

Legal & General
Global Health & Pharmaceuticals Index Trust
**Interim Manager's
Short Report
for the period ended
7 July 2013**



Investment Objective and Policy

The investment objective of this Trust is to secure capital growth from a portfolio of securities representing companies engaged in Health, Pharmaceuticals and Biotechnology.

Securities representing all such companies in the FTSE World Index will be held with weightings generally proportionate to their market capitalisation.

From time to time non-Index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market Risk

Market risk arises mainly from uncertainty about future prices. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.

Currency Risk

This Trust is invested in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

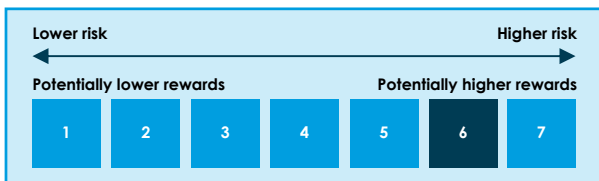
Trust Facts

Period End Date for Distribution:		7 Jan
Distribution Date:		7 Mar
Ongoing Charges Figures:	7 Jul 13	7 Jan 13
R-Class	1.15%	1.15%
I-Class	0.31%	0.32%
F-Class	0.45%	0.45%

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a trust and is calculated based on the last period's figures.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category six because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

Trust Performance

Accounting Date	Net Asset Value Of Trust	Net Asset Value Per Unit	Number Of Units In Issue
7 Jan 11			
R-Class			
Distribution Units	£1,864,253	22.91p	8,138,140
Accumulation Units	£34,951,408	24.44p	142,994,617
I-Class			
Distribution Units	£10,587,712	22.94p	46,152,338
Accumulation Units	£2,652,243	25.33p	10,468,835
7 Jan 12			
R-Class			
Distribution Units	£2,209,406	24.81p	8,905,044
Accumulation Units	£38,327,183	26.77p	143,166,985
I-Class			
Distribution Units	£7,489,337	24.86p	30,126,827
Accumulation Units	£592,794	27.98p	2,118,682
7 Jan 13			
R-Class			
Distribution Units	£3,012,143	27.88p	10,803,581
Accumulation Units	£49,267,047	30.43p	161,898,814
I-Class			
Distribution Units	£8,879,337	27.93p	31,788,344
Accumulation Units	£2,791,652	32.07p	8,704,045
F-Class*			
Distribution Units	£1,001	27.92p	3,585
Accumulation Units	£1,014	30.51p	3,323
7 Jul 13			
R-Class			
Distribution Units	£4,809,386	34.74p	13,845,545
Accumulation Units	£67,417,058	37.91p	177,813,883
I-Class			
Distribution Units	£23,448,201	34.89p	67,198,692
Accumulation Units	£10,329,280	40.13p	25,739,797
F-Class*			
Distribution Units	£1,252	34.92p	3,585
Accumulation Units	£30,315	38.12p	79,515

* F-Class units launched on 19 December 2012.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Distribution Information

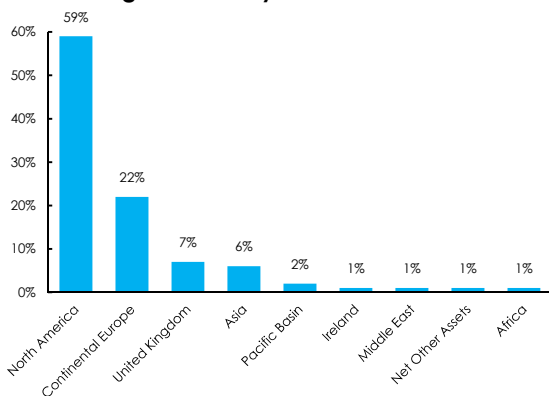
The policy is to distribute, on an annual basis, all available revenue, after deduction of those expenses which are chargeable in calculating the distribution. This being the case, there is no interim distribution.

Portfolio Information

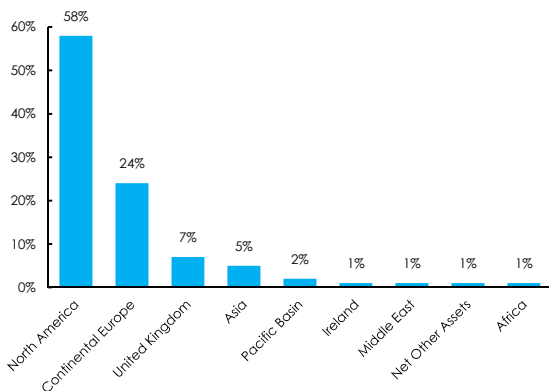
The top 10 holdings and their associated weighting for the current period and preceding year are:

Top 10 Holdings at 7 July 2013		Top 10 Holdings at 7 January 2013	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
Johnson & Johnson	8.01%	Johnson & Johnson	7.36%
Pfizer	6.25%	Pfizer	7.14%
Roche	5.84%	Novartis	6.21%
Novartis	5.51%	Roche	5.37%
Merck & Company	4.78%	Merck & Company	4.80%
GlaxoSmithKline	4.23%	Sanofi	4.65%
Sanofi	3.90%	GlaxoSmithKline	4.08%
Gilead Sciences	2.68%	Novo Nordisk 'B'	2.67%
Amgen	2.49%	Amgen	2.56%
Bristol-Myers Squibb	2.41%	AstraZeneca	2.25%

Trust Holdings as at 7 July 2013



Trust Holdings as at 7 January 2013



Unit Price Range and Net Revenue

R-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	20.88p	16.23p	0.1236p
2009	22.63p	17.37p	0.2132p
2010	24.34p	20.51p	0.2409p
2011	25.20p	21.23p	0.2640p
2012	28.34p	24.72p	0.2785p
2013 ⁽¹⁾	35.70p	27.63p	0.3215p
Accumulation Units			
2008	21.56p	16.75p	0.1266p
2009	23.62p	18.13p	0.2199p
2010	25.67p	21.64p	0.2520p
2011	26.88p	22.66p	0.2779p
2012	30.58p	26.54p	0.2971p
2013 ⁽¹⁾	38.97p	29.81p	0.3469p

I-Class Units

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2008	21.03p	16.31p	0.2683p
2009	22.79p	17.40p	0.3454p
2010	24.40p	20.63p	0.3779p
2011	25.34p	21.37p	0.4486p
2012	28.45p	24.78p	0.4717p
2013 ⁽¹⁾	35.82p	27.78p	0.4309p
Accumulation Units			
2008	22.00p	17.07p	0.2683p
2009	24.27p	18.52p	0.3530p
2010	26.44p	22.35p	0.4089p
2011	27.97p	23.60p	0.4833p
2012	32.17p	27.73p	0.5198p
2013 ⁽¹⁾	41.20p	31.41p	0.6136p

⁽¹⁾ The above tables show the highest offer and lowest bid prices to 7 July 2013.

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

Unit Price Range and Net Revenue continued

F-Class Units*

Year	Highest Offer	Lowest Bid	Net Revenue
Distribution Units			
2012 ⁽¹⁾	27.89p	27.36p	—
2013 ⁽²⁾	35.86p	27.68p	0.3338p
Accumulation Units			
2012 ⁽¹⁾	30.09p	29.52p	—
2013 ⁽²⁾	39.15p	29.87p	0.3593p

* F-Class units launched on 19 December 2012.

⁽¹⁾ The above table shows the highest offer and lowest bid prices from 19 December 2012 to 31 December 2012.

⁽²⁾ The above table shows the highest offer and lowest bid prices to 7 July 2013.

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Manager's Investment Report

During the period under review, the bid price of the Trust's R-Class distribution units rose by 23.08% on a capital only basis. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 3pm. Therefore, for tracking purposes the Trust has been revalued using closing prices and foreign exchange rates. On this basis, over the review period from the close of business on 7 January 2013 to the close of business on 5 July 2013 (the last working day of the accounting period), the Trust rose by 23.53% on a capital only basis compared with the FTSE World Health and Pharmaceutical Index rise of 23.54% on a capital only basis (Source: FTSE International Limited), producing a tracking deviation of -0.01%.

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Market/Economic Review

At the end of the period under review, there were 75 companies in the FTSE World Index classified as Pharmaceuticals and Biotechnology, and a further 54 companies classified under the Health Care Equipment and Services sector. These sub sectors account for approximately 77% and 23% of the portfolio respectively.

The top 10 holdings in the portfolio are shown below. These represent almost 50% of the Trust by market value and consist of the 10 largest Pharmaceutical companies in the world.

Johnson & Johnson (US)

Pfizer (US)

Roche (Switzerland)

Novartis (Switzerland)

Merck & Company (US)

GlaxoSmithKline (UK)

Sanofi (France)

Gilead Sciences (US)

Amgen (US)

Bristol-Myers Squibb (US)

During the period under review, three stocks were added to, and two stocks deleted from, the Index as a result of FTSE quarterly Index reviews. Christian Hansen Holdings (Denmark), Kaken Pharmaceutical and Kyorin Holdings (both Japan) were added to the

Manager's Investment Report continued

Pharmaceuticals & Biotechnology sector. Straumann and Nobel Biocare Holding (both Switzerland) were deleted from the Health Care Equipment & Services sector in the March 2013 review.

Outside the reviews, there were two acquisitions in the Health Care Equipment & Services sector. Amil Participacoes (Brazil) was acquired for cash by United Health Group (US), and Coventry Health Care (US) was acquired by Aetna (US) for cash and stock. Both acquired stocks were subsequently deleted from the Index.

Mallinckrodt (Ireland) was added to the Index following its demerger from Covidien (Ireland), which subsequently decreased its weighting in the Index.

The more defensive Health & Pharmaceutical sector performed favourably compared to the global Index: the FTSE World Index capital return was 12.43%, in Sterling terms, over the review period (Source: Bloomberg).

Outlook

Looking forward, the degree to which companies are willing to accept more risk and invest back in the real economy, as opposed to returning capital to shareholders in a period of heightened uncertainty, will determine the financial landscape. While the US Federal Reserve has made it clear it intends to step back from its 'super accommodative' stance, it is still likely to adopt a very friendly equity stance. Interest rates remain at an extraordinarily low level and there are more signs emerging that private sector demand growth is now on a more sustainable path. The current rate of employment growth suggests that interest rates can remain low for a long time and the outlook for inflation is also very encouraging.

The recent rise in bond yields, the so called 'steepening of the yield curve', is a positive event for equities. As more investors gain confidence on the sustainability of economic growth, the valuation of the stock market should rise, even in a world of muted profits growth.

In recent years, pharmaceutical companies have faced challenges including generic competition as drugs come off patent, declining research and development productivity, and regulatory pressures, but with the most significant patent expiries having occurred throughout 2012, the industry is showing signs of recovery.

The EU pricing environment remains restrictive as governments work to reduce health care expenditures in contrast to the more liberal pricing mechanisms in the US. European Government austerity may also encourage the uptake of further generic products with a detrimental effect of branded sales. The recent Patient Protection and Affordable Care Act in the US will increase the coverage base and should give a boost to Pharmaceutical companies although this may also contribute to the uptake of generics as insurance companies try to minimise costs.

Mature companies with positive cash flows and strong balance sheets have been making acquisitions, diversifying their product lines and streamlining research and development operations and going forward

Manager's Investment Report continued

we expect merger activity to continue particularly with the acquisition of promising pipeline candidates by established Pharmaceutical companies in preference to developing products from scratch. Large drug companies are reporting increased sales from emerging market countries, in particular the large economies of China, India and Brazil, and it is expected that these will continue to develop into important markets, for many of the established global health care companies, as access to care improves.

As estimates for global growth remain low, the more defensive health care sector continues to outperform the overall market. Though generic erosion remains a major threat companies have maintained both cash flows and dividends.

Legal & General Investment Management Limited
(Investment Adviser)
29 July 2013

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

Call charges will vary. We may record and monitor calls.

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

R-Class	£500
I-Class	£1,000,000
F-Class	£500

In addition, monthly contributions can be made into the R-Class and F-Class only, with a minimum amount of £50 per month.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

Manager

Legal & General (Unit Trust Managers) Limited

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