

PHOENIX UNIT TRUST MANAGERS

MANAGER'S INTERIM REPORT

For the half year: 1 September 2023 to 29 February 2024 (unaudited)

PUTM BOTHWELL EUROPEAN CREDIT FUND



Contents

Investment review	2-3
Portfolio of investments	4-12
Top ten purchases and sales	13
Statistical information	14-17
Statements of total return & change in net assets attributable to unitholders	18
Balance sheet	19
Distribution table	20
Appendix	21-22
Corporate information	23-24

Investment review

Dear Investor

Welcome to the PUTM Bothwell European Credit Fund interim report for the six months to 29 February 2024.

Performance Review

Over the review period, the PUTM Bothwell European Credit Fund returned 4.49%. (Source: FactSet, gross, for six months to 29/02/24). This is compared to its benchmark index, which returned 3.70%. (Source: FactSet, iBoxx Euro Corporates, Total Return for six months to 29/02/24).

Standardised Past Performance

	12 months to end-Feb 24 % growth	12 months to end-Feb 23 % growth	12 months to end-Feb 22 % growth	12 months to end-Feb 21 % growth	12 months to end-Feb 20 % growth
PUTM Bothwell European Credit Fund	5.03	-4.83	-7.21	2.85	6.38
Benchmark Index	4.10	-5.77	-7.64	1.95	5.69

Past performance is not a guide to future performance.

The value of units and the income from them can go down as well as up and is not guaranteed. You may not get back the full amount invested.

Please note that all past performance figures are calculated without taking the initial charge into account.

Investment review

Portfolio and Market Review

European investment-grade (IG) corporate bonds rose over the six-month period. Sovereign bond yields fluctuated over the same period, initially rising but falling into the end of 2023 before rising once again at the beginning of 2024. Credit spreads fell throughout the period, in overall risk-on conditions.

The European Central Bank (ECB) raised rates in September 2023, as headline inflation fell through the period, to a two-year low in September, with an unexpected fall in France. Strong performance in rates and other risk markets in the fourth quarter of 2023 was driven by lower-than-expected inflation data in Europe, the US and the UK, as well as dovish central bank statements in the US. Spreads tightened into the end of 2023 thanks to IG credit investors taking a more balanced approach to risk, deploying cash on the sideline. In December's ECB meeting, rates were, unsurprisingly, left unchanged. The ECB also stated that it would taper Pandemic Emergency Purchase Programme (PEPP) reinvestments, reducing by €7.5 billion per month in the second half of 2024, to hit zero by the end of 2024. The move was widely expected and did not have a negative impact on markets.

2024 started on a softer tone. A high volume of new issuance at attractive premia led to a repricing of issuer curves. Spreads then stabilised, as new issuance waned, and the asset class saw inflows. Government bond yields rose, as strong US economic data affected the market pricing of European rates. The European growth outlook on the other hands, remained more sluggish. Eurozone GDP growth, according to a revised estimate, was flat in the fourth quarter of 2023, narrowly avoiding a technical recession. Germany's economy contracted in the quarter, and recent labour market data has shown softer readings, with unemployment rising. The ECB was expected to keep rates unchanged at its March meeting. Annual consumer price inflation came in at 2.6% in February 2024, below January's 2.8% but slightly above analysts' estimates.

The Fund outperformed the index over the period, thanks to good stock selection within BBB rated bonds. Banks were notably strong over the period, including Deutsche Bank, Société Générale and the subordinated financials of Rabobank. US banks Morgan Stanley and Bank of America underperformed.

Property bonds also performed well, including CTP, Sirius, Cromwell and Alstria Office, as well as data centre operators Digital Realty and Global Switch. However, since we have no holding of higher beta issuers including Aroundtown, Balder and Unibail-Rodamco-Westfield, we missed out on strong performance. The Dutch state-owned energy transmission network TenneT also weighed on returns.

Market Outlook and Fund Strategy

Rates expectations have been re-pricing higher in February in the US and Europe due to robust economic data. Europe will probably avoid a recession in 2024 thanks to the combination of milder winter weather, a sharp drop in gas prices and the reopening of China, an important trading partner for the continent. However, February's data showed inflation no longer slowing, with Europe's most recent CPI prints surprising slightly to the upside. While many inflation drivers, like energy prices, are reversing, core inflation has been more persistent due to tighter labour markets and the fundamental strength of global services sectors. For the ECB, this means staying in a more hawkish and data dependent mode for the time being, until there is further proof of weakening underlying economic data and further slowing of inflation. European IG credit has shown a fairly resilient spread performance in this environment last month, despite the upward pressure on the rates side. For credit markets, stronger underlying economic data is not necessarily a negative, given it supports the credit quality of corporates and in particular cyclical issuers. Additionally, absolute index yield levels comfortably above 4% have made the asset class more interesting, supporting fund flows and creating an ongoing positive technical that we have been able to observe since last October. In the short-term, we expect credit risk premia to trend sideways and stay range bound. There is also potential for a certain pick-up in primary activity with companies going through an (overall positive) reporting season.

We have increased cash levels in our Fund to exploit opportunities in both the primary as well as secondary market in the coming weeks. We have also further reduced exposure to cyclical non-financial issuers in the current strength, given the spread differential between cyclicals and non-cyclicals has fallen to essentially zero, and we think an underweight in cyclicals is more appropriate given valuations. Our preference remains for banks over non-financials given attractive valuations of bank debt across the capital structure in combination with overall very strong fundamentals, with the sector also benefiting from higher interest rates globally through higher net-interest margins. On the non-financials side, we have a clear preference for non-cyclicals over cyclicals and also like corporate hybrid debt from more resilient sectors, including telecommunication and utilities.

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Government Bonds (31/08/23 – 1.71%)		1.26
€4,464,800	Bundesrepublik 0% 15/08/2029	3,361	0.43
€3,754,400	Bundesrepublik 0% 15/02/2031	2,735	0.35
€2,067,200	Bundesrepublik 0.25% 15/08/2028	1,607	0.20
€923,800	Bundesrepublik 0.25% 15/02/2029	712	0.09
€600,400	Bundesrepublik 2.40% 15/11/2030	514	0.07
€920,800	Bundesrepublik 6.25% 04/01/2030	950	0.12
	Public Authorities (31/08/23 – 0.33%)		0.34
€3,239,000	Bank of America 1.776% VRN 04/05/2027	2,650	0.34
	Corporate Bonds (31/08/23 – 95.70%)		95.17
€1,112,000	AbbVie 2.125% 01/06/2029	891	0.11
€1,100,000	Abertis Infraestructuras 4.125% 31/01/2028	948	0.12
€1,200,000	Abertis Infraestructuras 4.125% 07/08/2029	1,032	0.13
€2,200,000	ABN Amro Bank 3.875% 21/12/2026	1,901	0.24
€1,400,000	ABN Amro Bank 3.875% 15/01/2032	1,187	0.15
€2,851,000	ACEF Holding 1.25% 26/04/2030	1,973	0.25
€3,825,000	AIA Group 0.88% VRN 09/09/2033	2,764	0.35
€5,077,000	Airbus 2.375% 09/06/2040	3,611	0.46
€2,100,000	Allianz 5.824% VRN 25/07/2053	1,943	0.25
€1,300,000	Alstria office REIT 0.5% 26/09/2025	1,008	0.13
€2,300,000	Alstria office REIT 1.5% 23/06/2026	1,690	0.22
€1,324,000	America Movil 0.75% 26/06/2027	1,036	0.13
€1,524,000	American Medical Systems Europe 3.375% 08/03/2029	1,298	0.17
€1,532,000	American Medical Systems Europe 3.50% 08/03/2032	1,303	0.17
€1,478,000	American Tower 0.45% 15/01/2027	1,150	0.15
€5,414,000	American Tower 0.875% 21/05/2029	3,986	0.51
€1,300,000	Amprion GmbH 3.875% 07/09/2028	1,125	0.14
€2,600,000	Amprion GmbH 3.971% 22/09/2032	2,252	0.29
€1,705,000	Anglo American Capital 4.75% 21/09/2032	1,519	0.19
€1,252,000	ANZ New Zealand 3.527% 24/01/2028	1,064	0.14
€435,000	APT Pipelines 0.75% 15/03/2029	318	0.04
€4,247,000	APT Pipelines 2% 22/03/2027	3,446	0.44
€1,800,000	APT Pipelines 2% 15/07/2030	1,367	0.17
€2,706,000	ASR Nederland 3.625% 12/12/2028	2,298	0.29
€2,620,000	ASR Nederland 7% VRN 07/12/2043	2,511	0.32
€2,493,000	AstraZeneca 0.375% 03/06/2029	1,836	0.23
€2,331,000	AstraZeneca 3.75% 03/03/2032	2,043	0.26
€514,000	AT&T 1.6% 19/05/2028	406	0.05
€881,000	AT&T 3.15% 04/09/2036	686	0.09
€2,399,000	AT&T 3.55% 17/12/2032	2,012	0.26
€1,945,000	AT&T 3.95% 30/04/2031	1,689	0.22
€231,000	AT&T 3.95% 30/04/2031	201	0.03
€1,619,000	AT&T 4.3% 18/11/2031	1,425	0.18
€2,000,000	Athene Global Funding 0.366% 10/09/2026	1,564	0.20
€1,000,000	Athene Global Funding 0.625% 12/01/2028	753	0.10
€1,666,000	Athene Global Funding 1.125% 02/09/2025	1,361	0.17
€1,807,000	Australia New Zealand Bank 5.101% VRN 03/02/2033	1,578	0.20
€2,300,000	Autoroutes du Sud de la France S 3.25% 19/01/2033	1,929	0.25
€3,836,000	Autostrade per l'Italia 1.75% 26/06/2026	3,129	0.40
€4,400,000	Autostrade per l'Italia 2% 04/12/2028	3,453	0.44
€2,164,000	Autostrade per l'Italia 2% 15/01/2030	1,637	0.21
€469,000	Autostrade per l'Italia 2.25% 25/01/2032	346	0.04

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€510,000	Autostrade per l'Italia 4.25% 28/06/2032	434	0.06
€3,639,000	Autostrade per l'Italia 4.75% 24/01/2031	3,189	0.41
€1,410,000	Autostrade per l'Italia 5.125% 14/06/2033	1,258	0.16
€4,318,000	Aviva 3.875% VRN 03/07/2044	3,676	0.47
€2,610,000	AXA 3.875% VRN Perpetual	2,213	0.28
€3,630,000	AXA 3.941% VRN Perpetual	3,081	0.39
€1,000,000	Banco Bilbao Vizcaya Argent 4.875% VRN 08/02/2036	854	0.11
€2,500,000	Banco Santander 3.5% VRN 09/01/2028	2,114	0.27
€2,200,000	Banco Santander 4.625% VRN 18/10/2027	1,905	0.24
€1,900,000	Banco Santander 4.875% 18/10/2031	1,702	0.22
€2,000,000	Banco Santander 5% VRN 22/04/2034	1,715	0.22
€1,200,000	Bank of America 0.583% VRN 24/08/2028	920	0.12
€4,500,000	Bank of America 0.808% VRN 09/05/2026	3,710	0.47
€1,705,000	Bank of America 1.381% 09/05/2030	1,291	0.17
€6,150,000	Bank of America 1.949% VRN 27/10/2026	5,100	0.65
€455,000	Bank of America 3.648% VRN 31/03/2029	387	0.05
€1,334,000	Bank of America 4.134% 12/06/2028	1,160	0.15
€3,400,000	Banque Federative du Credit Mutuel 0.625% 03/11/2028	2,510	0.32
€700,000	Banque Federative du Credit Mutuel 2.625% 06/11/2029	560	0.07
€1,100,000	Banque Federative du Credit Mutuel 3.75% 03/02/2034	935	0.12
€2,700,000	Banque Federative du Credit Mutuel 4.375% 02/05/2030	2,358	0.30
€3,000,000	Banque Federative du Credit Mutuel 4.375% 11/01/2034	2,511	0.32
€1,900,000	Banque Federative du Credit Mutuel 4.75% 10/11/2031	1,702	0.22
£1,600,000	Banque Federative du Credit Mutuel 5% 19/01/2026	1,591	0.20
€3,154,000	Barclays 1.125% VRN 22/03/2031	2,482	0.32
€860,000	Barclays 4.918% VRN 08/08/2030	758	0.10
€2,200,000	Bayerische Landesbank 7% VRN 05/01/2034	1,962	0.25
€1,000,000	Belfius Bank 1.25% VRN 06/04/2034	715	0.09
€4,800,000	BNP Paribas 0.25% VRN 13/04/2027	3,798	0.49
€3,800,000	BNP Paribas 0.5% VRN 19/02/2028	2,946	0.38
€2,900,000	BNP Paribas 0.5% VRN 30/05/2028	2,228	0.28
€1,500,000	BNP Paribas 1.125% VRN 17/04/2029	1,149	0.15
€3,500,000	BNP Paribas 2.125% VRN 23/01/2027	2,897	0.37
€4,600,000	BNP Paribas 2.5% VRN 31/03/2032	3,696	0.47
€1,500,000	BNP Paribas 2.75% VRN 25/07/2028	1,233	0.16
€2,100,000	BNP Paribas 4.042% VRN 10/01/2032	1,797	0.23
€1,300,000	BNP Paribas 4.375% VRN 13/01/2029	1,133	0.14
€2,900,000	BNP Paribas 4.75% VRN 13/11/2032	2,595	0.33
€2,345,000	BMW US Capital 3% 02/11/2027	1,977	0.25
€2,200,000	BPCE 4.375% 13/07/2028	1,911	0.24
€1,131,000	British Telecommunications 3.75% 13/05/2031	966	0.12
€1,771,000	Cadent Finance 4.25% 05/07/2029	1,548	0.20
€2,000,000	CaixaBank 4.125% VRN 09/02/2032	1,709	0.22
€1,700,000	CaixaBank 4.625% VRN 16/05/2027	1,472	0.19
€3,000,000	CaixaBank 6.125% VRN 30/05/2034	2,687	0.34
€1,459,000	Carlsberg Breweries 4.25% 05/10/2033	1,309	0.17
€1,330,000	Carrier Global 4.125% 29/05/2028	1,154	0.15
€913,000	Carrier Global 4.5% 29/11/2032	818	0.10
€2,766,000	Caterpillar Financial Services 3.742% 04/09/2026	2,377	0.30
€4,311,000	CBRE Global Investors Open Ended Funds 0.5% 27/01/2028	3,185	0.41
€4,790,000	CBRE Global Investors Open Ended Funds 0.9% 12/10/2029	3,363	0.43

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€3,016,000	Celanese US Holdings 4.777% 19/07/2026	2,598	0.33
€2,250,000	Channel Link Enterprises Finance 2.706% VRN 30/06/2050	1,777	0.23
€6,450,000	Cheung Kong Infrastructure Finance 1% 12/12/2024	5,352	0.68
€3,660,000	Citigroup 1.5% VRN 24/07/2026	3,028	0.39
€2,350,000	CK Hutchison Finance 0.875% 03/10/2024	1,969	0.25
€637,000	CK Hutchison Telecommunications Finance 0.75% 17/04/2026	510	0.07
€963,000	CK Hutchison Telecommunications Finance 1.125% 17/10/2028	738	0.09
€523,000	Cloverie 1.5% 15/12/2028	410	0.05
€850,000	CNH Industrial Finance Europe 1.625% 03/07/2029	652	0.08
€5,000,000	Co-entreprise de Transport d Electricite 1.5% 29/07/2028	3,907	0.50
€100,000	Co-entreprise de Transport d Electricite 2.125% 29/07/2032	76	0.01
€1,683,000	Coloplast Finance 2.25% 19/05/2027	1,379	0.18
€1,394,000	Coloplast Finance 2.75% 19/05/2030	1,128	0.14
€400,000	Cooperatieve Rabobank 4.375% VRN Perpetual	320	0.04
€1,800,000	Cooperatieve Rabobank 4.625% VRN Perpetual	1,489	0.19
€1,800,000	Cooperatieve Rabobank 4.875% VRN Perpetual	1,409	0.18
€2,200,000	Credit Agricole 0.5% VRN 21/09/2029	1,620	0.21
€300,000	Credit Agricole 1% VRN 22/04/2026	248	0.03
€1,500,000	Credit Agricole 3.75% 22/01/2034	1,285	0.16
€1,200,000	Credit Agricole 3.875% 20/04/2031	1,043	0.13
€2,300,000	Credit Agricole 4.125% 07/03/2030	2,028	0.26
€900,000	Credit Agricole 4.375% 27/11/2033	797	0.10
€5,035,000	Credit Suisse 0.65% VRN 14/01/2028	3,923	0.50
€6,122,000	Credit Suisse 1% VRN 24/06/2027	4,889	0.63
€490,000	Credit Suisse 2.125% VRN 13/10/2026	407	0.05
€3,001,000	Credit Suisse 3.25% VRN 02/04/2026	2,542	0.33
€1,000,000	Credit Suisse 7.75% VRN 01/03/2029	969	0.12
€2,196,000	CRH SMW Finance Designated Activity Company 4% 11/07/2031	1,915	0.24
€5,142,000	Cromwell EREIT 2.125% 19/11/2025	4,173	0.53
€5,039,000	CTP 0.75% 18/02/2027	3,922	0.50
€630,000	CTP 0.875% 20/01/2026	505	0.06
€2,347,000	CTP 1.25% 21/06/2029	1,717	0.22
€1,012,000	CTP 4.75% 05/02/2030	870	0.11
€1,400,000	Daimler Truck International Finance 3.875% 19/06/2026	1,206	0.15
€600,000	Daimler Truck International Finance 3.875% 19/06/2029	522	0.07
€4,100,000	Danske Bank 1.375% VRN 12/02/2030	3,395	0.43
€3,652,000	Danske Bank 1.5% 02/09/2030	2,981	0.38
€3,593,000	Danske Bank 3.875% VRN 09/01/2032	3,024	0.39
€1,851,000	Danske Bank 4.5% VRN 09/11/2028	1,610	0.21
€1,373,000	Danske Bank 4.75% VRN 21/06/2030	1,215	0.16
€2,600,000	Delta Lloyd 4.375% VRN Perpetual	2,216	0.28
€100,000	Deutsche Bank 1% VRN 19/11/2025	84	0.01
€3,500,000	Deutsche Bank 1.375% VRN 03/09/2026	2,866	0.37
€4,000,000	Deutsche Bank 1.375% VRN 17/02/2032	2,803	0.36
€3,000,000	Deutsche Bank 1.75% VRN 19/11/2030	2,216	0.28
€4,600,000	Deutsche Bank 4% VRN 24/06/2032	3,746	0.48
€3,100,000	Deutsche Bank 5% VRN 05/09/2030	2,714	0.35
€100,000	Deutsche Bank 5.625% VRN 19/05/2031	86	0.01
€2,332,000	Digital Dutch Finco 1% 15/01/2032	1,564	0.20
€4,689,000	Digital Dutch Finco 1.25% 01/02/2031	3,295	0.42
€1,628,000	Digital Dutch Finco 1.5% 15/03/2030	1,194	0.15

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€1,100,000	Digital Euro Finco 1.125% 09/04/2028	839	0.11
€1,145,000	Digital Intrepid Holding 0.625% 15/07/2031	757	0.10
€1,306,000	DNB Bank ASA 3.625% VRN 16/02/2027	1,111	0.14
€1,474,000	DNB Bank ASA 4.5% VRN 19/07/2028	1,285	0.16
€1,200,000	Dow Chemical 0.5% 15/03/2027	936	0.12
€1,902,000	DS Smith 4.375% 27/07/2027	1,653	0.21
€252,000	DSV 0.375% 26/02/2027	196	0.03
€1,700,000	EDP Finance 1.875% 21/09/2029	1,331	0.17
€721,000	EDP Finance 3.875% 11/03/2030	626	0.08
€1,747,000	EDP Servicios Financieros Espana 3.5% 16/07/2030	1,484	0.19
€1,000,000	Électricité de France 1.875% 13/10/2036	676	0.09
€2,500,000	Électricité de France 2% 09/12/2049	1,377	0.18
€3,400,000	Électricité de France 4.75% 12/10/2034	3,089	0.40
€4,329,000	Emirates Telecommunications 2.75% 18/06/2026	3,620	0.46
€451,000	EnBW International Finance 4.049% 22/11/2029	397	0.05
€1,000,000	Energias de Portugal 3.875% 26/06/2028	864	0.11
€2,517,000	Enel 1.375% VRN Perpetual	1,884	0.24
€952,000	Enel 1.875% VRN Perpetual	663	0.08
€2,697,000	Enel 4.75% VRN Perpetual	2,268	0.29
€1,639,000	Enel 6.375% VRN Perpetual	1,471	0.19
€1,362,000	Enel Finance International 3.875% 23/01/2035	1,148	0.15
€1,200,000	Engie 3.5% 27/09/2029	1,020	0.13
€2,600,000	Engie 3.875% 06/12/2033	2,225	0.28
€1,800,000	Engie 4% 11/01/2035	1,538	0.20
€800,000	Engie 4.25% 11/01/2043	686	0.09
€1,000,000	Engie 4.25% 06/03/2044	855	0.11
€3,767,000	Eni 2% VRN Perpetual	2,948	0.38
€3,503,000	Eni 2.625% VRN Perpetual	2,882	0.37
€600,000	EON SE 3.375% 15/01/2031	508	0.07
€837,000	EON SE 3.75% 15/01/2036	708	0.09
€1,673,000	EON SE 3.875% 12/01/2035	1,443	0.18
€2,769,000	EQT 2.375% 06/04/2028	2,198	0.28
€6,300,000	Erste Group Bank 1% VRN 10/06/2030	5,125	0.66
€200,000	Erste Group Bank 1.625% VRN 08/09/2031	159	0.02
€2,100,000	Erste Group Bank 4% VRN 16/01/2031	1,827	0.23
€4,892,000	ESB Finance DAC 4% 03/05/2032	4,299	0.55
€1,062,000	ESB Finance DAC 4.25% 03/03/2036	947	0.12
€949,000	Essity Capital 3% 21/09/2026	799	0.10
€1,800,000	Eurogrid 3.598% 01/02/2029	1,538	0.20
€600,000	Eurogrid 3.915% 01/02/2034	512	0.07
€775,000	Exxon Mobil Corporation 0.835% 26/06/2032	534	0.07
€4,002,000	Exxon Mobil Corporation 1.408% 26/06/2039	2,433	0.31
€3,014,000	FedEx 0.45% 04/05/2029	2,205	0.28
€3,663,000	Firmenich Productions Participations 1.75% 30/04/2030	2,835	0.36
€6,734,000	First Abu Dhabi Bank PJSC 0.125% 16/02/2026	5,359	0.69
€3,763,000	Fiserv 4.5% 24/05/2031	3,315	0.42
€1,208,000	Ford Motor Credit Co LLC 4.445% 14/02/2030	1,034	0.13
€2,218,000	Fresenius Finance Ireland 0.875% 01/10/2031	1,511	0.19
€3,355,000	GELF Bond Issuer I 1.125% 18/07/2029	2,422	0.31
€4,035,000	General Motors Financial 0.65% 07/09/2028	2,998	0.38
€1,800,000	General Motors Financial 4.3% 15/02/2029	1,573	0.20

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€1,066,000	General Motors Financial 4.5% 22/11/2027	931	0.12
€3,362,000	Global Switch Finance 1.375% 07/10/2030	2,613	0.33
€1,929,000	Global Switch Holdings 2.25% 31/05/2027	1,569	0.20
€1,700,000	Great-West Lifeco 4.7% 16/11/2029	1,521	0.19
€1,542,000	GSK Capital 3.125% 28/11/2032	1,284	0.16
€1,503,000	GSK Consumer Healthcare Capital 1.25% 29/03/2026	1,225	0.16
€2,423,000	HBOS 4.5% VRN 18/03/2030	2,065	0.26
€2,951,000	Heathrow Funding 1.5% 11/02/2030	2,212	0.28
€3,345,000	Heathrow Funding 1.875% 14/03/2036	2,341	0.30
€2,358,000	Heathrow Funding 4.5% 11/07/2035	2,097	0.27
€1,700,000	Holding d Infrastructures de Transport 1.475% 18/01/2031	1,233	0.16
€1,700,000	Holding d Infrastructures de Transport 4.25% 18/03/2030	1,475	0.19
€2,600,000	Iberdrola Finanzas 1.575% VRN Perpetual	1,982	0.25
€2,200,000	Iberdrola Finanzas 4.875% VRN Perpetual	1,892	0.24
€1,500,000	Iberdrola International 1.825% VRN Perpetual	1,082	0.14
€5,900,000	Iberdrola International 1.874% VRN Perpetual	4,772	0.61
€4,700,000	Indigo Group 4.5% 18/04/2030	4,133	0.53
€6,900,000	Infra Park 1.625% 19/04/2028	5,425	0.69
€1,300,000	ING Bank 4.125% 02/10/2026	1,126	0.14
€4,200,000	ING Groep 0.25% VRN 18/02/2029	3,111	0.40
€800,000	ING Groep 0.375% VRN 29/09/2028	604	0.08
€3,800,000	ING Groep 1.625% VRN 26/09/2029	3,200	0.41
€2,000,000	ING Groep 2.125% VRN 26/05/2031	1,630	0.21
\$4,225,000	ING Groep 3.875% VRN Perpetual	2,706	0.35
€1,700,000	ING Groep 3.875% VRN 12/08/2029	1,450	0.19
€2,100,000	ING Groep 4.5% VRN 23/05/2029	1,832	0.23
€1,200,000	ING Groep 4.75% VRN 23/05/2034	1,081	0.14
€1,000,000	ING Groep 4.875% VRN 14/11/2027	876	0.11
€2,258,000	Intesa Sanpaolo 4.875% 19/05/2030	2,026	0.26
€1,278,000	Intesa Sanpaolo 5% VRN 08/03/2028	1,126	0.14
€3,000,000	JAB Holdings 5% 12/06/2033	2,729	0.35
€2,837,000	JDE Peets 0.244% 16/01/2025	2,348	0.30
€1,582,000	JDE Peets 4.125% 23/01/2030	1,360	0.17
€1,887,000	JPMorgan Chase 0.389% VRN 24/02/2028	1,462	0.19
£1,900,000	JPMorgan Chase 0.991% VRN 28/04/2026	1,807	0.23
€6,451,000	JPMorgan Chase 1.09% VRN 11/03/2027	5,225	0.67
€2,315,000	JPMorgan Chase 1.963% VRN 23/03/2030	1,819	0.23
€2,855,000	JPMorgan Chase 4.457% VRN 13/11/2031	2,536	0.32
€872,000	Jyske Bank 5.125% VRN 01/05/2035	749	0.10
€1,900,000	KBC Group 0.5% VRN 03/12/2029	1,574	0.20
€400,000	KBC Group 1.625% VRN 18/09/2029	337	0.04
€1,700,000	KBC Group 4.375% VRN 23/11/2027	1,476	0.19
€1,000,000	KBC Group 4.375% 06/12/2031	885	0.11
€1,900,000	KBC Group 4.5% VRN 06/06/2026	1,634	0.21
€2,600,000	KBC Group 4.75% VRN 17/04/2035	2,212	0.28
€800,000	Koninklijke KPN 3.875% 16/02/2036	683	0.09
€2,000,000	La Banque Postale 0.75% VRN 02/08/2032	1,507	0.19
€2,800,000	La Banque Postale 0.875% VRN 26/01/2031	2,247	0.29
€863,000	Lloyds Banking Group 4.75% VRN 21/09/2031	763	0.10
€2,100,000	Logicor Financing 1.625% 15/07/2027	1,627	0.21
€1,482,000	Logicor Financing 4.625% 25/07/2028	1,269	0.16

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€2,324,000	Lseg Netherlands 4.125% 29/09/2026	2,013	0.26
€3,000,000	LVMH Moët Hennessy Louis Vuitton 3.5% 07/09/2033	2,601	0.33
€2,000,000	Marsh and McLennan 1.349% 21/09/2026	1,615	0.21
€1,675,000	McDonalds 4% 07/03/2030	1,461	0.19
€2,678,000	McDonalds 4.125% 28/11/2035	2,331	0.30
€1,356,000	McDonalds 4.25% 07/03/2035	1,196	0.15
€339,000	Medtronic Global Holdings 1.125% 07/03/2027	270	0.03
€1,405,000	Medtronic Global Holdings 1.375% 15/10/2040	853	0.11
€3,817,000	Medtronic Global Holdings 1.5% 02/07/2039	2,407	0.31
€594,000	Medtronic Global Holdings 1.625% 15/10/2050	334	0.04
€2,400,000	Medtronic Global Holdings 3.375% 15/10/2034	2,008	0.26
€1,000,000	Mercedes Benz 2.125% 03/07/2037	743	0.10
€2,300,000	Merck 1.625% VRN 09/09/2080	1,834	0.23
£1,600,000	Metropolitan Life Global Funding 3.5% 30/09/2026	1,543	0.20
€2,604,000	Metropolitan Life Global Funding 3.75% 05/12/2030	2,246	0.29
€1,989,000	Metropolitan Life Global Funding 4% 05/04/2028	1,727	0.22
€2,768,000	Mizuho Financial 4.608% 28/08/2030	2,464	0.32
€780,000	Mondi Finance 1.625% 27/04/2026	638	0.08
€11,079,000	Morgan Stanley 0.406% VRN 29/10/2027	8,675	1.11
€2,688,000	Morgan Stanley 0.495% VRN 26/10/2029	1,970	0.25
€4,837,000	Morgan Stanley 1.342% VRN 23/10/2026	3,971	0.51
€990,000	Morgan Stanley 2.103% VRN 08/05/2026	829	0.11
€2,124,000	Morgan Stanley 4.656% VRN 02/03/2029	1,866	0.24
€1,715,000	Motability Operations Group 0.125% 20/07/2028	1,263	0.16
€3,109,000	Motability Operations Group 3.5% 17/07/2031	2,632	0.34
€1,224,000	Motability Operations Group 3.875% 24/01/2034	1,050	0.13
€3,000,000	National Grid 0.25% 01/09/2028	2,208	0.28
€660,000	National Grid 0.553% 18/09/2029	476	0.06
€2,124,000	National Grid 2.949% 30/03/2030	1,740	0.22
€1,037,000	National Grid 3.875% 16/01/2029	894	0.11
€1,358,000	National Grid 4.275% 16/01/2035	1,170	0.15
€1,436,000	National Grid North America 0.41% 20/01/2026	1,152	0.15
€785,000	National Grid North America 1.054% 20/01/2031	558	0.07
€1,689,000	National Grid North America 4.151% 12/09/2027	1,461	0.19
€1,484,000	National Grid North America 4.668% 12/09/2033	1,331	0.17
€3,466,000	Nationwide Building Society 2% VRN 25/07/2029	2,932	0.38
€3,131,000	NatWest Group 0.67% VRN 14/09/2029	2,312	0.30
€5,601,000	NatWest Group 1.75% VRN 02/03/2026	4,682	0.60
€2,393,000	NatWest Group 4.771% VRN 16/02/2029	2,103	0.27
€1,506,000	NatWest Group 5.763% VRN 28/02/2034	1,337	0.17
€2,971,000	Netflix 3.625% 15/05/2027	2,541	0.33
€2,427,000	Netflix 4.625% 15/05/2029	2,172	0.28
€3,126,000	New York Life Global Funding 3.45% 30/01/2031	2,663	0.34
€4,775,000	NN Group 4.5% VRN Perpetual	4,081	0.52
€863,000	NN Group 4.625% VRN 13/01/2048	739	0.09
€1,386,000	NN Group 6% VRN 03/11/2043	1,251	0.16
€2,078,000	Nordea Bank 3.625% VRN 10/02/2026	1,770	0.23
€731,000	Nykredit Realkredit 0.75% 20/01/2027	572	0.07
€700,000	Nykredit Realkredit 0.875% VRN 28/07/2031	548	0.07
€1,431,000	Nykredit Realkredit 3.875% 05/07/2027	1,220	0.16
€2,124,000	Nykredit Realkredit 4% 17/07/2028	1,810	0.23

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€2,506,000	Nykredit Realkredit 4.625% 19/01/2029	2,187	0.28
€3,249,000	OCI 3.625% 15/10/2025	2,739	0.35
€2,509,000	OP Corporate Bank 1.625% VRN 09/06/2030	2,068	0.26
€2,300,000	Orsted 2.25% VRN 24/11/3017	1,927	0.25
€610,000	Orsted 2.875% 14/06/2033	483	0.06
€1,088,000	Orsted 4.125% 01/03/2035	948	0.12
€1,439,000	Prologis Euro Finance 1% 08/02/2029	1,085	0.14
€2,699,000	Prologis Euro Finance 1.5% 10/09/2049	1,340	0.17
€1,852,000	Prologis International Funding 1.625% 17/06/2032	1,309	0.17
€1,167,000	Prologis International Funding 3.625% 07/03/2030	982	0.13
€1,869,000	RCl Banque 4.5% 06/04/2027	1,619	0.21
€1,299,000	RCl Banque 4.625% 02/10/2026	1,123	0.14
€1,859,000	RCl Banque 4.875% 02/10/2029	1,646	0.21
€1,624,000	RELX Finance 3.75% 12/06/2031	1,405	0.18
€1,900,000	Reseau de Transport d'electricite 3.75% 04/07/2035	1,644	0.21
€2,595,000	Roche Finance Europe 3.586% 04/12/2036	2,262	0.29
€1,945,000	Sandoz Finance 4.22% 17/04/2030	1,698	0.22
€1,882,000	Sandoz Finance 4.5% 17/11/2033	1,666	0.21
€500,000	Sanef 1.875% 16/03/2026	412	0.05
€1,100,000	Sartorius Finance 4.25% 14/09/2026	948	0.12
€1,900,000	Sartorius Finance 4.5% 14/09/2032	1,675	0.21
€1,700,000	Sartorius Finance 4.875% 14/09/2035	1,531	0.20
€3,477,000	Schlumberger Finance 0.25% 15/10/2027	2,662	0.34
€525,000	Segro Capital 1.875% 23/03/2030	399	0.05
€2,344,000	SELP Finance 1.5% 20/11/2025	1,920	0.25
€1,861,000	SELP Finance 3.75% 10/08/2027	1,575	0.20
€1,900,000	Siemens Financieringsmaatschapp 3.125% 22/05/2032	1,599	0.20
€1,933,000	Sika Capital 3.75% 03/11/2026	1,664	0.21
€4,500,000	Sirius Real Estate 1.125% 22/06/2026	3,532	0.45
€3,100,000	Sirius Real Estate 1.75% 24/11/2028	2,242	0.29
€1,008,000	Skandinaviska Enskilda Banken 4.375% 06/11/2028	880	0.11
€2,100,000	Societe Generale 0.5% VRN 12/06/2029	1,548	0.20
€1,700,000	Societe Generale 1% VRN 24/11/2030	1,368	0.18
€900,000	Societe Generale 1.125% VRN 30/06/2031	709	0.09
€2,600,000	Societe Generale 4.25% VRN 06/12/2030	2,235	0.29
€1,900,000	Societe Generale 4.75% VRN 28/09/2029	1,667	0.21
€2,700,000	Societe Generale 4.875% VRN 21/11/2031	2,390	0.31
€3,475,000	SSE 3.125% VRN Perpetual	2,823	0.36
€3,521,000	SSE 4% VRN Perpetual	2,912	0.37
€1,714,000	SSE 4% 05/09/2031	1,500	0.19
€2,895,000	Standard Chartered 1.2% VRN 23/09/2031	2,239	0.29
€1,933,000	Statkraft 3.125% 13/12/2026	1,639	0.21
€2,216,000	Statkraft 3.125% 13/12/2031	1,857	0.24
€1,446,000	Statkraft 3.5% 09/06/2033	1,241	0.16
€1,826,000	Stellantis 4.375% 14/03/2030	1,618	0.21
\$2,415,000	Suzano Austria 3.75% 15/01/2031	1,669	0.21
€1,245,000	Svenska Handelsbanken 5% VRN 16/08/2034	1,087	0.14
€1,751,000	Swedbank 3.625% VRN 23/08/2032	1,447	0.19
€2,495,000	Swedbank 4.125% 13/11/2028	2,182	0.28
€2,816,000	Swedbank 4.625% 30/05/2026	2,425	0.31
€2,225,000	Swiss Reinsurance 2.6% VRN Perpetual	1,847	0.24

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
€4,854,000	Symrise 1.375% 01/07/2027	3,831	0.49
€400,000	Takeda Pharmaceutical 1% 09/07/2029	300	0.04
€7,001,000	Takeda Pharmaceutical 2% 09/07/2040	4,606	0.59
€500,000	Takeda Pharmaceutical 2.25% 21/11/2026	412	0.05
€300,000	Takeda Pharmaceutical 3% 21/11/2030	246	0.03
€2,800,000	Telefonica Emisiones 4.055% 24/01/2036	2,391	0.31
€3,700,000	Telefonica Emisiones 4.183% 21/11/2033	3,222	0.41
€2,182,000	TenneT Holding 3.875% 28/10/2028	1,906	0.24
€2,283,000	TenneT Holding 4.25% 28/04/2032	2,046	0.26
€825,000	TenneT Holding 4.75% 28/10/2042	791	0.10
€700,000	Terega 0.625% 27/02/2028	528	0.07
€2,201,000	Tesco Corporate Treasury Service 4.25% 27/02/2031	1,927	0.25
€1,945,000	Thames Water Utilities Finance 0.875% 31/01/2028	1,397	0.18
€4,000,000	Thermo Fisher Scientific 1.5% 01/10/2039	2,528	0.32
€2,359,000	Thermo Fisher Scientific Finance 0.8% 18/10/2030	1,704	0.22
€100,000	Thermo Fisher Scientific Finance 1.625% 18/10/2041	62	0.01
€6,276,000	Total 1.625% VRN Perpetual	4,806	0.61
€6,548,000	Total 1.75% VRN Perpetual	5,577	0.71
€1,060,000	TotalEnergies 2.625% VRN 29/12/2049	887	0.11
€1,607,000	Toyota Finance Australia 0.44% 13/01/2028	1,221	0.16
€125,000	Toyota Motor Credit 0.125% 05/11/2027	95	0.01
€1,975,000	Toyota Motor Credit 4.05% 13/09/2029	1,733	0.22
€2,214,000	Tritax EuroBox 0.95% 02/06/2026	1,727	0.22
€4,538,000	UBS Group 2.75% VRN 15/06/2027	3,777	0.48
€2,777,000	UBS Group 4.375% VRN 11/01/2031	2,416	0.31
€4,026,000	UniCredit 4.6% VRN 14/02/2030	3,557	0.46
€1,688,000	Unilever Finance Netherlands 3.25% 15/02/2032	1,441	0.18
€1,391,000	United Utilities Water Finance 3.75% 23/05/2034	1,177	0.15
€6,609,000	Upjohn Finance 1.908% 23/06/2032	4,608	0.59
€3,360,000	Verizon Communications 0.375% 22/03/2029	2,461	0.31
€900,000	Verizon Communications 1.25% 08/04/2030	672	0.09
€2,100,000	Verizon Communications 1.85% 18/05/2040	1,356	0.17
€2,138,000	Verizon Communications 2.875% 15/01/2038	1,614	0.21
€2,451,000	Verizon Communications 3.5% 28/06/2032	2,065	0.26
€2,558,000	Verizon Communications 4.25% 31/10/2030	2,262	0.29
€1,904,000	Vesteda Finance 0.75% 18/10/2031	1,294	0.17
€4,737,000	Vesteda Finance 2% 10/07/2026	3,864	0.49
€2,100,000	Viatis 3.125% 22/11/2028	1,717	0.22
€1,100,000	Vodafone Group 2.875% 20/11/2037	849	0.11
€1,000,000	Volkswagen International Finance 3.375% VRN Perpetual	847	0.11
€1,000,000	Volkswagen International Finance 3.75% 28/09/2027	857	0.11
€2,735,000	Vodafone International Financing 3.75% 02/12/2034	2,343	0.30
€1,200,000	Volkswagen International Finance 3.875% VRN Perpetual	967	0.12
€2,000,000	Volkswagen International Finance 3.875% VRN Perpetual	1,547	0.20
€2,600,000	Volkswagen International Finance 4.25% 15/02/2028	2,261	0.29
€2,436,000	Volkswagen Leasing 0.375% 20/07/2026	1,922	0.25
€1,982,000	Volkswagen Leasing 3.875% 11/10/2028	1,700	0.22
€6,050,000	Volkswagen Leasing 4.75% 25/09/2031	5,431	0.69
€100,000	Vonovia 0% 01/12/2025	80	0.01
€1,100,000	Vonovia 4.75% 23/05/2027	960	0.12
€1,000,000	Vonovia 5% 23/11/2030	887	0.11

Portfolio of investments

Investments held at 29 February 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Corporate Bonds (continued)		
€ 600,000	Vonovia Finance 0.5% 14/09/2029	420	0.05
€ 1,340,000	Western Power Distribution East 3.53% 20/09/2028	1,141	0.15
€ 1,440,000	Westpac Securities 0.427% 14/12/2026	1,126	0.14
€ 2,535,000	WPC Eurobond 0.95% 01/06/2030	1,781	0.23
€ 4,358,000	WPC Eurobond 1.35% 15/04/2028	3,340	0.43
€ 2,000,000	WPC Eurobond 2.125% 15/04/2027	1,609	0.21
€ 2,900,000	Zuercher Kantonalbank 4.156% VRN 08/06/2029	2,529	0.32
€ 4,800,000	Zuercher Kantonalbank 4.467% VRN 15/09/2027	4,166	0.53
	Money Markets (31/08/23 – 2.00%)		1.78
€ 16,280	Aberdeen Standard Liquidity Fund (Lux) - Euro Fund Class Z-3+	13,927	1.78
	Forward Foreign Exchange Contracts (31/08/23 – (0.02%))		0.00
EUR 5,909,815	EUR Forward Currency Contract 12/03/2024	5,058	0.65
(GBP 5,047,762)	GBP Forward Currency Contract 12/03/2024	(5,048)	(0.65)
EUR 4,786,738	EUR Forward Currency Contract 12/03/2024	4,096	0.53
(USD 5,214,622)	USD Forward Currency Contract 12/03/2024	(4,122)	(0.53)
EUR 390,525	EUR Forward Currency Contract 12/03/2024	334	0.04
(USD 425,555)	USD Forward Currency Contract 12/03/2024	(336)	(0.04)
	Futures (31/08/23 – (0.04%))		(0.08)
17	CBT US 5 Year Note Future June 2024	3	0.00
(70)	CBT US 10 Year Note Future June 2024	(29)	0.00
382	EUX Euro Bobl Future March 2024	(257)	(0.03)
60	EUX Euro Bund Future March 2024	-	0.00
(14)	EUX Euro Buxl 30 Year Bund Future March 2024	(30)	(0.01)
475	EUX Euro Schatz Future March 2024	(310)	(0.04)
	Portfolio of investments ^	770,360	98.47
	Net other assets	11,961	1.53
	Net assets	782,321	100.00

Unless otherwise stated, all investments with the exception of Forward Foreign Exchange Contracts are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

The counterparty for the Futures is Morgan Stanley.

The counterparties for the Forward Foreign Exchange Contracts are Morgan Stanley, National Westminster Bank and Royal Bank of Canada.

^ Includes investment liabilities.

+ SICAV (open ended investment scheme registered outside the UK).

Credit Ratings	£000	%
Investment grade	730,321	93.35
Non-investment grade	8,651	1.11
Unrated	18,102	2.31
Total investment in bonds	<u>757,074</u>	<u>96.77</u>

Top ten purchases and sales

For the half year ended 29 February 2024

Purchases	Cost £000	Sales	Proceeds £000
Aberdeen Standard Liquidity Fund (Lux) – Euro Fund Class Z-3	137,915	Aberdeen Standard Liquidity Fund (Lux) – Euro Fund Class Z-3	139,859
Volkswagen Leasing 4.75% 25/09/2031	5,411	Enel 8.75% VRN 24/09/2073	6,441
Zuercher Kantonalbank 4.467% VRN 15/09/2027	4,120	Wells Fargo 1.338% VRN 04/05/2025	5,801
Indigo Group 4.5% 18/04/2030	4,064	Athene Global Funding 1.241% 08/04/2024	4,190
UniCredit 4.6% VRN 14/02/2030	3,487	Bundesrepublik 2.1% 15/11/2029	4,088
Bundesrepublik 0% 15/08/2029	3,357	Volkswagen International Finance 3.5% VRN Perpetual	3,847
Telefonica Emisiones 4.183% 21/11/2033	3,228	Enel Finance International 0.25% 17/11/2025	3,325
Danske Bank 3.875% VRN 09/01/2032	3,108	Banco Santander 0.1% VRN 26/01/2025	3,197
Erste Group Bank 1% VRN 10/06/2030	2,925	Bundesrepublik 0.25% 15/02/2029	3,152
McDonalds 3.875% 20/02/2031	2,835	Stellantis 4.25% 16/06/2031	2,930
Subtotal	170,450	Subtotal	176,830
Other purchases	187,648	Other sales	219,552
Total purchases for the half year	358,098	Total sales for the half year	396,382

Statistical information

Comparative tables

	Class 'B' Accumulation			
	29/02/24	31/08/23	31/08/22	31/08/21
	pence	pence	pence	pence
Change in net assets per unit				
Opening net asset value per unit	134.91	134.31	153.12	153.95
Return before operating charges*	6.16	0.62	(18.78)	(0.72)
Operating charges	(0.01)	(0.02)	(0.03)	(0.11)
Return after operating charges*	6.15	0.60	(18.81)	(0.83)
Distributions on accumulation units	(1.94)	(2.88)	(1.66)	(1.98)
Retained distributions on accumulation units	1.94	2.88	1.66	1.98
Closing net asset value per unit	141.06	134.91	134.31	153.12
*after direct transaction costs of: ^	0.00	0.00	0.00	0.01

Performance

Return after charges	4.56%	0.45%	(12.28%)	(0.54%)
----------------------	-------	-------	----------	---------

Other information

Closing net asset value (£000)	16,241	24,557	23,603	32,569
Closing number of units	11,512,961	18,203,106	17,574,008	21,270,324
Operating charges	0.02%	0.02%	0.03%	0.07%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices+

Highest unit price (pence)	145.90	142.02	154.07	163.91
Lowest unit price (pence)	133.75	127.61	131.27	150.05

^ The direct transaction costs includes commission on futures.

+ High and low price disclosures are based on quoted unit prices. Therefore, the opening and closing NAV prices may fall outside the high/low price threshold.

Statistical information

Comparative tables

	Class 'C' Accumulation		
	29/02/24	31/08/23	31/08/22**
	pence	pence	pence
Change in net assets per unit			
Opening net asset value per unit	76.71	76.35	84.53
Return before operating charges*	3.50	0.37	(8.17)
Operating charges	(0.01)	(0.01)	(0.01)
Return after operating charges*	3.49	0.36	(8.18)
Distributions on accumulation units	(1.10)	(1.65)	(0.80)
Retained distributions on accumulation units	1.10	1.65	0.80
Closing net asset value per unit	80.20	76.71	76.35
*after direct transaction costs of: ^	0.00	0.00	0.00

Performance

Return after charges	4.55%	0.47%	(9.68%)
----------------------	-------	-------	---------

Other information

Closing net asset value (£000)	766,080	761,990	854,958
Closing number of units	955,196,594	993,375,251	1,119,854,676
Operating charges	0.02%	0.02%	0.02%
Direct transaction costs	0.00%	0.00%	0.00%

Prices+

Highest unit price (pence)	82.58	80.16	86.13
Lowest unit price (pence)	76.41	74.04	74.88

^The direct transaction costs includes commission on futures.

+ High and low price disclosures are based on quoted unit prices. Therefore, the opening and closing NAV prices may fall outside the high/low price threshold.

**Class 'C' Accumulation launched on 29 October 2021, hence there are no comparatives for the year 2021.

Statistical information

Investment objective

The Fund aims to provide a total return (the combination of capital growth and income) by outperforming the benchmark by 0.25% to 0.75% per annum over any given 3 year period.

The benchmark is the Markit iBoxx Euro Corporates GBP Unhedged Total Return Index (the "Index").

Investment policy

The Fund aims to achieve its objective, by investing over 80% in investment grade fixed and floating rate corporate bonds, denominated in Euros. To further aid diversification, the Fund may also invest up to 20% in fixed and floating rate corporate bonds issued in other currencies. It may also invest up to 20% in sovereign, sovereign guaranteed and supranational bonds.

The Fund may also invest in units in collective investment schemes, money market instruments, deposits, cash and near cash.

Derivatives may be used for efficient portfolio management and hedging only.

Investment strategy

Although at least 80% of the Fund is invested in components of the Index, the Fund is actively managed. The Investment Adviser uses a stock selection model to select individual holdings, where they believe there is misalignment in the assessment of growth prospects and creditworthiness of the holdings and that of the market, while giving consideration to future economic and business conditions. The Fund is managed within constraints, so that divergence from the Index is controlled.

The Fund's portfolio may, therefore, be similar to the components of the Index. The Fund's holdings will typically consist of individual bonds but derivatives (including currency forwards and interest rate and credit default swaps) may be used to gain or reduce (hedge) exposure. Non-Euro denominated assets will typically be hedged back to Euro to minimise exposure to currency rate movements.

Revenue distribution and pricing

Units of the Fund are available as Class 'B' Accumulation units and Class 'C' Accumulation units (where revenue is reinvested to enhance the unit price).

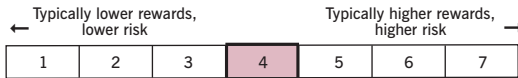
There will be two potential distributions in each accounting year: an interim distribution as at the last day of February and a final distribution as at 31 August.

At each distribution the net revenue after deduction of expenses, from the investments of the Fund, is apportioned amongst the unitholders. Unitholders receive a tax voucher giving details of the distribution and the Manager's Report no later than two months after these dates.

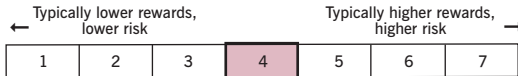
Statistical information

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.



Class 'B' Accumulation is ranked at 4 (31/08/23: 4) because classes of this type have experienced average rises and falls in value in the past.



Class 'C' Accumulation is ranked at 3 (31/08/23: 3) because classes of this type have experienced average rises and falls in value in the past.

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. Please note the Fund's risk category may change in the future. The indicator does not take into account the following risks of investing in this Fund:

- Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts.
- Although the Investment Manager will use currency trades to reduce exchange rate risk on investments not priced in Euros, this may not completely eliminate the Fund's exchange rate risk.
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency rates will reduce the value of your investment.
- The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at low risk, or to meet its investment objective.

For more information on the Risk and Reward profiles of our Funds, please refer to the most up to date relevant fund and Unit Class Key Investor Information Documents (KIIDs). These are available online at www.phoenixunittrust.co.uk.

Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

26 April 2024

Craig Baker, Director
Brid Meaney, Director

Interim financial statements

For the half year ended 29 February 2024

Statement of total return

	29/02/24		28/02/23	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		23,966		(9,212)
Revenue	11,001		7,857	
Expenses	(70)		(73)	
Interest payable and similar charges	(2)		(4)	
Net revenue for the half year		<u>10,929</u>		<u>7,780</u>
Total return/(deficit) before distributions		34,895		(1,432)
Distributions		(10,947)		(7,804)
Change in net assets attributable to unitholders from investment activities		<u>23,948</u>		<u>(9,236)</u>

Statement of change in net assets attributable to unitholders

	29/02/24		28/02/23*	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		786,547		878,561
Amounts receivable on issue of units	3,362		10,896	
Amounts payable on cancellation of units	(42,313)		(32,662)	
		<u>(38,951)</u>		<u>(21,766)</u>
Change in net assets attributable to unitholders from investment activities		23,948		(9,236)
Retained distributions on accumulation units		10,777		7,801
Closing net assets attributable to unitholders		<u>782,321</u>		<u>855,360</u>

*Please note that the comparative figures are for the comparative interim period. The brought forward net assets for the current period do not, therefore, equal the carried forward figure in the comparative.

Interim financial statements

As at 29 February 2024

Balance sheet

	29/02/24		31/08/23	
	£000	£000	£000	£000
Assets:				
Fixed assets:				
Investments		771,014		784,768
Current assets:				
Debtors	18,552		19,907	
Cash and bank balances	1,493		2,263	
Total current assets		<u>20,045</u>		<u>22,170</u>
Total assets		<u>791,059</u>		<u>806,938</u>
Liabilities:				
Investment liabilities		(654)		(724)
Creditors:				
Bank overdraft	(32)		(2)	
Other creditors	<u>(8,052)</u>		<u>(19,665)</u>	
Total creditors		<u>(8,084)</u>		<u>(19,667)</u>
Total liabilities		<u>(8,738)</u>		<u>(20,391)</u>
Net assets attributable to unitholders		<u>782,321</u>		<u>786,547</u>

Notes to the interim financial statements

Accounting policies

The interim financial statements have been prepared under the historical cost basis, as modified by the valuation of investments and in compliance with FRS 102 and in accordance with the Statement of Recommended Practice (2014 SORP) for financial statements of Authorised Funds issued by The Investment Association in May 2014 (and amended in June 2017). Unless otherwise stated all accounting policies applied are consistent with those of the Annual Report for the year ended 31 August 2023 and are described in those financial statements.

Distribution table

For the half year ended 29 February 2024

Interest distributions

Interim distribution in pence per unit

Group 1: units purchased prior to 1 September 2023

Group 2: units purchased 1 September 2023 to 29 February 2024

	Gross income	Equalisation	2024 pence per unit payable 30 Apr	2023 pence per unit paid 30 Apr
Class 'B' Accumulation				
Group 1	1.9427	—	1.9427	1.2081
Group 2	0.3281	1.6146	1.9427	1.2081

Class 'C' Accumulation

Group 1	1.1048	—	1.1048	0.6957
Group 2	1.1048	0.0000	1.1048	0.6957

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of the units for capital gains tax purposes.

Appendix

The Fund carried out stocklending activities for the purpose of efficient portfolio management and in order to generate income.

Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	2.15

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£16,243,034	2.08

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

All collateral issuers (across all SFT)

Issuer	Holding	Collateral
		Fair value £000
US Treasury 2.875% 15/05/2032	10,590,000	7,619
US Treasury 3.5% 15/09/2025	5,211,200	4,105
Government of France 3% 25/06/2049	3,213,079	2,625
US Treasury 2.5% 30/04/2024	3,103,700	2,461
Government of France 2% 25/11/2032	98,560	79
Monster Beverage	1,246	55
Paypal	1,155	55
QORVO	621	55
Dollar Tree	476	55
Ednerd Se	1,406	55

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £000
Barclays Bank	9,576
Citigroup	3,150
Goldman Sachs International	2,476
Bank of Nova Scotia	1,018
BNP Paribas	23

Appendix

Aggregate Data

Type and quality of collateral

Type	Quality*	Fair value £000
Bonds	Investment grade	16,910
Equities		1,186
		18,096

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

Maturity	Fair value £000
Rolling Maturity	18,096
	18,096

Currency of collateral

Currency	Fair value £000
Sterling	18,096
	18,096

Maturity tenor of SFTs

Maturity	Fair value £000
Rolling Maturity	16,243
	16,243

Country in which counterparties are established

Counterparty

All counterparties are UK based

Return and cost

	Gross return £000	Cost £'000	% of overall returns	Net return £000
Fund	21	(4)	82.00	17
	21	(4)		17

The gross earnings were split by the lending agent as follows:

- 82% to the Lender (PUTM Bothwell European Credit Fund)
- 8% to the Manager (Phoenix Unit Trust Managers Limited)
- 10% retained by the Lending Agent (eSec)

Corporate information

The information 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.

Phoenix Unit Trust Managers Limited is part of the Phoenix Group.

Ignis Investment Services Limited is part of the abrdn plc and its subsidiaries.

Unit prices appear daily on our website www.phoenixunittrust.co.uk

Administration & Dealing: 0345 584 2803 (between the hours of 9am & 5pm).

Remuneration

The Manager has adopted a remuneration policy, up-to-date details of which can be found on www.phoenixunittrust.co.uk. These details describe how remuneration and benefits are calculated and identify the committee which oversees and controls the policy. A paper copy of these details can be requested free of charge from the Manager. Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UK UCITS Managers are required to comply with the UCITS V Remuneration Code from the start of their next accounting year. Under the UCITS V Directive, the Manager is required to disclose information relating to the remuneration paid to its staff for the financial year, split into fixed and variable remuneration.

Fund Climate Report

We're working towards a more sustainable way of investing. For the latest information about what we're doing and our fund climate report, go to phoenix-unit-trust-managers.co.uk/fund-climate-report.

Risks

The price of units and the revenue from them can go down as well as up and investors may not get back the amount they invested, particularly in the case of early withdrawal. Tax levels and reliefs are those currently applicable and may change. The value of any tax relief depends on personal circumstances.

Management charges on some funds are charged to capital and therefore a reduction in capital may occur.

Depending on the fund, the value of your investment may change with currency movements.

Corporate information

Manager

Phoenix Unit Trust Managers Limited (PUTM)
1 Wythall Green Way
Wythall
Birmingham B47 6WG
Tel: 0345 584 2803
Registered in England – No.03588031
Authorised and regulated by the Financial Conduct Authority.

Directors

Brid Meaney PUTM Director, Chief Executive
Phoenix Life;

Craig Baker PUTM Director, Head of Policyholder
Assets;

Timothy Harris Non Executive Director of PUTM;

Nick Poyntz-Wright Non Executive Director of PUTM.

Registrar and correspondence address

Phoenix Unit Trust Managers Limited
Floor 1, 1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Abrdn Investment Management Limited
1 George Street
Edinburgh EH2 2LL
Registered in Scotland – No.SC101825
Authorised and regulated by the Financial Conduct Authority.

Trustee

HSBC Bank plc
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
Authorised by the Prudential Regulation Authority
and regulated by the Financial Conduct Authority and the
Prudential Regulation Authority.

Independent Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorised status

This Fund is an Authorised Unit Trust scheme under section 243 of the Financial Services & Markets Act 2000 and is categorised under the Collective Investment Schemes Sourcebook as a UK UCITS fund.

Notes

Notes

Contact: **Client Services**

Call: **0345 584 2803**

Correspondence Address: **Floor 1, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland**

Visit: **phoenixunittrust.co.uk**

Telephone calls may be monitored and/or recorded for the purposes of security, internal training, accurate account operation, internal customer monitoring and to improve the quality of service.

Please note the Key Investor Information Document (KIID), the Supplementary Information Document (SID) and the full prospectus are available free of charge. These are available by contacting Client Services on 0345 584 2803.

Phoenix Unit Trust Managers Limited does not accept liability for any claims or losses of any nature arising directly or indirectly from use of the data or material in this report. The information supplied is not intended to constitute investment, tax, legal or other advice.

Phoenix Unit Trust Managers Limited* is a Phoenix Group Company. Registered in England No 3588031.
Registered office: 1 Wythall Green Way, Wythall, Birmingham B47 6WG.

*Authorised and regulated by the Financial Conduct Authority.