

Schroder

Global Alpha Plus Fund

Final Short Report

16 March 2013 to 15 March 2014



Schroders

Schroder Global Alpha Plus Fund

Review of Investment Activities

From 15 March 2013 to 14 March 2014 the price of A Accumulation units on a dealing price to dealing price basis rose 3.73%. In comparison, the MSCI World Index generated a total return of 6.08%¹ in sterling terms.

¹ Source: Thomson Reuters Datastream.

Global equity markets rose as the global economic recovery gained traction. Improving economic conditions in the eurozone meant European shares were strongest, especially in peripheral Europe. US shares were also strong, driven by improving housing and employment data.

The strategy pursues an unconstrained, bottom up investment approach, where we select only our highest conviction stocks wherever they are listed. Several of our financial holdings performed well, including BNP Paribas and Banco Bilbao Vizcaya Argentaria, benefitting from improving financial conditions in the eurozone.

Google was a top performer as markets responded well to the strength of its mobile strategy and strong growth in search related advertising. Packaging company Sealed Air also rose as secular drivers for more effective packaging drove pricing and growth, and a new management set about making the company more efficient.

Jardine Strategic Holding, which is indirectly exposed to Indonesia via its subsidiary business, and Idea Cellular, an Indian telecommunications company, were weak given concerns about the health of their respective economies. We believe these are both excellent companies, and with both countries addressing their problems the shares have started to perform well again.

Global growth should improve through 2014. Though risks have increased, notably a slowdown in China and the Ukraine crisis, we are finding good opportunities in capital spending related industries leading us to increase holdings in industrials and technology. We believe companies well positioned for interest rate normalisation will do well in 2014, which is represented through positions in companies such as Citigroup and Credit Suisse Group.



Fund Manager:
Simon Webber

Fund Information

	Interim	Final
Accounting dates	15 September	15 March
Revenue allocation date		15 May
Ongoing charges figure	For the year to 15.3.14	For the year to 15.3.13
A Income units	1.72%	1.72%
A Accumulation units	1.72%	1.72%
Z Income units	0.97%	0.97%
Z Accumulation units	0.97%	0.97%

Performance Record

Fund performance	Net Asset Value as at 15.3.14 pence per unit	Net Asset Value as at 15.3.13 pence per unit	Net Asset Value % change
A Income units	61.53	59.54	3.34
A Accumulation units	61.62	59.63	3.34
Z Income units	60.20	58.24	3.37
Z Accumulation units	61.43	59.00	4.12

	3 months	1 year	Since launch
Schroder Global Alpha Plus Fund	(1.42)%	3.73%	23.48%
MCSI World Index	1.73%	6.08%	39.91%

Fund Source: A Accumulation units on a dealing price to dealing price basis to 14.3.14.

Index Source: Thomson Reuters Datastream, total return in sterling terms to 14.3.14.

The Schroder Global Alpha Plus Fund was launched on 30.4.10.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

Performance Record (continued)

Unit price range	A Income units		A Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
Year to 31 December				
2010	54.93	44.28	54.91	44.27
2011	56.47	43.37	56.45	43.36
2012	53.63	46.77	53.61	46.76
2013	64.67	51.12	64.78	51.11
2014 to 15 March	65.46	60.36	65.57	60.45

	Z Income units		Z Accumulation units	
	Highest dealing p	Lowest dealing p	Highest dealing p	Lowest dealing p
Year to 31 December				
2010	53.43	49.98	53.44	49.98
2011	55.12	42.42	55.14	42.44
2012	52.55	45.78	52.65	46.00
2013	63.59	50.25	64.42	50.49
2014 to 15 March	64.44	59.44	65.28	60.22

Net revenue		A Income units	A Accumulation units
Year to 31 December		pence per unit	pence per unit
2010		Nil	Nil
2011		Nil	Nil
2012		Nil	Nil
2013		0.1046	0.1064
2014 to 15 March		Nil	Nil

		Z Income units	Z Accumulation units
Year to 31 December		pence per unit	pence per unit
2010		Nil	Nil
2011		Nil ¹	0.0297
2012		0.2280	0.2130
2013		0.4765	0.4795
2014 to 15 March		0.4392	0.4449

¹ There was no distribution for Z Income units as the total amount distributable was below the de minimis.

Portfolio Information

Spread of investments	% of net assets as at 15.3.14	% of net assets as at 15.3.13
Hong Kong	3.85	3.69
India	4.65	0.00
Indonesia	0.00	3.41
Japan	9.69	8.47
Thailand	2.80	0.00
Finland	4.21	0.00
France	7.28	9.36
Germany	2.93	4.97
Ireland	3.71	2.59
Israel	3.52	3.33
Jersey	0.00	5.89
Netherlands	0.00	3.46
Switzerland	7.75	0.00
United Kingdom	8.60	5.60
Curaçao	4.11	3.23
Bermuda	2.73	3.38
Canada	2.04	2.06
United States	30.78	35.79
Net other assets	1.35	4.77

Major holdings	% of net assets as at 15.3.14	% of net assets as at 15.3.13
Schneider Electric	4.32	JP Morgan Chase 4.10
Nokia	4.21	SLM 3.94
Amgen	4.18	Danaher 3.85
Citigroup	4.14	AIA Group 3.69
Schlumberger	4.11	Morgan Stanley 3.62
Roche Holding	3.96	Essilor International (Compagnie Generale d'Optique) 3.54
AIA Group	3.85	Heineken 3.46
Credit Suisse Group	3.79	Microsoft 3.41
eBay	3.78	Bank Rakyat Indonesia 3.41
Google	3.76	Kering 3.39



Investment Objective & Policy

The fund's investment objective is to provide capital growth through investment in equities and securities of companies worldwide. In order to achieve the objective the Manager will invest in a select portfolio of securities which it believes offers potential for future growth and shall not be restricted by size, sector or region.

Investment will be primarily in transferable securities. The fund may also invest in a wide range of investments including collective investment schemes, cash, deposits, derivatives, warrants and money market instruments.

The fund can use derivatives for specific investment purposes but currently does not. If the Manager decides to use derivatives this way, this may result in a more volatile unit price and so result in a higher degree of market risk, therefore the Manager will give registered unitholders appropriate notice if it decides to do so.

Risk Profile

Risk and reward indicator



The risk category was calculated using simulated performance data and may not be a reliable indicator of the fund's future risk profile.

The fund is in this category because it can take higher risks in search of higher rewards and its price may rise and fall accordingly.

The fund's risk category is not guaranteed to remain fixed and may change over time.

A fund in the lowest category does not mean a risk free investment.

Risk Profile (continued)

Specific risks

The fund invests in assets which are exposed to currencies other than sterling. Exchange rates may cause the value of overseas investments and the revenue from them to rise or fall.

The fund invests in less developed markets which are generally less well regulated than the UK. They may be less liquid and may have less reliable custody arrangements.

The fund invests in emerging markets and the Far East. This involves a high degree of risk and should be seen as long term in nature.

The fund is index unconstrained and has the potential for greater volatility.

The fund invests in a smaller number of stocks. This carries more risk than funds spread across a larger number of companies.

The fund invests in smaller companies which may be less liquid than larger companies and price swings may therefore be greater than in larger company funds.

The fund may use derivatives for specific investment purposes. This involves a higher degree of risk and may lead to a higher volatility in the unit prices of the fund. It is not currently the intention to use derivatives for specific investment purposes.

For these reasons, the purchase of units should not normally be regarded as a short term investment.

Report & Accounts

This document is a short report for the Schroder Global Alpha Plus Fund for the year ended 15 March 2014. The long form Report & Accounts for the fund are available on our website www.schroders.co.uk or upon written request to Schroders, FREEPOST, RLTZ-CHSY-HBUT, PO Box 1102, Chelmsford, Essex CM99 2XX.

Other information

With effect from 1 October 2013 the minimum initial investment for Z Income units and Z Accumulation units decreased from £3 million to £1 million.

The information contained in this report is designed to enable unitholders to make an informed judgement on the activities of the fund during the period it covers and the results of those activities at the end of the period. For more information about the activities and performance of the fund during this and previous periods, please contact the Manager.

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.co.uk.

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For investors' security, calls to Schroder Investor Services may be recorded. **Manager:** Schroder Unit Trusts Limited, 31 Gresham Street, London, EC2V 7QA. Authorised and regulated by the Financial Conduct Authority. **Trustee:** J.P. Morgan Trustee and Depositary Company Limited, Chaseside, Bournemouth, BH7 7DA. Authorised and regulated by the Financial Conduct Authority. **Independent Auditors:** PricewaterhouseCoopers LLP, Atria One, 144 Morrison Street, Edinburgh EH3 8EX.

For further literature please contact Schroder Investor Services on 0800 718 777 or at investorservices@schroders.com, or visit our website at www.schroders.co.uk.

