LIONTRUST MACRO UK GROWTH FUND

Interim Report &
Financial Statements (unaudited)

For the period:
1 February 2020
to
31 July 2020

Managed in accordance with
The Liontrust Macro-Thematic Process

LIONTRUST FUND PARTNERS LLP

LIONTRUST

Contents

* Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

Management and Administration

Authorised Fund Manager ("Manager")

Liontrust Fund Partners LLP
2 Savoy Court
London WC2R 0EZ

Administration and Dealing enquiries 0344 892 0349
Administration and Dealing facsimile 020 7964 2562
Email Liontrustadmin@bnymellon.com
Website www.liontrust.co.uk

The Manager is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the Manager is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

Investment Adviser

Liontrust Investment Partners LLP
2 Savoy Court
London WC2R 0EZ

Authorised and regulated by the FCA.

Trustee

The Bank of New York Mellon (International) Limited
1 Canada Square
London
E14 5AL

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

Administrator and Registrar

The Bank of New York Mellon (International) Limited
1 Canada Square
London
E14 5AL

(Authorised by PRA and regulated by the FCA and the PRA).

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Liontrust Macro UK Growth Fund

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist asset manager with £19.3 billion in assets under management as at 30 June 2020 and which takes pride in having a distinct culture and approach to managing money. Our purpose is to have a positive impact on our investors, stakeholders and society. We aim to achieve this by providing the environment which enables our fund managers and employees to flourish, helping our investors achieve their financial goals, supporting companies in generating sustainable growth, and empowering and inspiring the wider community. What makes Liontrust distinct?

- The company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Luxembourg and Edinburgh.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have nine fund management teams: six that invest in UK, European, Asian and Global equities, a Global Fixed Income team, a Sustainable Investment team and one team that manages Multi-Asset portfolios.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from buying stocks for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Principles of Treating Customers Fairly (TCF) and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP, Liontrust Fund Partners LLP and Liontrust Investment Management Limited which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust International (Luxembourg) S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

Manager's Investment Report

Investment objective

The Fund aims to deliver income and capital growth over the long-term (5 years or more).

Investment policy

The Fund will invest at least 80% in companies which are incorporated, domiciled or conduct significant business in the United Kingdom (UK).

The Fund will typically invest 95% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits. The Fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

The Team

Stephen Bailey and Jamie Clark manage the Liontrust Macro-Thematic Process. Stephen started his career in the mid-1980s and joined Walker Crips in 1987 as investment director. Jamie joined Walker Crips in 2003 and prior to that was a Junior Proprietary Trader at First New York Securities. Jamie Clark became co-manager of the Macro funds in 2007.

The Process

The process is based on the analysis of economic, political, social and cultural developments to identify Macro-Themes. The fund managers define a Macro-Theme as an undiscounted, structural change in the process of realisation; and the related passage to theme-maturity, as the macro-trend. The fund managers believe this investment process equips them to locate unappreciated investment ideas and capture the full, long-term potential of each portfolio holding. There are four stages to the process: theme discovery; identification of theme-assisted and theme-impaired companies; bottom-up analysis of prospective investments; portfolio construction and management.

Manager's Investment Report (continued)

Performance of the Fund

In the six months to 31 July 2020 an investment in the Fund returned -20.4% (institutional class) and -20.7% (retail class). This compares with a return of -17.8% in the Fund's comparator benchmark, the FTSE All-Share Index and a return of -17.6% in the IA UK All Companies sector, also a comparator benchmark.

From the Fund's launch on 1 August 2002 to 31 July 2020, an investment in the Fund has risen 258% (institutional) and 237% (retail share class) compared with a rise of 216% in the FTSE All-Share Index comparator benchmark and a return of 205% in the IA UK All Companies sector comparator benchmark.

Source: Financial Express, bid-to-bid basis, total return, net of fees, income reinvested. The primary class post-Retail Distribution Review is the institutional class, whereas pre-Retail Distribution Review the bundled Retail class performance history is used, unadjusted for the lower fees of the post Retail Distribution Review classes.

An interim dividend of 3.24 pence per unit (income units) and 5.86 pence per unit (accumulation units) will be distributed to retail unitholders, 3.46 pence per unit (income units) and 6.20 pence per unit (accumulation units) to institutional unitholders and 6.08 pence per unit (accumulation units) to advised class unitholders at the end of September 2020.

Source: Liontrust Fund Partners LLP.

Past performance is not a guide to future performance. The value of investments and the income from them can fall as well as rise.

Manager's Investment Report (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.

The Risk disclosures are in accordance with European Securities and Markets Authority (ESMA) guidelines and are consistent with the rating disclosed in the Key Investor Information Document (KIID).

Typically lower rewards, lower risk

Typically higher rewards, higher risk

1	2	3	4	**5**	6	7

Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

- The Synthetic Risk Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology set by the European Commission. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Fund is categorised 5 primarily for its exposure to equities.
- The SRRI may not fully take into account the following risks:
  - That a company may fail thus reducing its value within the Fund;
  - Any company which has high overseas earnings may carry a higher currency risk;
  - Any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.

For full details of the Fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Manager's Investment Report (continued)

Market Review

The FTSE All-Share returned -17.8% in the six months to 31 July 2020.

Market events were dictated by the Covid-19 pandemic, the increasingly desperate efforts of governments to limit its human cost and the bearing this had for both economies and financial markets.

The UK government's response was typical of that seen in the western world, with lockdown measures imposed and massive fiscal measures introduced – such as the Job Retention Scheme. Per the policy textbook, fiscal assistance was amplified by monetary easing. Notwithstanding limited room to manoeuvre, the Bank of England cut the base rate to 0.1% and undertook a further £300bn quantitative easing, a dose as large as any administered in the Global Financial Crisis (GFC).

The economic impact was huge: UK GDP is estimated to have fallen a record 20% in Q2, taking the economic contraction over the first half of 2020 to 22%. For context, UK GDP contracted by 6% (annualised) over the six quarters of the GFC and 7% over the ten quarters of the Great Depression.

As the scale of the pandemic became clear in February and March, investors reacted with alarm and engaged in broadly indiscriminate selling which left no strata of the stockmarket, whether large or small-cap, unscathed. From its mid-January peak to mid-March trough, the FTSE All-Share lost 35%.

However, the incredible scale of the global policy response and investors' optimism regarding the ability to arrest the pandemic's spread led to a strong market bounce. The FTSE All-Share recovered 10% in Q2.

Dividend security was one of the prominent issues for the UK market as the crisis bit. Whilst dividends aren't the central interest of this Fund, they are an important component of our total return focus. A large number of companies were forced to cancel or defer dividends in response to the impact of coronavirus. March and April saw around 170 cancellations in the UK market.

Stylistically, dividend cancellations seemed skewed to cheaply rated, or value-style companies. But this is less a consequence of any innate vulnerability and much more to do with the fact that mature or cyclical value stocks are more likely to pay a dividend. We hasten to add that quality was represented amongst the list of dividend cutters (Rentokil, Rightmove, etc).

Many UK corporates also moved to raise emergency funds – in March and April more than 40 companies raised over £3.5bn by selling equity at an average discount of 21%. Whilst some of the cash raises were undertaken to finance growth opportunities, the majority were initiated from a position of weakness and speak of the financial difficulties assailing many UK companies.

Fund Review

In the six months to 31 July 2020 the Fund returned -20.4% (institutional accumulation share class). The FTSE All-Share Index comparator benchmark returned -17.8% and the average return of funds in the IA UK Equity Income sector, also a comparator benchmark, was -17.6%.

From a stylistic vantage, the bout of risk aversion that gripped markets in February and March had a negative bearing on the portfolio's bias to value-style dividend payers. At root, our value exposure is a strategic call on the tension between value's unusual discount to growth-style stocks and value's record of superior historic returns. This still holds. However, during episodes of risk aversion, value's more cyclical constituency can suffer disproportionately. Over the six months, the MSCI UK Value Index returned -26.3%, substantially behind the MSCI UK Growth Index return of -4.7%.

The portfolio's housebuilders provide a notable example of value underperformance. We are overweight housebuilders on grounds of the structural undersupply of newbuild housing and our conviction that the return of fiscal activism promises higher volumes and rising shareholder returns. However, in an environment where building and selling houses was temporarily impossible, we saw a heavy tumble in our holdings: Persimmon (-21%), Barratt Developments (-36%), Taylor Wimpey (-45%) and Redrow (-47%). Assuming ongoing economic normalisation, we believe that housebuilders remain high-return, cash-generative businesses, with attractive shareholder returns policies. As lockdown measures have been relaxed, they have all resumed operations and sales.

Ancillary building materials businesses declined for precisely the same reasons. Brick maker Forterra (-53%) suffered the most, with share price weakness compounded by a defensive £55m placing. Fellow buildings materials businesses Ibstock (-46%) and Marshalls (-24%) also nursed significant losses. Whilst we have reduced visibility regarding near-term earnings, the UK's structural undersupply of new build housing gives us confidence the medium-term prospects of the portfolio's brick-makers.

Manager's Investment Report (continued)

Fund Review (continued)

The Fund's large financials overweight – a manifestation of our *Population Ageing and Rising Rates* macro themes – gives a further instance of value's underperformance over the review period. Barclays (-41%), Virgin Money (-50%) and Lloyds Banking (-55%) fell as their obvious cheapness was obscured by lower risk-free rates, anticipated credit write-offs and mandated dividend cuts. Life insurance holdings were also affected; Legal & General (-26%) and Aviva (-35%) fell as markets grappled with the risk of rising annuity book impairments.

The Fund's holdings in BP (-31%) and Royal Dutch Shell (-40%) were further casualties of the pandemic as oil demand slowed and inventories increased, threatening earnings and dividends. Although oil holdings were amongst the Fund's weakest performers, our benchmark-relative underweight produced positive relative returns. By the end of the review period, we had sold out of both positions, bringing the Fund's *Oil Equilibrium* macro-theme to a close.

By contrast, the Fund's mining holdings were a conspicuous area of strength, likely benefitting from the relatively early emergence from lockdown of China, the world's foremost consumer of commodities. Rio Tinto (+16%) and BHP Group (+1.4%) posted positive returns, as did Canada-listed Labrador Iron Ore Royalty Corporation (+21%) and First Quantum Minerals (+1.4%). Small-cap mining royalties business Anglo Pacific (-28%) failed to participate in the strength; this appears to be more a function of illiquidity than any stock-specific setback.

IG Group (+12%) also featured amongst the portfolio's best performers by virtue of the strong link between volatility and earnings growth for online brokers. A June trading statement outlined that net trading revenue in the year to 31 May was around £649m, up 36% on last year.

Despite the suspension of most sporting events, betting group Flutter Entertainment (+33%) was another to display resilient trading during the period, boosted by its international reach and online presence. During the six months, it completed the acquisition of US-based The Stars Group, a provider of online gaming technology. A recent trading update outlined 10% year-on-year revenue growth in the period from 31 March to 17 May.

UK auto insurer Hastings (+19%) was buoyed by a preliminary approach from Finnish insurer Sampo. In early August, shortly after end of the review period, an offer of 250p was confirmed; we welcome the bid, which is in line with our estimate of Hastings' intrinsic value.

Portfolio Activity

Digital Economy

We added a holding in Greggs to the portfolio, in light of the tension between its quality growth characteristics and market-average earnings multiple. However, the position was exited as it became clearer that any earnings recovery was now deferred thanks to the impact of Covid-19 on both consumer behaviour and the accelerating trend for office workers to spend more time at home. The position in Smurfit Kappa was also sold on the assumption that any lockdown e-commerce earnings uplift would be reversed as recession took root.

The economic consequences of Covid-19 require a more defensive strategic bias so a new position in WM Morrison was added. Morrison's stable earnings and cash flow underpin persistent dividend distributions, while its experience of the global financial crisis demonstrates dividend maintenance under duress. The shares remain modestly-rated in spite of such clear defensive virtues.

A new position was initiated in J Sainsbury, whose defensive food earnings provide offset to macro uncertainty. A free cash flow yield of over 10% confirms the value opportunity while Sainsburys Bank loan loss guidance for this year has positively surprised against market estimates.

Infrastructure Spending

CLS Holdings, the office-focussed, commercial real estate business, was sold in light of Covid-19's probable impact on working arrangements. The prospects for commercial property seem increasingly uncertain, with material risk to both rental yields and capital values.

Redrow was added as a new holding, consistent with the theme's existing housebuilder exposure. Redrow's combination of a discount to peer group and high margins suggested an attractive value opportunity, but the growing Covid-19 crisis presented a substantial obstacle to near-term volumes and earnings, leading us to close the position.

We invested proceeds into PRS REIT, which increases portfolio exposure to the Private Rented Sector (PRS) asset class. The switch gives exposure to defensive residential rental income at the expense of cyclical housebuilder earnings. Its stable cashflows offer an attractive alternative to government debt's negative real returns while the Covid-19 shock offered the chance to buy shares at a significant discount to historic NAV.

Manager's Investment Report (continued)

Portfolio Activity (continued)

New Oil Equilibrium

The positions in BP and Royal Dutch Shell were sold, resulting in the macro-theme's closure. The total return case for both Shell and BP had been diluted by the respective announcement and anticipation of dividend cuts. The Covid-19 demand shock implies lower oil demand, earnings, and cash flow. While other industries have the same short-term challenges, the oil & gas sector faces the additional headwind of a transition to renewable and clean energy alternatives – an inflexion which may be catalysed by the pandemic.

Financial Value (formerly Rising Rates)

On a matter of housekeeping, the *Rising Rates* theme has been rechristened as *Financial Value*. Our argument has always been that there is an obvious asymmetry to low rates and that the circumstances which have produced them (ageing, excess savings, deficient demand, etc.) would eventually be reversed. We argued that Brexit had exerted a similar, suppressive effect on UK rates (market and policy) and that a definitive outcome would also serve to correct this. Typically, higher rates are a boon to businesses like banks which depend on bond income. It's now clear, however, that the jolt of Covid-19 (and any ameliorative monetary measures) has postponed this outcome and the associated re-rating of UK financials.

Rising rates are still likely, chiefly due to the inflationary implications of the present increase in government spending; it's simply that we must wait. What hasn't changed is the abundant value opportunities amongst UK financials, businesses like Barclays and Lloyds, which trade on historically depressed valuations despite the enormous operational progress and financial repair that's been accomplished over the last decade. In this way, we remain overweight *Financial Value*.

The main changes to the theme's holdings were the disposal of positions in Brewin Dolphin, Close Brothers Group and HSBC. Lower asset values mean lower fee income and dividend coverage for Brewin Dolphin, while the Lloyds-Schroders wealth business threatens competition and fee disinflation. Close Brothers' SME-focus means it is inescapably exposed to the coming rise in business insolvencies. HSBC's investment case has been weakened by slowing Asian growth, April's dividend suspension and China's tightening control of Hong Kong.

Security of Earnings

With visibility of earnings in mind, we have initiated *Security of Earnings* as our latest macro-theme. Given the market trauma of March and April, the thesis is simply to make the portfolio more robust in the event of further coronavirus-related setbacks. Mindful of both capital preservation and our total return mandate, we have concentrated on businesses where stability of historic earnings permits some reasonable expectation of a business's earnings power, or typical earnings. This serves as a powerful counterweight to the portfolio's cyclical constituencies. Further, if we're correct in our expectation that the recovery will be fraught with continued earnings disappointments, it's likely that such businesses will trade at a premium. Presently, the theme consists of utilities Severn Trent and United Utilities. Whilst not outright value, both stocks look cheap in market-relative terms.

Outlook

It's likely that the UK's economic shock-and-awe approach has curtailed the risk of a financial crisis. It's also probable that the scope and speed of the response lends itself to a meaningful economic recovery. What's less clear, is the trajectory of any bounce. For us, a V-shaped recovery is improbable because of the inevitable lags and errors with which stimulus will be deployed. We may also be prone to subsequent disease peaks, which could demand renewed economic lockdowns. This says nothing of the damage already inflicted on the appetites of entrepreneurs and consumers.

While it's unlikely that the pace of any recovery will be sufficient to excite animal spirits, we are convinced that value's unprecedented discount to growth warrants continued exposure. Just as economic contraction can punish value, so expansion stirs demand for these companies and the prevailing belief is that the economic trough of the Covid-19 shock is now historic. On a five-year view, the MSCI Value index's underperformance of the MSCI Growth index has only been worse in 2% of the time since the indices were launched. Similarly, when measured in terms of prospective price/earnings multiples, the MSCI Value index has only ever been cheaper (relative to the MSCI Growth index) for 3% of the time. Whilst a divergence of this order may not tell us when this relationship will invert, it does suggest that it's primed to mean-revert.

Stephen Bailey and Jamie Clark

Fund Managers

September 2020

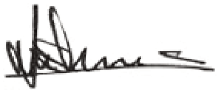
Past performance is not a guide to future performance. The value of investments and the income from them can fall as well as rise.

Authorised Status

The Fund is an authorised unit trust scheme ("the Scheme") under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

Certification of Financial Statements by Partners of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



John Ions

Chief Executive

Antony Morrison

Partner, Head of Finance

Liontrust Fund Partners LLP
28 September 2020

Performance Record (unaudited)

as at 31 July 2020

Income Record

Any distributions payable are paid on a interim basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2020 per share (p)	31 July 2019 per share (p)
Advised Accumulation	6.0753	8.2587
Advised Income*	n/a	n/a
Institutional Accumulation	6.1972	8.3995
Institutional Income	3.4622	4.9186
Retail Accumulation	5.8567	7.9981
Retail Income	3.2434	4.6431

Net Asset Value

Advised Accumulation	31.7.2020	31.1.2020	31.1.2019	31.1.2018
Closing net asset value (£'000)	10	11	19	40
Closing number of units	3,634	3,393	6,085	11,924
Closing net asset value per unit (p)	268.42	337.55	309.17	334.65

Advised Income*				
Closing net asset value (£'000)	n/a	n/a	32	9
Closing number of units	n/a	n/a	17,820	4,453
Closing net asset value per unit (p)	n/a	n/a	182.04	205.79

Institutional Accumulation				
Closing net asset value (£'000)	14,785	19,837	19,976	24,770
Closing number of units	5,398,476	5,766,993	6,356,104	7,300,430
Closing net asset value per unit (p)	273.88	343.97	314.28	339.30

Institutional Income				
Closing net asset value (£'000)	2,043	4,108	5,133	7,653
Closing number of units	1,365,528	2,136,907	2,788,851	3,687,633
Closing net asset value per unit (p)	149.64	192.33	184.05	207.53

Retail Accumulation				
Closing net asset value (£'000)	2,952	3,866	5,365	6,910
Closing number of units	1,142,378	1,186,994	1,789,698	2,119,184
Closing net asset value per unit (p)	258.40	325.72	299.79	326.06

Retail Income				
Closing net asset value (£'000)	822	1,189	1,286	1,709
Closing number of units	587,648	659,071	739,206	864,160
Closing net asset value per unit (p)	139.83	180.36	174.01	197.73

* Unit class closed with effect from 18 July 2019.

Portfolio Statement (unaudited)

as at 31 July 2020

Holding	Stock description	Market value (£'000)	Percentage of total net assets (%)
	UNITED KINGDOM (91.80%)	**17,644**	**85.60**
	Basic Materials (20.18%)	**3,775**	**18.31**
43,868	Anglo American	831	4.03
787,208	Anglo Pacific	924	4.48
35,724	Johnson Matthey	808	3.92
26,170	Rio Tinto	1,212	5.88
	Consumer Goods (3.82%)	**584**	**2.83**
30,616	Barratt Developments	160	0.78
8,045	Persimmon	197	0.95
187,693	Taylor Wimpey	227	1.10
	Consumer Services (2.60%)	**1,342**	**6.51**
194,845	Bloomsbury Publishing	405	1.96
112,955	ITV	64	0.31
88,040	J Sainsbury	166	0.81
177,783	Morrison (Wm.) Supermarkets	333	1.62
171,817	Tesco	374	1.81
	Financials (35.70%)	**6,482**	**31.45**
102,955	Aviva	278	1.35
418,524	Barclays	432	2.10
31,917	Direct Line Insurance	96	0.47
251,239	Grainger	733	3.56
243,114	Hastings	504	2.45
43,588	IG	320	1.55
477,688	Legal & General	1,028	4.99
779,535	Lloyds Banking	206	1.00
175,288	Man	221	1.07
202,656	M&G	326	1.58
89,069	Prudential	1,002	4.86
733,478	PRS REIT†	538	2.61
18,253	Schroders	380	1.84
284,439	Virgin Money UK	259	1.25
134,615	XPS Pensions	159	0.77

Portfolio Statement (unaudited) (continued)

as at 31 July 2020

Holding	Stock description	Market value (£'000)	Percentage of total net assets (%)
	Health Care (4.99%)	**1,108**	**5.38**
72,390	GlaxoSmithKline	1,108	5.38
	Industrials (11.11%)	**2,104**	**10.21**
76,728	BAE Systems	378	1.83
205,209	DS Smith	552	2.68
289,181	Equiniti	360	1.74
216,585	Forterra	340	1.65
127,240	Ibstock	208	1.01
22,169	Marshalls	133	0.65
32,740	Vesuvius	133	0.65
	Oil & Gas (6.20%)		
	Telecommunications (3.93%)	**966**	**4.69**
310,498	BT	324	1.57
546,444	Vodafone	642	3.12
	Utilities (3.27%)	**1,283**	**6.22**
81,523	National Grid	738	3.58
11,218	Severn Trent	276	1.34
30,002	United Utilities	269	1.30
	AUSTRALIA (0.00%)	**755**	**3.66**
	Basic Materials (0.00%)	**755**	**3.66**
45,353	BHP	755	3.66
	CANADA (0.89%)	**285**	**1.38**
	Basic Materials (0.89%)	**285**	**1.38**
18,487	First Quantum Minerals	119	0.58
11,425	Labrador Iron Ore Royalty	166	0.80
	IRELAND (3.98%)	**487**	**2.36**
	Consumer Services (1.24%)	**487**	**2.36**
4,209	Flutter Entertainment	487	2.36
	Industrials (2.74%)		

Portfolio Statement (continued)

as at 31 July 2020

Holding	Stock description	Market value (£'000)	Percentage of total net assets (%)
	SWITZERLAND (0.00%)	**601**	**2.92**
	Basic Materials (0.00%)	**601**	**2.92**
338,487	Glencore	601	2.92
	Portfolio of investments	**19,772**	**95.92**
	Net other assets	**840**	**4.08**
	Net assets	**20,612**	**100.00**

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme sourcebook, unless otherwise stated.

Comparative figures in brackets show percentages for each category of holdings at 31 January 2020.

† Real Estate Investment Trust (REIT).

Financial Statements (unaudited)

Statement of Total Return (unaudited)

for the period ended 31 July 2020

	(£'000)	1.2.2020 to 31.7.2020 (£'000)	(£'000)	1.2.2019 to 31.7.2019 (£'000)
Income				
Net capital (losses)/gains		(6,293)		1,595
Revenue	511		815	
Expenses	(118)		(167)	
Interest payable and similar charges	–		–	
Net revenue before taxation	393		648	
Taxation	(4)		(6)	
Net revenue after taxation		389		642
Total return before distribution		**(5,904)**		**2,237**
Distribution		(506)		(809)
Change in net assets attributable to unitholders from investment activities		**(6,410)**		**1,428**

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

for the period ended 31 July 2020

	(£'000)	1.2.2020 to 31.7.2020 (£'000)	(£'000)	1.2.2019 to 31.7.2019 (£'000)
Opening net assets attributable to unitholders		**29,011**		**31,811**
Amounts received on issue of units	1,002		1,380	
Amounts paid on cancellation of units	(3,392)		(4,434)	
		(2,390)		(3,054)
Change in net assets attributable to unitholders from investment activities		(6,410)		1,428
Retained distributions on Accumulation units		401		613
Closing net assets attributable to unitholders		**20,612**		**30,798**

The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Financial Statements (unaudited) (continued)

Balance sheet (unaudited)

as at 31 July 2020

	31.7.2020 (£'000)	31.1.2020 (£'000)
Assets		
Fixed assets		
Investments	19,772	28,045
Current assets		
Debtors	98	116
Cash and bank balances	887	1,052
Total assets	**20,757**	**29,213**

	31.7.2020 (£'000)	31.1.2020 (£'000)
Liabilities		
Creditors		
Distribution payable	(66)	(114)
Other creditors	(79)	(88)
Total liabilities	**(145)**	**(202)**
Net assets attributable to unitholders	**20,612**	**29,011**

Accounting Policies

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2020 and are described in those financial statements.

Additional Information

Trust Deed: The Fund was established by a Trust Deed made between the Manager and the Trustee dated 25 January 1999.

Prospectus: Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, www.liontrust.co.uk.

Unit type: The Fund issues accumulation and income units. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

Pricing and dealing: A buying price (the price at which you have bought the units in the Fund and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Fund. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

The minimum initial lump sum investment in the Fund is £1,000, the minimum additional investment is £1,000 and the amount you may sell back to the Manager at any one time is £500, providing you maintain a balance of £2,500. At its absolute discretion, the Manager may accept a lower minimum amount for the purchase and sale of units. Please refer to the Prospectus for more details.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Fund Partners LLP at PO Box 373, Darlington, DL1 9RQ. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority and other financial regulator.

Management charges and spreads: The initial charge and annual management fees per unit class are detailed below.

Initial charge	%	Ongoing charges figure*	%	Included within the OCF is the Annual Management Charge**	%
Advised class	up to 2	Advised class	1.14	Advised class	1.00
Institutional class	Nil	Institutional class	0.89	Institutional class	0.75
Retail class	up to 5	Retail class	1.64	Retail class	1.50

Certain other expenses are met by the Fund, all of which are detailed in the Prospectus.

* The OCF covers all aspects of operating a fund. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another fund.

** These are the annual costs of managing the Fund.

Additional Information (continued)

Publication of prices: The price of units in the Fund is quoted on our website, www.liontrust.co.uk and other industry websites such as www.trustnet.com. Daily and historic Fund prices are available from our Dealing and Administration team on 0344 892 0349.

Capital Gains Tax: As an authorised unit trust, any capital gains made within the Fund is exempt from UK Capital Gains Tax. An individual investor is subject to capital gains tax on gains made on their investment, however an individual's first £12,300 of net gains on disposals in the 2020-2021 tax year are exempt from tax (2019-2020: £12,000).

Income Tax: UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.

UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate tax payer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

Securities Financing Transactions Regulation: The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps will be required on all reports & accounts published after 13 January 2017. During the period to 31 July 2020 and at the balance sheet date, the fund did not use SFTs or total return swaps, as such no disclosure is required.

Assessment of Value: The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Funds and the other UK-domiciled funds managed by Liontrust will be conducted as at 30 September each year. This assessment will be presented to investors in a composite report for all the Liontrust funds on www.liontrust.co.uk and the first one will be available no later than 31 January 2021.

Changes to the Prospectus: Prior year we wrote to investors informing them of changes to the fund objective and benchmarks that were introduced on the Fund. With effect from 10 February 2020, the Investment Objective and Policy of the Fund were updated. Full details can be found in the letter dated 8 January 2020 sent by Liontrust Fund Partners LLP to investors in the Fund. The updated Investment Objective and Policy can also be found in the Prospectus and Key Investor Information Documents.

Important information: It is important to remember that the price of units, and the income from them, can fall as well as rise and is not guaranteed and that investors may not get back the amount originally invested. Past performance is not a guide to future performance. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term. The annual management fee of the Fund is deducted from capital. Whilst this results in the dividend paid to investors being higher than would be the case were the annual management fee charged to income, the potential for capital growth may be reduced.

Liontrust Fund Partners LLP

PO Box 373, Darlington, DL1 9RQ

0344 892 0349

Facsimile 020 7964 2562

Liontrustadmin@bnymellon.com

LIONTRUST