2045	€1,500,000	1,141	0.64
Barclays Plc, FRN 7.87% Perpetual	£600,000	536	0.30
Bupa Finance Plc, FRN 6.12% Perpetual	£400,000	417	0.23
Burford Capital Plc 6.50% 19/08/2022	£1,000,000	1,046	0.58
Centrica Plc, FRN 5.25% 10/04/2075	£1,700,000	1,598	0.89

Investment	Holding or nominal value	Valuation £'000	% of net assets
Co-operative Group Holdings 2011 Ltd., STEP 6.88% 08/07/2020	£1,200,000	1,273	0.71
EnQuest Plc 7.00% 15/04/2022	\$1,800,000	799	0.45
Gala Group Finance Plc 8.88% 01/09/2018	£70,400	72	0.04
Heathrow Finance Plc 5.38% 01/09/2019	£1,200,000	1,279	0.71
HSBC Bank Plc, FRN 1.19% Perpetual	\$2,000,000	845	0.47
HSBC Holdings Plc, FRN 6.87% Perpetual	\$1,100,000	812	0.45
Iceland Bondco Plc 6.25% 15/07/2021	£900,000	785	0.44
Infinis Plc 7.00% 15/02/2019	£1,000,000	1,005	0.56
InterContinental Hotels Group Plc 3.75% 14/08/2025	£800,000	846	0.47
Intermediate Capital Group Plc 5.00% 24/03/2023	£550,000	539	0.30
International Game Technology Plc 4.75% 15/02/2023	€600,000	511	0.29
Investec Bank Plc 9.63% 17/02/2022	£900,000	1,052	0.59
Kelda Finance No. 3 Plc 5.75% 17/02/2020	£700,000	734	0.41
Liverpool Victoria Friendly Society Ltd., FRN 6.50% 22/05/2043	£500,000	476	0.27
Moto Finance Plc 6.38% 01/09/2020	£600,000	611	0.34
Nationwide Building Society, FRN 6.87% Perpetual	£600,000	559	0.31
New Look Secured Issuer Plc 6.50% 01/07/2022	£1,200,000	1,102	0.62
Next Plc 3.63% 18/05/2028	£1,000,000	1,010	0.56
NGG Finance Plc, FRN 5.62% 18/06/2073	£900,000	940	0.52
NWEN Finance Plc 5.88% 21/06/2021	£800,000	843	0.47
Odeon & UCI Finco Plc 9.00% 01/08/2018	£540,000	544	0.30
Pennon Group Plc, FRN 6.75% Perpetual	£700,000	723	0.40
Pension Insurance Corp. Plc 6.50% 03/07/2024	£500,000	457	0.26
R&R Ice Cream Plc 8.25% 15/05/2020	AUD 1,800,000	1,032	0.58
RAC Bond Co. Plc 4.57% 06/05/2023	£1,200,000	1,235	0.69
Rothsay Life Plc 8.00% 30/10/2025	£1,200,000	1,187	0.66
Royal Bank of Scotland Group Plc, FRN 7.65% Perpetual	\$800,000	678	0.38
RSA Insurance Group Plc, FRN 5.13% 10/10/2045	£800,000	761	0.43
Society of Lloyd's 4.75% 30/10/2024	£1,000,000	1,038	0.58
SSE Plc, FRN 5.63% Perpetual	\$500,000	380	0.21
Tesco Plc 6.15% 15/11/2037	\$900,000	621	0.35
Thomas Cook Finance Plc 6.75% 15/06/2021	€775,000	592	0.33
Virgin Media Secured Finance Plc 6.00% 15/04/2021	£450,000	462	0.26
Virgin Media Secured Finance Plc 5.13% 15/01/2025	£850,000	826	0.46
Virgin Money Holdings UK Plc, FRN 7.87% Perpetual	£1,200,000	1,074	0.60
Voyage Care Bondco Plc 6.50% 01/08/2018	£700,000	673	0.38
Wagamama Finance Plc 7.88% 01/02/2020	£1,000,000	1,012	0.57
Whitbread Group Plc 3.38% 16/10/2025	£1,000,000	1,039	0.58
William Hill Plc 4.88% 07/09/2023	£800,000	780	0.44
		37,877	21.16
United States of America 4.45% (4.83%)			
Alliance Data Systems Corp. 5.25% 15/11/2023	€1,100,000	888	0.50
Continental Resources, Inc. 4.50% 15/04/2023	\$1,800,000	1,223	0.68
Deutsche Bank Capital Finance Trust I, FRN 1.75% Perpetual	€700,000	428	0.24
DFC Finance Corp. 10.50% 15/06/2020	\$263,000	118	0.07
Infor US, Inc. 5.75% 15/05/2022	€450,000	312	0.18
Mellon Capital III, FRN 6.37% 05/09/2066	£150,000	150	0.08
PNC Preferred Funding Trust I, FRN 2.30% Perpetual	\$800,000	522	0.29
PSPC Escrow Corp. 6.00% 01/02/2023	€1,000,000	697	0.39
State Street Capital Trust I, FRN 1.19% 15/05/2028	\$1,364,000	842	0.47
USB Realty Corp., REIT, FRN 1.78% Perpetual	\$2,610,000	1,546	0.86

Investment information (continued)

Investment		Valuation £'000	% of net assets
XPO Logistics, Inc. 5.75% 15/06/2021	€1,600,000	1,242	0.69
		7,968	4.45
Corporate Bonds total		89,779	50.16
Forward currency contracts (1.16)% ((0.23)%)			
Buy Euro 1,560,000 dated 13/09/2016		1,292	0.72
Sell Sterling 1,302,288 dated 13/09/2016		(1,302)	(0.73)
Buy Euro 1,400,000 dated 13/09/2016		1,159	0.65
Sell Swiss Franc 1,521,142 dated 13/09/2016		(1,160)	(0.65)
Buy Euro 8,700,000 dated 13/09/2016		7,205	4.03
Sell US Dollar 9,651,563 dated 13/09/2016		(7,153)	(4.00)
Buy Japanese Yen 58,000,000 dated 13/09/2016		419	0.24
Sell US Dollar 546,871 dated 13/09/2016		(405)	(0.23)
Buy Sterling 976,061 dated 13/09/2016		976	0.55
Sell Australian Dollar 1,904,900 dated 13/09/2016		(1,050)	(0.59)
Buy Sterling 26,282,446 dated 13/09/2016		26,282	14.68
Sell Euro 33,416,000 dated 13/09/2016		(27,673)	(15.46)
Buy Sterling 25,679,653 dated 13/09/2016		25,680	14.34
Sell US Dollar 35,931,304 dated 13/09/2016		(26,629)	(14.87)
Buy Swiss Franc 1,508,920 dated 13/09/2016		1,151	0.65
Sell Euro 1,400,000 dated 13/09/2016		(1,160)	(0.65)
Buy US Dollar 36,301,534 dated 13/09/2016		26,903	15.03
Sell Euro 32,076,000 dated 13/09/2016		(26,564)	(14.84)
Buy US Dollar 550,050 dated 13/09/2016		408	0.23
Sell Japanese Yen 58,000,000 dated 13/09/2016		(419)	(0.24)
Buy US Dollar 5,302,178 dated 13/09/2016		3,929	2.19
Sell Sterling 3,965,000 dated 13/09/2016		(3,965)	(2.21)
Forward currency contracts total		(2,076)	(1.16)
Investment assets		180,597	100.89
Net other liabilities		(1,595)	(0.89)
Net assets		179,002	100.00

The comparative percentage figures in brackets are as at 31 December 2015.

* Security is currently in default.

Bond ratings as at 30 June 2016

	30 June 2016		31 December 2015	
	Valuation £'000	% of net assets	Valuation £'000	% of net assets
Investment Grade *	35,604	19.85	9,593	12.03
Below Investment Grade	56,043	31.36	26,940	33.77
Unrated	7,123	3.97	4,327	5.42
Debt securities total	98,770	55.18	40,860	51.22

* Investment grade refers to the quality of a company's credit. A rating of 'BBB' or higher is considered an investment grade issue.

Financial statements

Statement of total return for the six months ended 30 June 2016

	30 June 2016		30 June 2015	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		4,792		529
Revenue	3,709		1,173	
Expenses	(569)		(256)	
Interest payable and similar charges	(3)		-	
Net revenue before taxation	3,137		917	
Taxation	(395)		(149)	
Net revenue after taxation		2,742		768
Total return before distributions		7,534		1,297
Distributions		(3,232)		(916)
Change in net assets attributable to unitholders from investment activities		4,302		381

Statement of change in net assets attributable to unitholders for the six months ended 30 June 2016

	30 June 2016		30 June 2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		79,771		33,686
Amounts receivable on issue of units	95,041		16,385	
Amounts payable on cancellation of units	(2,122)		(571)	
		92,919		15,814
Change in net assets attributable to unitholders from investment activities		4,302		381
Retained distribution on accumulation units		2,010		549
Closing net assets attributable to unitholders		179,002		50,430

Balance sheet as at 30 June 2016

	30 June 2016	31 December 2015
	£'000	£'000
Assets		
Fixed assets		
Investments	183,078	76,648
Current assets		
Debtors	4,668	2,012
Cash and bank balances	81	2,498
Total current assets	4,749	4,510
Total assets	187,827	81,158
Liabilities		
Investment liabilities	2,481	304
Provisions for liabilities	-	1
Creditors		
Bank overdraft	1,331	-
Distribution payable	795	204
Other creditors	4,218	878
Total creditors	6,344	1,082
Total liabilities	8,825	1,387
Net assets attributable to unitholders	179,002	79,771

Notes to the financial statements

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2015, as set out therein.

2. Post balance sheet events

Since 30 June 2016, the net asset values per unit, on a bid basis, have changed as follows:

	Net asset value per unit (p)		Movement
	16 August 2016	30 June 2016	
I distribution	70.67	65.47	7.9%
I accumulation	83.96	77.60	8.2%
R distribution	68.81	63.81	7.8%
R accumulation	81.77	75.64	8.1%

Distribution tables

Interim dividend distribution for the month ended 31 January 2016 (paid 31 March 2016) in pence per unit.

Group 1 – Units purchased prior to 1 January 2016.

Group 2 – Units purchased from 1 January 2016 to 31 January 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 31 March 2016	Distribution per unit (p) 31 March 2015
I distribution				
Group 1	0.1554	-	0.1554	0.1201
Group 2	0.0566	0.0988	0.1554	0.1201
I accumulation				
Group 1	0.1797	-	0.1797	0.1334
Group 2	0.0641	0.1156	0.1797	0.1334
R distribution				
Group 1	0.1570	-	0.1570	0.1181
Group 2	0.0676	0.0894	0.1570	0.1181
R accumulation				
Group 1	0.1815	-	0.1815	0.1313
Group 2	0.1058	0.0757	0.1815	0.1313

Interim dividend distribution for the month ended 29 February 2016 (paid 29 April 2016) in pence per unit.

Group 1 – Units purchased prior to 1 February 2016.

Group 2 – Units purchased from 1 February 2016 to 29 February 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 29 April 2016	Distribution per unit (p) 30 April 2015
I distribution				
Group 1	0.2243	-	0.2243	0.1469
Group 2	0.0912	0.1331	0.2243	0.1469
I accumulation				
Group 1	0.2602	-	0.2602	0.1637
Group 2	0.0766	0.1836	0.2602	0.1637
R distribution				
Group 1	0.2246	-	0.2246	0.1445
Group 2	0.0658	0.1588	0.2246	0.1445
R accumulation				
Group 1	0.2602	-	0.2602	0.1609
Group 2	0.0639	0.1963	0.2602	0.1609

Distribution tables (continued)

Interim dividend distribution for the month ended 31 March 2016 (paid 31 May 2016) in pence per unit.

Group 1 – Units purchased prior to 1 March 2016.

Group 2 – Units purchased from 1 March 2016 to 31 March 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 31 May 2016	Distribution per unit (p) 29 May 2015
I distribution				
Group 1	0.2243	-	0.2243	0.2507
Group 2	0.0975	0.1268	0.2243	0.2507
I accumulation				
Group 1	0.2609	-	0.2609	0.2799
Group 2	0.1167	0.1442	0.2609	0.2799
R distribution				
Group 1	0.2243	-	0.2243	0.2466
Group 2	0.0669	0.1574	0.2243	0.2466
R accumulation				
Group 1	0.2611	-	0.2611	0.2752
Group 2	0.1035	0.1576	0.2611	0.2752

Interim dividend distribution for the month ended 30 April 2016 (paid 30 June 2016) in pence per unit.

Group 1 – Units purchased prior to 1 April 2016.

Group 2 – Units purchased from 1 April 2016 to 30 April 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 30 June 2016	Distribution per unit (p) 30 June 2015
I distribution				
Group 1	0.2104	-	0.2104	0.1961
Group 2	0.0988	0.1116	0.2104	0.1961
I accumulation				
Group 1	0.2457	-	0.2457	0.2196
Group 2	0.1302	0.1155	0.2457	0.2196
R distribution				
Group 1	0.2109	-	0.2109	0.1926
Group 2	0.1265	0.0844	0.2109	0.1926
R accumulation				
Group 1	0.2463	-	0.2463	0.2158
Group 2	0.0781	0.1682	0.2463	0.2158

Interim dividend distribution for the month ended 31 May 2016 (payable 29 July 2016) in pence per unit.

Group 1 – Units purchased prior to 1 May 2016.

Group 2 – Units purchased from 1 May 2016 to 31 May 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 29 July 2016	Distribution per unit (p) 31 July 2015
I distribution				
Group 1	0.3697	-	0.3697	0.4041
Group 2	0.1891	0.1806	0.3697	0.4041
I accumulation				
Group 1	0.4329	-	0.4329	0.4542
Group 2	0.2360	0.1969	0.4329	0.4542
R distribution				
Group 1	0.3657	-	0.3657	0.3969
Group 2	0.2160	0.1497	0.3657	0.3969
R accumulation				
Group 1	0.4283	-	0.4283	0.4459
Group 2	0.2524	0.1759	0.4283	0.4459

Interim dividend distribution for the month ended 30 June 2016 (payable 31 August 2016) in pence per unit.

Group 1 – Units purchased prior to 1 June 2016.

Group 2 – Units purchased from 1 June 2016 to 30 June 2016.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 31 August 2016	Distribution per unit (p) 28 August 2015
I distribution				
Group 1	0.3707	-	0.3707	0.2427
Group 2	0.1239	0.2468	0.3707	0.2427
I accumulation				
Group 1	0.4361	-	0.4361	0.2742
Group 2	0.1467	0.2894	0.4361	0.2742
R distribution				
Group 1	0.3673	-	0.3673	0.2382
Group 2	0.0844	0.2829	0.3673	0.2382
R accumulation				
Group 1	0.4320	-	0.4320	0.2690
Group 2	0.1393	0.2927	0.4320	0.2690

The fund has held more than 60% of its net assets in interest bearing securities during the following distribution periods: 31 May 2016 (paid 29 July 2016) and 30 June 2016 (paid 31 August 2016). Corporate unitholders should note that a holding in a fund with more than 60% of its net assets in interest bearing assets may be required to be treated as a creditor loan relationship for corporation tax purposes.

Equalisation applies only to units purchased during the distribution period (group 2 units). It is the average amount of revenue included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Comparative tables

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
31 December 2013	16,218,403		
I distribution		59.07	5,742,024
I accumulation		62.83	8,670,156
R distribution		58.53	6,586,159
R accumulation		62.25	5,661,829
31 December 2014	33,686,338		
I distribution		61.60	15,006,524
I accumulation		68.49	22,968,778
R distribution		60.65	7,484,304
R accumulation		67.41	6,189,946
31 December 2015	79,770,947		
I distribution		63.86	50,744,303
I accumulation		73.87	53,402,386
R distribution		62.46	6,851,562
R accumulation		72.24	5,040,079
30 June 2016	179,001,849		
I distribution		65.47	103,930,159
I accumulation		77.60	130,112,250
R distribution		63.81	8,108,214
R accumulation		75.64	6,371,127

Ongoing charges

Class	30 June 2016
I distribution	0.89%
I accumulation	0.89%
R distribution	1.64%
R accumulation	1.64%

Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Net revenue distribution & unit price range

Year	Net revenue per unit (p)	Highest offer price (p)	Lowest bid price (p)
I distribution			
2012 *	1.1403	53.63	47.37
2013	2.2728	60.69	52.51
2014	2.7211	63.85	58.69
2015	2.5693	68.71	61.57
2016 **	1.5548	67.10	59.54
I accumulation			
2012 *	1.1527	54.54	47.37
2013	2.3615	63.95	53.69
2014	2.9607	69.93	62.48
2015	2.9069	77.00	68.77
2016 **	1.8155	79.08	69.04
R distribution			
2012 *	1.1396	55.69	47.35
2013	2.2541	62.90	52.32
2014	2.6852	65.64	58.12
2015	2.5171	70.36	60.36
2016 **	1.5498	68.15	58.19
R accumulation			
2012 *	1.1493	56.65	47.35
2013	2.3523	66.02	53.50
2014	2.9192	71.88	61.87
2015	2.8523	78.83	67.64
2016 **	1.8094	80.32	67.47

Net revenue includes all amounts paid and payable in each calendar year.

* From 21 May 2012.

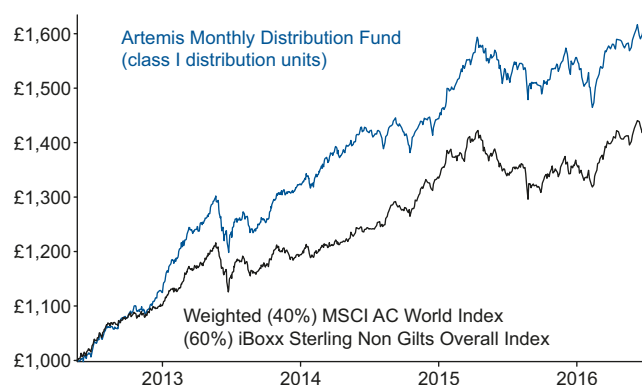
** To 30 June 2016.

Class I performance

Performance	Since launch *	3 years	1 year	6 months
Artemis Monthly Distribution Fund	63.5	32.8	7.9	5.0
Weighted (40%) MSCI AC World Index (60%) iBoxx Sterling Non Gilts Overall Index	48.7	29.2	11.1	9.4
Sector average	29.0	14.5	2.2	2.9
Position in sector	1/97	1/108	9/133	27/139
Quartile	1	1	1	1

* Data from 21 May 2012. Source: Lipper Limited, class I distribution units, bid to bid in sterling to 30 June 2016. All figures show total returns with income reinvested, percentage growth. Sector is IA Mixed Investment 20-60% shares, universe of funds is those reporting net of UK taxes.

Value of £1,000 invested at launch to 30 June 2016



Changes to performance reporting

Following recent guidance from the Investment Association, changes have been made to fund performance disclosure. The majority of investors now buy 'clean class' fund units (typically those with the lowest charges), which for Artemis is the class I units. Sector performance information is therefore now shown for class I units, rather than for class R units.

Class R performance

Performance	Since launch *	3 years	1 year	6 months
Artemis Monthly Distribution Fund	59.4	30.2	7.2	4.7
Weighted (40%) MSCI AC World Index (60%) iBoxx Sterling Non Gilts Overall Index	48.7	29.2	11.1	9.4

* Data from 21 May 2012. Source: Lipper Limited, class R distribution units, bid to bid in sterling to 30 June 2016. All figures show total returns with income reinvested, percentage growth.

Value of £1,000 invested at launch to 30 June 2016

