

PHOENIX UNIT TRUST MANAGERS

MANAGER'S INTERIM REPORT

For the half year: 1 February 2024 to 31 July 2024 (unaudited)

PUTM BOTHWELL STERLING CREDIT FUND



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*These collectively comprise the authorised Fund manager's report.

Investment review

Dear Investor

Welcome to the PUTM Bothwell Sterling Credit Fund interim report for six months from 31 January to 31 July 2024.

Performance Review

Over the review period, the PUTM Bothwell Sterling Credit Fund returned 2.60%. (Source: FactSet: Gross of AMC; based on the movement in the Cancellation Price from 31/01/24 to 31/07/24; GBP). This is compared to a return of 2.59% for its benchmark index. (Source: FactSet, iBoxx Sterling Corporate and Collateralised Index, Total Return from 31/01/24 to 31/07/24; GBP).

In the table below, you can see how the Fund performed against its benchmark index over the last five discrete one-year periods.

Standardised Past Performance

	Jul 23-24 % growth	Jul 22-23 % growth	Jul 21-22 % growth	Jul 20-21 % growth	Jul 19-20 % growth
PUTM Bothwell Sterling Credit Fund	10.36	-7.92	-12.70	3.22	6.30
Benchmark Index	9.99	-7.88	-13.05	2.33	6.29

Source: Fund performance is FactSet, Gross of AMC, in GBP, based upon the movement in the Cancellation Price from 1 July 2023 to 31 July 2024. Benchmark Index performance is iBoxx Sterling Corporate and Collateralised, Total Return in GBP terms from 1 July 2023 to 31 July 2024, in GBP.

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

Market Review

It was a volatile period for sterling credit due to variable economic and political developments. The beginning of 2024 was relatively flat for total returns. A weaker government bond market was offset by continued spread tightening in credit. Stronger economic data pushed expectations of interest-rate cuts out from the first quarter to the second half of the year. Investors' continued strong demand for credit led the index to tighten by 18 basis points (bps), with BBBs outperforming single As by 8bps. Much of this strength was led by financials, with demand for higher-yielding debt leading Tier 2s to compress relative to senior debt.

Spreads and yields ended the second quarter marginally higher. While this led to a small negative total return for the market, it masks some decent intra quarter-volatility, with 10-year gilt yields trading in a 40bp range, and spreads in a more moderate 15bp range. Gilt yields followed US yields higher in April after strong jobs data. However, a moderation in inflation numbers brought yields back from their highs, and the jobs outlook weakened towards quarter-end.

Spreads tightened for much of the quarter, moving higher in June on the surprise election announcement in France. Spreads came back from their highs as Marine Le Pen's National Rally party softened its stance and prospects for a hung parliament increased. Despite the surprise in timing around the UK election, there was no real impact on the market. The Labour Party is seen as a safe pair of hands, with no major policy differences from the outgoing Conservative government. July was another positive month for the market, as investors bought gilts in anticipation of the UK's first rate cut in over four years, which was announced at the beginning of August.

Fund Review

The Fund performed in line with its benchmark over the period. While curve positioning and stock selection were positive, asset allocation detracted from performance.

Our overweight allocation to banks added to returns, as NatWest, Barclays and Lloyds performed well over the period. The Fund's overweight holding in NatWest added to returns after the company delivered strong full-year results, including an 18% return on tangible equity. Our overweights to Hammerson, Tesco, Aviva and M&G also contributed to performance. Conversely, Thames Water was the weakest performer as the group came through OfWat's interim determination with a downgrade by the rating agencies. Additionally, the Fund's overweight position in gilts hurt performance, given the spread tightening over most of the period. However, we continue to own these for liquidity and curve-positioning reasons. The Fund's lack of exposure to British American Tobacco (the Fund cannot own tobacco bonds), specialist mortgage lender OSB Group and Aroundtown also weighed on returns, as these names performed well over the period.

Market Outlook and Fund Strategy

We remain cautious on credit, given valuations but have not moved underweight as the technicals remain strong. Demand is healthy and we are still seeing low issuance. We expect to move lower over the summer and maybe soften as supply increases in September. There remains a small issuance window before we get into the US elections. We remain overweight in duration terms versus the index as we view government bond yields as too high. Inflation has hit the 2% target in the UK and there are early signs that both employment and core inflation numbers are moderating. This enabled the Bank of England to cut interest rates at the beginning of August.

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Government Bonds (31/01/24 – 3.77%)		6.49
£6,655,000	CTRL Section 1 Finance 5.234% 02/05/2035	2,548	0.07
£63,000,000	UK Treasury 0.125% 30/01/2026	59,642	1.53
£30,000,000	UK Treasury 0.125% 31/01/2028	26,489	0.68
£60,000,000	UK Treasury 1.25% 22/10/2041	37,534	0.96
£53,000,000	UK Treasury 3.25% 22/01/2044	44,678	1.14
£25,000,000	UK Treasury 3.5% 22/01/2045	21,729	0.56
£35,000,000	UK Treasury 3.75% 22/10/2053	30,551	0.78
£33,000,000	UK Treasury 4% 22/10/2063	30,030	0.77
	Public Authorities (31/01/24 – 0.15%)		0.14
£9,873,000	Income Contingent Student Loans 2.5% 24/07/2058	5,644	0.14
	Corporate Bonds (31/01/24 – 92.59%)		90.44
£10,000,000	AA Bond 5.5% 31/07/2050	9,857	0.25
£15,000,000	AA Bond 6.85% 31/07/2050	15,404	0.40
£6,500,000	AA Bond 8.45% 31/07/2050	6,922	0.18
£14,500,000	ABP Finance 6.25% 14/12/2026	14,954	0.38
£19,478,000	Accent Capital 2.625% 18/07/2049	12,275	0.31
£9,094,000	Anglian Water 4.5% 22/02/2026	9,021	0.23
£11,393,000	Anglian Water Osprey Financing 2% 31/07/2028	9,138	0.23
£11,857,000	Anglian Water Services Financing 5.75% 07/06/2043	11,463	0.29
£15,000,000	Anglian Water Services Financing 5.875% 20/06/2031	15,248	0.39
£6,500,000	Anglian Water Services Financing 6% 20/06/2039	6,536	0.17
£16,583,000	Annington Funding 2.308% 06/10/2032	13,022	0.33
£6,200,000	Annington Funding 2.646% 12/07/2025	6,032	0.15
£8,061,000	Annington Funding 2.924% 06/10/2051	4,763	0.12
£28,930,000	Annington Funding 3.184% 12/07/2029	25,961	0.67
£13,590,000	Annington Funding 3.685% 12/07/2034	11,469	0.29
£12,591,000	Arqiva Financing 4.882% 31/12/2032	6,988	0.18
£6,277,000	Arqiva Financing 7.21% 30/06/2045	6,702	0.17
£7,689,000	Aspire Defence Finance 4.674% 31/03/2040	5,796	0.15
£11,297,000	Aspire Defence Finance 4.674% 31/03/2040	8,519	0.22
£12,890,000	AT&T 4.25% 01/06/2043	10,760	0.28
£22,134,000	AT&T 4.375% 14/09/2029	21,575	0.55
£11,650,000	AT&T 5.5% 15/03/2027	11,770	0.30
£22,500,000	AT&T 7% 30/04/2040	25,729	0.66
£20,000,000	Athene Global Funding 1.75% 24/11/2027	18,021	0.46
£6,000,000	Athene Global Funding 1.875% 30/11/2028	5,269	0.14
£8,849,000	Aviva 4% VRN 03/06/2055	7,379	0.19
£15,700,000	Aviva 4.375% VRN 12/09/2049	14,734	0.38
£13,515,000	Aviva 5.125% VRN 04/06/2050	13,047	0.33
£23,120,000	Aviva 6.125% 14/11/2036	23,456	0.60
£14,555,000	Aviva 6.875% 27/11/2053	15,334	0.39

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£15,000,000	Banco Santander 1.5% 14/04/2026	14,185	0.36
£20,000,000	Banco Santander 2.25% VRN 04/10/2032	18,006	0.46
£7,000,000	Banco Santander 4.75% VRN 30/08/2028	6,971	0.18
£19,970,000	Bank of America 2.3% 25/07/2025	19,437	0.50
£20,000,000	Bank of America 3.584% VRN 27/04/2031	18,807	0.48
£17,500,000	Bank of America 7% 31/07/2028	18,926	0.49
£13,500,000	Banque Federative du Credit Mutuel 1.25% 05/12/2025	12,826	0.33
£19,100,000	Banque Federative du Credit Mutuel 5% 19/01/2026	19,134	0.49
£14,680,000	Barclays Bank 3% 08/05/2026	14,209	0.36
£25,000,000	Barclays Bank 3.75% VRN 22/11/2030	24,295	0.62
£14,351,000	Barclays Bank 5.851% VRN 21/03/2035	14,571	0.37
£30,490,000	Barclays Bank 6.369% VRN 31/01/2031	32,021	0.82
£11,615,000	Barclays Bank 7.09% VRN 06/11/2029	12,420	0.32
£15,000,000	Barclays Bank 8.407% VRN 14/11/2032	16,022	0.41
£7,290,000	Bazalgette Finance 2.375% 29/11/2027	6,665	0.17
£17,000,000	Bazalgette Finance 2.75% 10/03/2034	13,689	0.35
£5,000,000	Berkeley 2.50% 11/08/2031	3,963	0.10
£14,721,000	Berkshire Hathaway Finance Corporation 2.375% 19/06/2039	10,607	0.27
£10,916,000	Berkshire Hathaway Finance Corporation 2.625% 19/06/2059	6,375	0.16
£8,308,000	Blend Funding 2.922% 05/04/2056	5,397	0.14
£14,086,000	Blend Funding 3.459% 21/09/2049	10,517	0.27
£30,000,000	BNP Paribas 1.25% 13/07/2031	23,628	0.61
£12,500,000	BNP Paribas 2% 13/09/2036	9,103	0.23
£14,000,000	BNP Paribas 2% VRN 24/05/2031	13,164	0.34
£30,000,000	BP Capital Markets 4.25% VRN Perpetual	28,807	0.74
£15,615,000	BPHA Finance 4.816% 11/04/2044	14,583	0.37
£15,000,000	British Telecommunications 5.75% 13/02/2041	15,178	0.39
£13,720,000	Broadgate 4.821% 05/07/2036	13,573	0.35
£11,640,000	Broadgate 5.098% 05/04/2035	9,401	0.24
£7,202,000	Bromford Housing Group 3.125% 03/05/2048	5,114	0.13
£13,018,000	Cadent Finance 2.625% 22/09/2038	9,233	0.24
£17,500,000	Cadent Finance 5.75% 14/03/2034	17,991	0.46
£10,000,000	CaixaBank 1.5% VRN 03/12/2026	9,495	0.24
£20,290,000	Canary Wharf 6.455% 22/10/2033	1,239	0.03
£6,700,000	Canary Wharf 6.8% 22/10/2033	2,936	0.08
£14,200,000	Channel Link 3.043% VRN 30/06/2050	12,681	0.33
£13,500,000	Citigroup 1.75% 23/10/2026	12,660	0.32
£9,955,000	CK Hutchison Group Telecom Finance 2% 17/10/2027	9,044	0.23
£12,508,000	Clarion Funding 1.875% 07/09/2051	6,306	0.16
£9,550,000	Comcast Corporation 5.5% 23/11/2029	10,005	0.26

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£10,307,000	Commonwealth Bank of Australia 3% 04/09/2026	9,952	0.26
£8,192,000	Community Finance 5.017% 31/07/2034	8,211	0.21
£7,500,000	Cooperatieve Rabobank 1.875% VRN 12/07/2028	6,901	0.18
€15,000,000	Cooperatieve Rabobank 4.625% VRN Perpetual	12,450	0.32
£11,562,000	Coventry Building Society 5.875% VRN 12/03/2030	11,788	0.30
£13,416,000	Coventry Building Society 7% VRN 07/11/2027	13,907	0.36
£11,869,000	CPUK Finance 3.588% 28/02/2042	11,617	0.30
£20,000,000	CPUK Finance 3.69% 28/02/2047	18,614	0.48
£17,500,000	CPUK Finance 6.136% 28/02/2047	17,911	0.46
£25,000,000	Credit Agricole 4.875% 23/10/2029	25,190	0.65
£9,100,000	Credit Agricole 6.375% VRN 14/06/2031	9,696	0.25
£20,000,000	Credit Suisse 2.125% VRN 12/09/2025	19,919	0.51
£27,500,000	Credit Suisse 2.125% VRN 15/11/2029	24,506	0.63
£30,000,000	Credit Suisse 2.25% VRN 09/06/2028	27,704	0.71
£20,700,000	Credit Suisse 7.75% 10/03/2026	21,602	0.55
£33,500,000	Danske Bank 2.25% 14/01/2028	31,286	0.80
£14,608,000	Danske Bank 4.625% VRN 13/04/2027	14,579	0.37
£14,000,000	Deutsche Bank 1.875% VRN 22/12/2028	12,541	0.32
£15,000,000	Deutsche Bank 2.625% 16/12/2024	14,818	0.38
£15,000,000	Deutsche Bank 4% VRN 24/06/2026	14,797	0.38
£10,000,000	Deutsche Bank 6.125% VRN 12/12/2030	10,298	0.26
€30,000,000	Digital Intrepid Holding 0.625% 15/07/2031	20,342	0.52
£22,000,000	DWR Cymru Financing 2.375% 31/03/2034	15,842	0.41
£6,500,000	E.ON International Finance 5.875% 30/10/2037	6,777	0.17
£19,250,000	E.ON International Finance 6.125% 06/07/2039	20,383	0.52
£21,400,000	E.ON International Finance 6.75% 27/01/2039	23,963	0.61
£25,000,000	Électricité de France 5.5% 17/10/2041	23,523	0.60
£43,000,000	Électricité de France 5.625% 25/01/2053	39,610	1.02
£8,000,000	Électricité de France 6% 23/01/2114	7,451	0.19
£4,800,000	Électricité de France 6% VRN Perpetual	4,738	0.12
£25,000,000	ENEL 5.75% 14/09/2040	25,298	0.65
£6,265,000	ENEL Finance International 1% 20/10/2027	5,590	0.14
£21,785,000	ENEL Finance International 2.875% 11/04/2029	20,028	0.51
£7,000,000	Engie 5.625% 03/04/2053	6,851	0.18
£19,467,000	ENW Finance 4.893% 24/11/2032	19,390	0.50
£20,000,000	Eversholt Funding 2.742% 30/06/2040	13,870	0.36
£7,000,000	Eversholt Funding 3.529% 07/08/2042	5,621	0.14
£10,000,000	Eversholt Funding 6.359% 02/12/2025	10,126	0.26
£23,500,000	Eversholt Funding 6.697% 22/02/2035	19,557	0.50
£6,143,000	Freshwater Finance 5.182% 20/04/2035	5,853	0.15
£5,200,000	Futures Treasury 3.375% 08/02/2044	3,990	0.10
£17,000,000	Gatwick Funding 4.625% 27/03/2034	16,074	0.41

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£6,550,000	Gatwick Funding 6.125% 02/03/2028	6,675	0.17
£12,050,000	GDF Suez 5% 01/10/2060	10,879	0.28
£7,200,000	GlaxoSmithKline 1.25% 12/10/2028	6,399	0.16
€15,022,000	Global Switch Finance 1.375% 07/10/2030	11,427	0.29
£6,000,000	Goldman Sachs Group 6.875% 18/01/2038	6,624	0.17
£25,000,000	Grainger 3% 03/07/2030	21,562	0.55
£9,300,000	Great Rolling Stock 6.5% 05/04/2031	6,891	0.18
£30,000,000	Great Rolling Stock 6.875% 27/07/2035	15,869	0.41
£17,100,000	Hammerson 3.5% 27/10/2025	16,659	0.43
£8,613,000	Hammerson 6% 23/02/2026	8,690	0.22
£17,193,000	Hammerson 7.25% 21/04/2028	18,131	0.47
£25,000,000	Heathrow Funding 2.625% 16/03/2028	22,780	0.58
£16,000,000	Heathrow Funding 5.875% 13/05/2041	16,514	0.42
£30,731,000	Heathrow Funding 6.75% 03/12/2028	31,895	0.82
£18,187,000	Hexagon Housing Association 3.625% 22/04/2048	13,017	0.33
£15,908,000	Home Group 3.125% 27/03/2043	11,470	0.29
£8,068,000	HSBC Holdings 1.75% VRN 24/07/2027	7,575	0.19
£16,932,000	HSBC Holdings 1.75% VRN 24/07/2027	15,898	0.41
£19,000,000	HSBC Holdings 3% 29/05/2030	17,351	0.44
£24,610,000	HSBC Holdings 3% VRN 22/07/2028	23,240	0.60
£12,000,000	HSBC Holdings 5.844% VRN Perpetual	12,522	0.32
£8,200,000	HSBC Holdings 6% 29/03/2040	8,157	0.21
£7,500,000	HSBC Holdings 6.8% VRN 14/09/2031	8,155	0.21
£22,500,000	HSBC Holdings 8.201% VRN 16/11/2034	24,810	0.64
£5,555,000	Hyde Housing Association 1.75% 18/08/2055	2,596	0.07
£28,200,000	ING Groep 1.125% VRN 07/12/2028	25,133	0.64
£27,015,000	Integrated Accommodation Service 6.48% 31/03/2029	8,397	0.22
£23,900,000	JPMorgan Chase 0.991% VRN 28/04/2026	23,158	0.59
£14,260,000	JPMorgan Chase 1.895% VRN 28/04/2033	11,734	0.30
£14,800,000	KBC Group 5.5% VRN 20/09/2028	15,024	0.39
£8,930,000	Land Securities Capital Market 2.75% 22/09/2059	5,389	0.14
£7,531,000	Land Securities Capital Market 4.75% 18/09/2031	7,551	0.19
£15,000,000	Landesbank Baden-Wuerttemberg 1.5% 03/02/2025	14,704	0.38
£7,700,000	Legal & General Finance 5.5% VRN 27/06/2064	7,418	0.19
£5,548,000	Legal & General Group 3.75% VRN 26/11/2049	5,052	0.13
£7,750,000	Legal & General Group 5.375% VRN 27/10/2045	7,698	0.20
£20,000,000	Lloyds Banking Group 1.985% VRN 15/12/2031	18,521	0.47
£20,000,000	Lloyds Banking Group 2.707% VRN 03/12/2035	16,663	0.43
£12,909,000	Lloyds Banking Group 6% 08/02/2029	13,730	0.35
£10,000,000	Lloyds Banking Group 6.625% VRN 02/06/2033	10,262	0.26
£23,980,000	London & Quadrant Housing Trust 2.25% 20/07/2029	21,083	0.54
£4,800,000	London & Quadrant Housing Trust 2.75% 20/07/2057	2,854	0.07

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£7,636,000	London Quadrant Housing Trust 2% 20/10/2038	5,128	0.13
£15,560,000	Longstone 4.896% 19/04/2036	14,509	0.37
£9,780,000	Longstone Finance 4.791% 19/04/2036	3,150	0.08
£13,504,000	MassMutual Global Funding II 5% 12/12/2027	13,678	0.35
£24,000,000	M&G 5% VRN 20/07/2055	22,188	0.57
£7,500,000	McDonald's 3.75% 31/05/2038	6,529	0.17
£8,015,000	Meadowhall 4.986% 12/01/2032	3,528	0.09
£15,145,000	Meadowhall 4.988% 12/07/2037	7,308	0.19
£14,400,000	Metropolitan Housing Trust 1.875% 28/07/2036	10,150	0.26
£14,399,000	Metropolitan Life Global Funding I 5% 10/01/2030	14,660	0.38
£20,000,000	Mizuho Financial Group 5.628% 13/06/2028	20,543	0.53
£9,600,000	Morgan Stanley 2.625% 09/03/2027	9,064	0.23
£23,000,000	Morgan Stanley 5.789% VRN 18/11/2033	24,204	0.62
£8,211,000	Morhomes 3.4% 19/02/2038	6,641	0.17
£12,125,000	Morhomes 3.4% 19/02/2040	9,807	0.25
£13,889,000	Motability Operations Group 5.625% 11/09/2035	14,692	0.38
£6,881,000	Motability Operations Group 5.625% 24/01/2054	7,035	0.18
£11,735,000	Motability Operations Group 5.75% 11/09/2048	12,351	0.32
£20,000,000	National Australia Bank 1.699% VRN 15/09/2031	18,470	0.47
£38,000,000	National Express 2.375% 20/11/2028	33,303	0.85
£17,041,000	National Grid Electricity Distribution 5.75% 16/04/2032	17,643	0.45
£16,111,000	National Grid Electricity Transportation 5.272% 18/01/2043	15,358	0.39
£13,554,000	Nationwide Building Society 6.125% 21/08/2028	14,182	0.36
£9,505,000	Nationwide Building Society 6.178% VRN 07/12/2027	9,739	0.25
£46,000,000	Natwest Group 2.105% VRN 28/11/2031	42,723	1.10
£7,539,000	NatWest Group 2.875% VRN 19/09/2026	7,334	0.19
£23,900,000	NatWest Group 3.619% VRN 29/03/2029	22,852	0.59
£12,039,000	New York Life Global Funding 1.25% 17/12/2026	11,151	0.29
£13,956,000	New York Life Global Funding 4.95% 07/12/2029	14,298	0.37
£7,873,000	NGG Finance 5.625% VRN 18/06/2073	7,844	0.20
£7,777,000	NIE Finance 5.875% 01/12/2032	8,237	0.21
£5,700,000	Northumbrian Water Finance 2.375% 05/10/2027	5,177	0.13
£15,271,000	Northumbrian Water Finance 4.5% 14/02/2031	14,273	0.37
£9,331,000	Northumbrian Water Finance 5.5% 02/10/2037	8,899	0.23
£12,944,000	Northumbrian Water Finance 6.375% 28/10/2034	13,399	0.34
£9,802,000	Notting Hill Genesis 2.875% 31/01/2029	9,007	0.23
£7,505,000	Notting Hill Housing Trust 3.25% 12/10/2048	5,350	0.14
£7,150,000	Notting Hill Housing Trust 3.75% 20/12/2032	6,563	0.17
£10,462,000	Notting Hill Housing Trust 5.25% 07/07/2042	10,158	0.26
£7,410,000	Optivo Finance 2.857% 07/10/2035	5,874	0.15
£22,500,000	Orsted 2.5% VRN 18/02/3021	16,420	0.42

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£7,929,000	Paragon Treasury 2% 07/05/2036	5,619	0.14
£19,100,000	Pension Insurance 3.625% 21/10/2032	15,733	0.40
£7,400,000	Pension Insurance 5.625% 20/09/2030	7,198	0.18
£14,059,000	Pension Insurance 6.875% 15/11/2034	14,180	0.36
£2,528,000	Premiertel 6.175% 08/05/2032	1,726	0.04
£15,000,000	Realty Income 1.75% 13/07/2033	11,398	0.29
£7,517,000	Realty Income 2.5% 14/01/2042	5,118	0.13
£9,497,000	Realty Income 6% 5/12/2039	10,117	0.26
£12,000,000	RL Finance Bonds 4.875% VRN 07/10/2049	9,948	0.26
£17,817,000	RMPA Services 5.337% 30/09/2038	11,583	0.30
£15,000,000	Royal Bank of Canada 5% 24/01/2028	15,141	0.39
£18,052,000	Royal Bank of Scotland 3.125% VRN 28/03/2027	17,522	0.45
£30,000,000	Royal Bank of Scotland 3.622% VRN 14/08/2030	29,479	0.76
£22,000,000	Santander 2.421% VRN 17/01/2029	20,183	0.52
£13,519,000	Santander 3.625% 14/01/2026	13,303	0.34
£9,600,000	Santander 5.75% 02/03/2026	9,765	0.25
£15,000,000	Santander 7.098% VRN 16/11/2027	15,580	0.40
£6,591,000	Severn Trent Utilities Finance 2% 02/06/2040	4,049	0.10
£5,554,000	Severn Trent Utilities Finance 2.625% 22/02/2033	4,493	0.12
£6,219,000	Severn Trent Utilities Finance 5.25% 04/04/2036	6,047	0.16
£9,262,000	Severn Trent Utilities Finance 5.875% 31/07/2038	9,429	0.24
£13,030,000	Severn Trent Water Utilities 2.75% 05/12/2031	10,996	0.28
£10,000,000	Societe Generale 1.875% 03/10/2024	9,934	0.25
£6,800,000	Societe Generale 5.75% VRN 22/01/2032	6,876	0.18
£13,039,000	Southern Housing Group 2.375% 08/10/2036	9,560	0.25
£17,160,000	Southern Water Services Finance 1.625% 30/03/2027	14,647	0.38
£17,218,000	Southern Water Services Finance 3% 28/05/2037	11,203	0.29
£8,448,000	Sovereign Housing Capital 5.5% 24/01/2057	8,540	0.22
£19,849,000	Stonewater Funding 1.625% 10/09/2036	13,767	0.35
£19,000,000	Swedbank AB 5.875% VRN 24/05/2029	19,577	0.50
£11,175,000	TC Dudgeon Ofto 3.158% 12/11/2038	8,275	0.21
£9,550,000	Telefonica Emisiones 5.375% 02/02/2026	9,616	0.25
£2,980,000	Telereal Securitisation 1.3657% 10/12/2033	1,636	0.04
£5,571,000	Telereal Securitisation 1.9632% VRN 10/12/2033	5,257	0.14
£13,768,000	Telereal Securitisation 4.9741% 10/12/2033	4,365	0.11
£5,231,000	Telereal Securitisation 5.4252% 10/12/2033	4,094	0.11
£11,095,000	Telereal Securitisation FRN 10/12/2033	8,566	0.22
£22,730,000	Tesco 5.744% 13/04/2040	20,346	0.52
£20,000,000	Tesco 5.8006% 13/10/2040	18,218	0.47
£15,000,000	Tesco 6.0517% 13/10/2039	11,233	0.29
£6,800,000	Tesco 7.6227% 13/07/2039	5,865	0.15
£9,150,000	TGHR HSG Finance 4.5% 17/12/2042	8,103	0.21

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Corporate Bonds (continued)			
£18,000,000	Thames Water 4.375% 03/07/2034	12,452	0.32
£20,000,000	Thames Water 5.125% 28/09/2037	14,137	0.36
£26,500,000	Thames Water Utilities 3.5% 25/02/2028	18,798	0.48
£15,448,000	Thames Water Utilities 4% 19/06/2025	11,818	0.30
£18,533,000	Time Warner Cable 5.75% 02/06/2031	17,946	0.46
£13,789,000	Toyota Motor Finance 4.75% 22/10/2029	13,916	0.36
£11,192,000	Unite Group 3.5% 15/10/2028	10,574	0.27
£8,972,000	Unite Group 5.625% 25/06/2032	9,170	0.24
£15,122,000	United Utilities Water Finance 5.75% 26/06/2036	15,455	0.40
£12,671,000	University of Oxford 2.544% 08/12/2117	6,731	0.17
£20,000,000	Vattenfall 2.5% VRN 29/06/2083	17,353	0.45
£21,654,000	Verizon Communications 1.875% 19/09/2030	18,406	0.47
£8,450,000	Verizon Communications 3.125% 02/11/2035	7,044	0.18
£9,001,000	Verizon Communications 3.375% 27/10/2036	7,574	0.19
£8,000,000	Virgin Money UK 2.625% VRN 19/08/2031	7,544	0.19
£10,000,000	Virgin Money UK 4% VRN 25/09/2026	9,832	0.25
£15,000,000	Virgin Money UK 5.125% VRN 11/12/2030	14,834	0.38
£13,650,000	Vodafone Group 3.375% 08/08/2049	9,479	0.24
£10,000,000	Vodafone International Financing 5.125% 02/12/2052	9,102	0.23
£5,000,000	Volkswagen Financial Services 1.875% 03/12/2024	4,939	0.13
£26,400,000	Volkswagen Financial Services 5.5% 07/12/2026	26,620	0.68
£6,600,000	Volkswagen International Finance 3.375% 16/11/2026	6,369	0.16
€ 13,100,000	Volkswagen International Finance 3.5% VRN Perpetual	10,905	0.28
£16,870,000	Wal-Mart Stores 5.625% 27/03/2034	18,341	0.47
£25,024,000	Wells Fargo & Co. 2% 28/07/2025	24,250	0.62
£8,100,000	Welltower 4.5% 01/12/2034	7,495	0.19
£13,785,000	Welltower 4.8% 20/11/2028	13,652	0.35
£56,000	West Bromwich Building Society 11% 12/04/2038	65	0.00
£15,809,000	Westfield Stratford City Finance 1.642% 04/08/2031	14,571	0.37
£7,858,000	Wheatley Group Capital 4.375% 28/11/2044	6,942	0.18
£25,000,000	Workspace Group 2.25% 11/03/2028	21,709	0.56
£7,902,000	Wrekin Housing Group 2.5% 22/10/2048	4,815	0.12
£6,084,000	Yorkshire Building Society 3.511% VRN 11/10/2030	5,628	0.14
£20,176,000	Yorkshire Water Finance 1.75% 26/11/2026	18,379	0.47
£15,583,000	Yorkshire Water Finance 1.75% 27/10/2032	11,439	0.29
£10,245,000	Yorkshire Water Finance 5.5% 28/04/2035	9,564	0.25
£17,032,000	Zurich Finance 5.125% VRN 23/11/2052	16,573	0.42
Money Markets (31/01/24 – 1.53%)			
£41,389*	Aberdeen Standard Liquidity Fund (LUX) – Sterling Fund~	41,384	1.06

Portfolio of investments

Investments held at 31 July 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Forward Foreign Exchange Contracts (31/01/24 – 0.01%)		0.01
GBP 54,657,395	GBP Forward Currency Contract 15/08/2024	54,657	1.40
(EUR 64,614,564)	EUR Forward Currency Contract 15/08/2024	(54,464)	(1.40)
GBP 1,266,054	GBP Forward Currency Contract 15/08/2024	1,266	0.04
(EUR 1,496,927)	EUR Forward Currency Contract 15/08/2024	(1,262)	(0.03)
	Futures (31/01/24 – 0.10%)		0.12
(281)	EUX Euro-Bund Future September 2024	(871)	(0.02)
2,562	ICF Long Gilt Future September 2024	5,566	0.14
	Portfolio of investments [^]	3,834,895	98.26
	Net other assets	67,974	1.74
	Net assets	3,902,869	100.00

Unless otherwise stated, all investments, with the exception of Forward Foreign Currency 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 Royal Bank of Canada and National Westminster Bank.

[^] Includes investment liabilities.

[~] SICAV (open ended investment scheme registered outside the UK).

* The currency symbol has been shown as the shares are issued in blocks of £1,000.

Credit Ratings	£000	%
Investment grade	3,591,278	94.79
Non-investment grade	97,442	2.57
Unrated	99,899	2.64
Total investment in bonds	3,788,619	100.00

Top ten purchases and sales

For the half year ended 31 July 2024

Purchases	Cost £000	Sales	Proceeds £000
Aberdeen Standard Liquidity Fund (LUX) – Sterling Fund	388,319	Aberdeen Standard Liquidity Fund (LUX) – Sterling Fund	407,421
UK Treasury 0.125% 30/01/2026	58,182	Nestle Holdings 2.5% 04/04/2032	20,040
UK Treasury 0.125% 31/01/2028	21,571	Volkswagen Financial Services 6.5% 18/09/2027	16,784
UK Treasury 3.5% 22/01/2045	21,495	Societe Generale 6.25% 22/06/2033	14,995
Landesbank Baden-Wuerttemberg 1.5% 03/02/2025	20,994	Blackstone Property Partners 2.625% 20/10/2028	14,869
AA Bond 6.85% 31/07/2050	15,003	Lloyds Banking Group 1.875% VRN 15/01/2026	13,434
Barclays Bank 5.851% VRN 21/03/2035	14,351	Bank of America 7% 31/07/2028	13,122
Pension Insurance 6.875% 15/11/2034	14,005	UK Treasury 0.125% 31/01/2028	13,080
Toyota Motor Finance 4.75% 22/10/2029	13,710	AA Bond 6.269% 02/07/2043	12,583
Anglian Water Services Financing 5.75% 07/06/2043	11,805	Thames Water Utilities 7.75% 30/04/2044	12,538
Subtotal	579,435	Subtotal	538,866
Other purchases	155,243	Other sales	265,871
Total purchases for the half year	734,678	Total sales for the half year	804,737

Statistical information

Comparative tables

	31/07/24 pence	Class 'A' Accumulation		31/01/22 pence
		31/01/24 pence	31/01/23 pence	
Change in net assets per unit				
Opening net asset value per unit	163.61	157.71	183.53	194.11
Return before operating charges*	4.33	7.63	(24.01)	(8.45)
Operating charges	(0.91)	(1.73)	(1.81)	(2.13)
Return after operating charges*	3.42	5.90	(25.82)	(10.58)
Distributions on accumulation units	(2.35)	(4.27)	(3.09)	(2.56)
Retained distributions on accumulation units	2.35	4.27	3.09	2.56
Closing net asset value per unit	167.03	163.61	157.71	183.53
* after direct transaction costs of: ^	–	–	–	–

Performance

Return after charges	2.09%	3.74%	(14.07%)	(5.45%)
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Other information

Closing net asset value (£000)	28,472	28,197	29,157	33,616
Closing number of units	17,046,574	17,234,650	18,487,815	18,316,532
Operating charges	1.11%	1.11%	1.11%	1.11%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	180.56	179.62	199.20	210.78
Lowest unit price (pence)	161.47	147.34	136.46	183.72

[^]The direct transaction costs includes commission on futures and clearing house fees on swaps.

⁺ 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

	31/07/24 pence	Class 'B' Accumulation		31/01/22 pence
		31/01/24 pence	31/01/23 pence	
Change in net assets per unit				
Opening net asset value per unit	190.13	181.27	208.59	218.20
Return before operating charges*	5.05	8.88	(27.30)	(9.58)
Operating charges	(0.01)	(0.02)	(0.02)	(0.03)
Return after operating charges*	5.04	8.86	(27.32)	(9.61)
Distributions on accumulation units	(3.80)	(6.90)	(5.70)	(5.27)
Retained distributions on accumulation units	3.80	6.90	5.70	5.27
Closing net asset value per unit	195.17	190.13	181.27	208.59
* after direct transaction costs of: ^	–	–	–	–

Performance

Return after charges	2.65%	4.89%	(13.10%)	(4.40%)
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Other information

Closing net asset value (£000)	3,874,397	3,932,539	4,453,959	4,936,428
Closing number of units	1,985,103,021	2,068,396,272	2,457,059,224	2,366,619,842
Operating charges	0.01%	0.01%	0.01%	0.01%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	196.11	193.81	210.80	221.91
Lowest unit price (pence)	188.64	170.16	156.33	209.87

^ The direct transaction costs includes commission on futures and clearing house fees on swaps.

+ 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

Investment objective

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

The benchmark is the Markit Iboxx Sterling Corporate and Collateralized Index (the "Index").

Investment policy

The Fund aims to achieve its objective by investing at least 80% in investment grade fixed and floating rate Sterling denominated corporate bonds. To further aid diversification, the Fund may also invest up to 20% in fixed and floating rate corporate bonds issued in other currencies. Non-Sterling denominated assets will typically be hedged back to Sterling to minimise exposure to currency rate movements. The Fund may also invest up to 10% in gilts. The Fund may also invest in other transferable securities, which are non-approved securities (essentially unlisted securities, within the terms of the COLL Sourcebook), money-market instruments, deposits, cash and near cash and other collective investment schemes.

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

Investment strategy

Although a minimum of 80% of the Fund is invested in investment grade fixed and floating rate Sterling corporate bonds, the Fund is actively managed. The Investment Adviser uses a stock selection model to select individual holdings, where they believe there is a 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 Investment Adviser references the Index, which means that while the Fund is not required to match the weightings of the Index and does not concentrate on any particular sector, the Fund is managed within constraints, so that divergence from the Index is controlled. The Fund's portfolio may, therefore, be similar to components of the Index.

The Fund's holdings will consist of a broad range of corporate bonds selected from issues predominately denominated in Sterling, and/or where the share price performance is, in the opinion of the Investment Adviser, influenced significantly by the stock market performance of the company's ordinary shares.

Revenue distribution and pricing

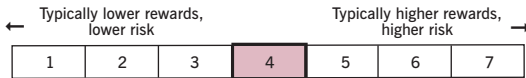
Units of the Fund are available as either Class 'A' Accumulation or 'B' Accumulation units (where revenue is reinvested to enhance the unit price). There will be two potential distributions in each accounting year: an interim distribution as at 31 July and a final distribution as at 31 January.

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.



This Fund is ranked at 4 (31/01/24: 4) because funds of this type have experienced average rises and falls in value in the past. The above figure applies to the following unit classes:

- Class 'A' Accumulation
- Class 'B' Accumulation

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 Sterling, this may not completely eliminate the Fund's exchange rate risk.
- 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.

Mike Eakins, Director

25 September 2024

Frances Clare Maclachlan, Director

Interim financial statements

For the half year ended 31 July 2024

Statement of total return

	31/07/24		31/07/23	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		23,447		(192,428)
Revenue	77,838		77,682	
Expenses	(371)		(425)	
Interest payable and similar charges	(3)		(25)	
Net revenue for the half year		<u>77,464</u>		<u>77,232</u>
Total return/(deficit) before distribution		100,911		(115,196)
Distributions		(77,356)		(77,210)
Change in net assets attributable to unitholders from investment activities		<u>23,555</u>		<u>(192,406)</u>

Statement of change in net assets attributable to unitholders

	31/07/24		31/07/23*	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		3,960,736		4,483,116
Amounts receivable on issue of units	64,479		49,860	
Amounts payable on cancellation of units	<u>(221,690)</u>		<u>(370,274)</u>	
		(157,211)		(320,414)
Change in net assets attributable to unitholders from investment activities		23,555		(192,406)
Retained distributions on accumulation units		75,789		74,526
Closing net assets attributable to unitholders		<u>3,902,869</u>		<u>4,044,822</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 31 July 2024

Balance sheet

	31/07/24		31/01/24	
	£000	£000	£000	£000
Assets:				
Fixed assets:				
Investments		3,835,766		3,888,242
Current assets:				
Debtors	70,529		103,024	
Cash and bank balances	<u>6,315</u>		<u>3,656</u>	
Total current assets		<u>76,844</u>		<u>106,680</u>
Total assets		<u>3,912,610</u>		<u>3,994,922</u>
Liabilities:				
Investment liabilities		(871)		(808)
Creditors:				
Bank overdraft	–		(352)	
Other creditors	<u>(8,870)</u>		<u>(33,026)</u>	
Total creditors		<u>(8,870)</u>		<u>(33,378)</u>
Total liabilities		<u>(9,741)</u>		<u>(34,186)</u>
Net assets attributable to unitholders		<u>3,902,869</u>		<u>3,960,736</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 January 2024 and are described in those financial statements.

Distribution table

For the half year ended 31 July 2024

Interest distributions

Interim distribution in pence per unit

Group 1: units purchased prior to 1 February 2024

Group 2: units purchased 1 February 2024 to 31 July 2024

	Gross income	Equalisation	2024 pence per unit payable 30 Sep	2023 pence per unit paid 30 Sep
Class 'A' Accumulation				
Group 1	2.3521	—	2.3521	1.9917
Group 2	2.3521	0.0000	2.3521	1.9917

Class 'B' Accumulation

Group 1	3.7977	—	3.7977	3.2603
Group 2	3.7977	0.0000	3.7977	3.2603

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.

As at 31 July 2024 there were no Securities on loan or collateral held. Thus none of the disclosure is given.

Return and cost

	Gross return £000	Cost £000	% of overall returns	Net return £000
Fund	159	29	82.00	130
	159	29		130

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

- 82% to the Lender (PUTM Bothwell Sterling 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.

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 identifies 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
West Midlands B47 6WG
Tel: 0345 584 2803
Registered in England – No.03588031
Authorised and regulated by the Financial Conduct Authority.

Directors

Mike Eakins	PUTM Director, Group Chief Investment Officer;
Frances Clare Maclachlan	PUTM Director, Chief Finance Officer SLF UK, Sun Life of Canada;
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.SC123321
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.

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.

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