



Royal London Far East Growth Trust

Short Interim Report to 30 June 2009

Royal London Far East Growth Trust

Investment Objective and Policy

The investment objective of the Fund is to achieve capital growth by investing predominantly in quoted Far East stocks and shares.

Risk Profile

Any stock market investment involves risks. Some of these risks are general, which means that they apply to all investments. Others are specific, which means that they apply to individual Funds. For full details of the investment risks that affect this Fund please refer to your copy of the Funds Simplified Prospectus. Before you decide to invest, it is important to understand these risks. If you are unsure, please seek professional advice from a Financial Adviser.

Trust performance

During the six month period to the 30th June 2009, the bid price of the Fund's units increased 13.38% (from 205.5p to 233.0p). The peer group, the IMA Far East (ex Japan) sector median, returned 16.27% over the same period.

Economic and stock market background

Global economic conditions continued to be challenging in the first half of 2009. However, there are emerging signs that the global economy may be approaching the bottom. Credit markets have improved on the back of the huge liquidity injection by central banks' major 'Quantitative Easing' exercise. In addition, most recently released economic data has also managed to surprise positively.

China probably offers the best hope of an economic recovery as a massive government-led stimulus package and a rapid pick-up in loan growth seems to have turned the economy around. However, other Asian countries were less fortunate as their economies are still very export orientated and are still suffering from shrinking global demand.

The markets started the year with a very pessimistic view of the global economy. However, risk appetites quickly returned as there were signs that the weakness in the global economy is subsiding. Sectors (mostly cyclical) that performed badly over last year rebounded most in the first half.

On a sector level Technology, Consumer Goods and Basic Materials performed well. However, the Telecom, Utilities and Healthcare sectors deteriorated further.

Portfolio commentary

The fund has performed in line with the benchmark, the FTSE® World Far East ex Japan Index.

The fund has been actively managed during the first half of the year on the back of extreme market volatility. The fund started the year with a defensive tilt but turned more cyclical bias to the portfolio as signs of recovery emerged.

Nevertheless, the fund returned to a more neutral stance towards the end of the first half as the rally has driven the markets to mid-cycle valuations. The overweight position in China related stocks was maintained throughout the first half of 2009.

Positive impacts on fund performance were our overweight position in the Consumer Goods

sector, good stock selection within the Technology sector and our overweight position on China given its long term appeal. Examples of strong performing stocks which the Fund has held over the half year include:

- Bank of China (+74%): the cheapest valuations among major Chinese banks. To benefit from the recovery of the Chinese economy.
- Wistron Corp (+119%): A notebook computer manufacturer benefitting from the secular growth of netbook and consumer ultra-low voltage notebook.
- Hyundai Mobis (+76%): An auto parts supplier to the Hyundai Motor group, which has gain market share worldwide.

Outlook

The markets are trading close to mid-cycle valuations after the rally. Further evidence of a sustainable recovery of the global economy is required to push the markets higher. However, it is still unclear at this juncture whether the global economic recovery is sustainable or just reflecting a temporary inventory replenishment cycle. As such the fund will monitor closely the upcoming economic release to determine whether a change in positioning is required.

The fund will adopt a more neutral stance until the growth outlook becomes clearer. China remains a long term positive story. A long term positive view on China will be maintained.

Edward Chan
Fund Manager

July 2009

Fund Facts

Sedol number	3022960
Fund Type	Authorised Unit Trust
Initial Charge	4.00%
Total Expense Ratio 30/06/09*	1.06%
Total Expense Ratio 31/12/08*	1.06%
Portfolio Turnover Rate 30/06/09	163.62%
Portfolio Turnover Rate 31/12/08	189.94%
Annual Management Charge (amc)	1.00%
Initial Commission	3%
Domiciled	UK
Min Lump Sum Investment	£1,000
Min Additional Investment or Sale	£100
Min Monthly Investment	£50
ISA Qualifying	Yes
Available in Savings Scheme	Yes
Launch Date	March 1990
Unit Type(s)	Accumulation units
Distribution Calculation Dates (XD)	01/07, 01/01
Distribution Payment Dates	31/08, 28/02

* the total expense ratio: consists of the AMC and any other additional expenses charged to a fund, such as trustee fees.

Fund Performance Data

Bid Price	233.00p
Offer Price	245.18p
Fund Size	£300.99m*
Net Asset Value (NAV) at start of accounting period (31 Dec 2008)	210.33p
Net Asset Value (NAV) at end of accounting period (30 Jun 2009)	234.01p

Net Income Information

Year	Pence per unit	Per £1,000 invested at 2 January 2004
2009*	1.99	14.33
2008	5.39	38.80
2007	3.69	26.57
2006	2.23	16.05
2005	2.98	21.45
2004	1.32	9.50

*To 30 June 2009

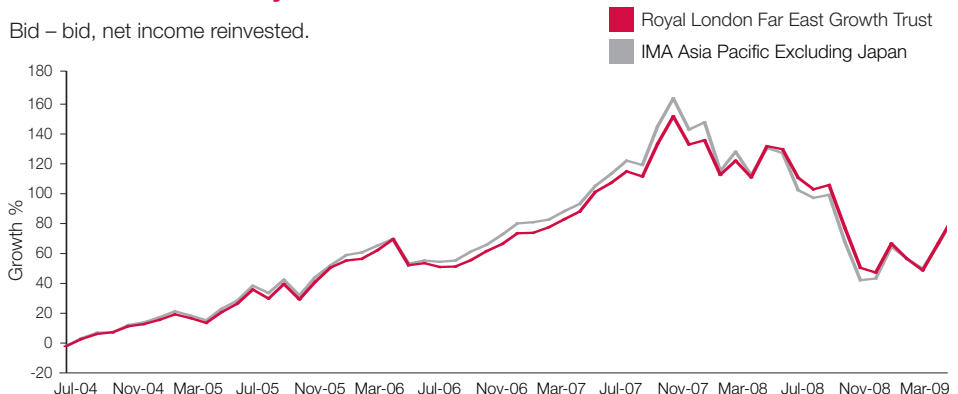
Fund vs Sector Average Out-Performance

	1 year	2 years	3 years	4 years	5 years
To 30 June 2009	30/6/08 to 30/6/09	30/6/07 to 30/6/08	30/6/06 to 30/6/07	30/6/05 to 30/6/06	30/6/04 to 30/6/05
Royal London Far East Growth	-9.93	1.61	34.42	20.87	26.17
IMA Asia Pacific Excluding Japan	-4.99	-4.90	36.52	20.42	28.18
Out-Performance	-4.94	6.51	-2.10	0.45	-2.01

Total Return Bid-Bid quarter end (30/06/2009) performance table, of Royal London Far East Growth Fund and IMA Asia Pacific Excluding Japan Sector from UK IMA UT and OEICs universe. Rebased in Pounds Sterling

Fund Performance 5 years to 30 June 2009

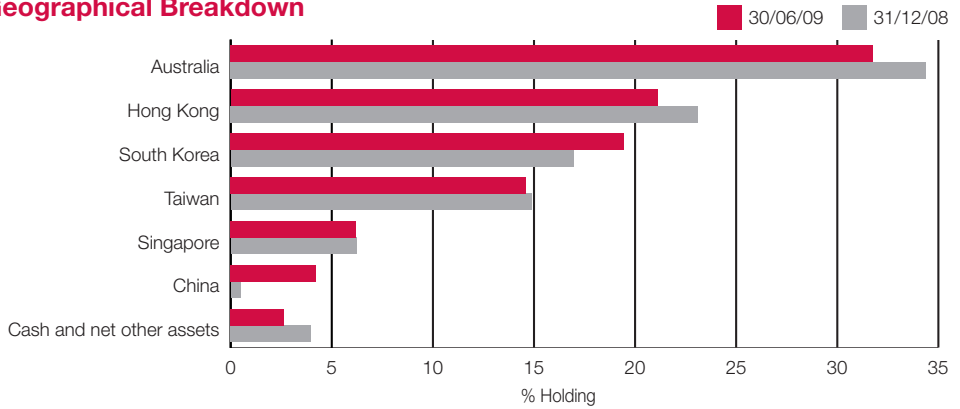
Bid – bid, net income reinvested.



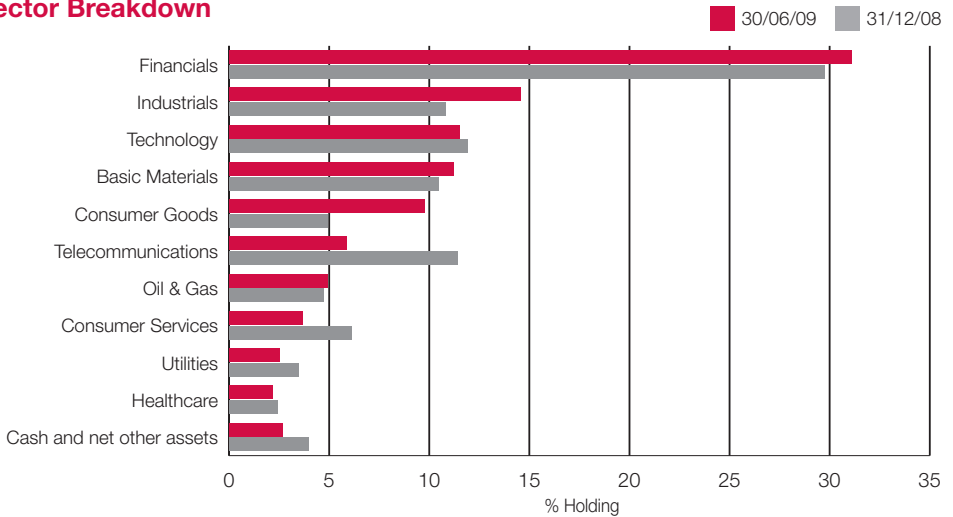
RLAM & Financial Express as at 30 June 2009

Past performance is no guarantee to the future. The value of units can go down as well as up and the return from your investment is not guaranteed and can fall as well as rise due to stock market movements and changes in long term interest rates, so you may not get back the amount that you originally invested.

Geographical Breakdown

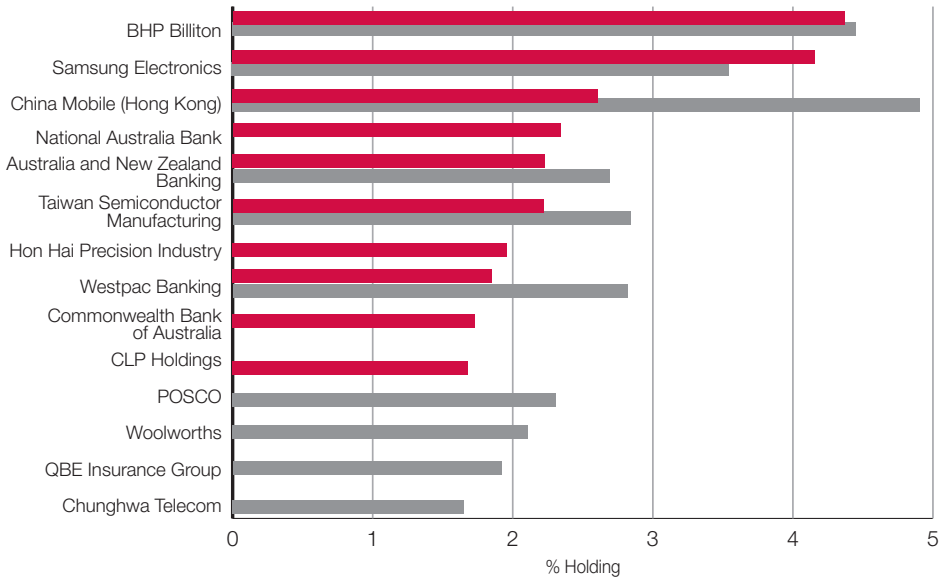


Sector Breakdown



Top 10 Holdings

30/06/09 31/12/08



A copy of the Long Form Report and Accounts is available on request.

The Manager of the Royal London Far East Growth Trust is Royal London Unit Trust Management Ltd.

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