

Schroder

Global Emerging Markets Fund

Interim Short Report

1 April 2013 to 30 September 2013



Schroders

Schroder Global Emerging Markets Fund

Review of Investment Activities

From 28 March 2013 to 30 September 2013 the price of A Accumulation units on a selling price to selling price basis fell 7.20%. In comparison, the MSCI Emerging Markets Index generated a negative net return of 8.64%¹.

1 Source: Thomson Reuters Datastream.

Global equities rose over the period supported by firmer data and continued benign global liquidity. Concerns about a scaling back of stimulus in the US were relieved following the decision by the US Federal Reserve to delay tapering. Progress towards policy normalisation in the US weighed on emerging markets and the MSCI Emerging Markets index underperformed the MSCI World index.

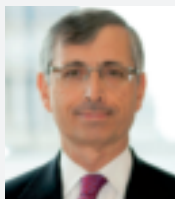
The fund outperformed the index. Country allocation and stock selection added to returns. Our underweights to Indonesia and Chile, both of which underperformed, added value. This was somewhat offset by the underweight to Taiwan, which outperformed. The main positive stock selection effect came from China.

The most significant changes made to our country positioning versus the index over the period were as follows: we moved Taiwan from underweight to neutral in July and China from neutral to overweight in April. We also took Hungary from neutral to a small overweight in April. We reduced the overweight position in Turkey throughout the period and took Brazil from neutral to underweight in July.

Investor sentiment towards global emerging markets remains stubbornly bearish. We believe this is somewhat surprising given the positive growth differential and generally superior fundamentals of emerging economies in comparison to their developed peers. There is also a case to be made that investor concerns have already largely been priced in with valuations at attractive levels.



**Co-Fund
Manager:**
**Robert
Davy**



**Co-Fund
Manager:**
**Allan
Conway**

Fund Information

	Interim	Final
Accounting dates	30 September	31 March
Revenue allocation date		31 May

Ongoing charges figure	For the period to 30.9.13	For the year to 31.3.13
A Income units	1.74% ¹	1.73%
A Accumulation units	1.74% ¹	1.73%
Z Income units	0.99% ¹	0.98%
Z Accumulation units	0.99% ¹	0.98%

¹ The Ongoing charges figure is annualised based on the fees suffered during the accounting period.

Performance Record

Fund performance	Net Asset Value as at 30.9.13 pence per unit	Net Asset Value as at 31.3.13 pence per unit	Net Asset Value % change
A Income units	128.68	139.04	(7.45)
A Accumulation units	136.70	147.71	(7.45)
Z Income units	54.05	58.19	(7.11)
Z Accumulation units	54.75	58.94	(7.11)

	3 months	6 months	5 years
Schroder Global Emerging Markets Fund	1.26%	(7.20)%	62.49%
MSCI Emerging Markets Index	(0.94)%	(8.64)%	55.99%

Fund Source: A Accumulation units on a selling price to selling price basis to 30.9.13.

Index Source: Thomson Reuters Datastream, net return in sterling terms to 30.9.13.

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 buying p	Lowest selling p	Highest buying p	Lowest selling p
Year to 31 December				
2008	128.60	57.55	132.90	59.48
2009	129.50	68.55	135.20	70.85
2010	149.10	111.80	156.10	116.80
2011	151.70	104.70	158.80	110.00
2012	139.90	114.70	146.90	121.40
2013 to 30 September	146.20	118.50	154.60	125.90

	Z Income units		Z Accumulation units	
	Highest buying p	Lowest selling p	Highest buying p	Lowest selling p
Year to 31 December				
2008	–	–	–	–
2009	–	–	–	–
2010	–	–	–	–
2011	50.49	46.22	50.49	46.22
2012	56.49	48.11	56.49	48.10
2013 to 30 September	61.67	49.69	61.68	50.33

Net revenue	A Income units	A Accumulation units
Year to 31 December	pence per unit	pence per unit
2008	0.0624	0.0645
2009	0.7993	0.8261
2010	0.2942	0.3084
2011	0.5670	0.5959
2012	0.8514	0.8850
2013 to 30 September	0.6381	0.6761

	Z Income units	Z Accumulation units
Year to 31 December	pence per unit	pence per unit
2008	–	–
2009	–	–
2010	–	–
2011	Nil	Nil
2012	Nil ¹	Nil ¹
2013 to 30 September	0.7383	0.7383

¹ There was no distribution for Z Income units and Z Accumulation units as the total amounts distributable were below the de minimis.

Portfolio Information

Spread of investments	% of net assets as at 30.9.13	% of net assets as at 31.3.13
China/Hong Kong	21.77	18.06
India	3.27	4.81
Indonesia	0.00	1.18
Malaysia	3.69	3.49
Philippines	0.91	1.10
South Korea	19.00	18.18
Taiwan	11.39	6.82
Thailand	5.26	6.07
Cayman Islands	0.00	0.20
Czech Republic	0.25	0.28
Egypt	0.22	0.53
Hungary	1.25	0.23
Jersey	0.00	0.29
Netherlands	0.00	0.20
Poland	1.65	1.42
Qatar	0.00	0.62
Russia	9.14	8.94
South Africa	2.45	2.11
Turkey	2.92	5.10
Brazil	10.10	12.71
Colombia	0.32	1.11
Mexico	5.16	5.53
United States	0.00	0.55
Net other assets	1.25	0.47

Portfolio Information (continued)

Major holdings	% of net assets as at 30.9.13		% of net assets as at 31.3.13
Samsung Electronics	4.79	Samsung Electronics	6.39
Hyundai Motor	3.03	China Construction Bank H	2.63
Tencent Holdings	3.02	Lukoil ADR	2.53
China Construction Bank H	2.67	Taiwan Semiconductor Manufacturing	2.47
Taiwan Semiconductor Manufacturing	2.62	Sberbank of Russia ADR	2.40
Lukoil ADR	2.47	Hyundai Motor	2.14
China Petroleum & Chemical H	1.93	Itau Unibanco Holding ADR	1.71
Sberbank of Russia ADR	1.91	China Petroleum & Chemical H	1.68
LG Chem	1.72	LG Chem	1.59
CNOOC	1.72	Tencent Holdings	1.56

Investment Objective & Policy

The fund's investment objective is to achieve long term capital growth by investing in the emerging markets of the world.

The fund will invest in equity or equity related securities (including warrants and convertible securities) and fixed interest securities which provide exposure to emerging markets.

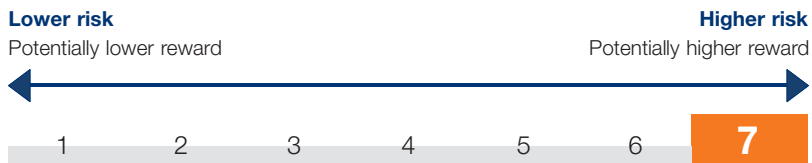
The portfolio may also include shares in investment trusts and other closed end funds which are themselves dedicated to investment in emerging markets, as well as in securities of companies which, whilst listed on eligible stock exchanges, conduct a significant proportion of their business in emerging market countries and may, therefore, be expected to participate in their growth.

Investment will be in directly held transferable securities. The fund may also invest in collective investment schemes, warrants and money market instruments.



Risk Profile

Risk and reward indicator



The risk category was calculated using historical 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.

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

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 Emerging Markets Fund for the period ended 30 September 2013. 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

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, Erskine House, 68-73 Queen Street, Edinburgh EH2 4NH.

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.

