

# AVIVA INVESTORS MANAGER OF MANAGER ICVC (ICVC2)

## Interim Report and Financial Statements

For the six months ended 31 January 2019 (unaudited)



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\* These items comprise the Manager's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

## COMPANY INFORMATION

### AUTHORISED CORPORATE DIRECTOR

Aviva Investors UK Fund Services Limited  
St Helen's  
1 Undershaft  
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

### DIRECTORS

I Buckle  
S Ebenston  
D Skinner  
J Leadsom  
D Clayton  
M Craston  
G Miller

### REGISTRAR AND ADMINISTRATOR

DST Financial Services Europe Ltd  
DST House  
St Nicholas Lane  
Basildon  
Essex, SS15 5FS

### FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)  
25 Bank Street  
Canary Wharf  
London, E14 5JP

### INVESTMENT MANAGER

Aviva Investors Global Services Limited  
St Helen's  
1 Undershaft  
London, EC3P 3DQ

Aviva Investors Global Services Limited is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

### TRUSTEE AND DEPOSITARY

J.P. Morgan Europe Limited  
25 Bank Street  
Canary Wharf  
London, E14 5JP

J.P.Morgan Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison St  
Edinburgh, EH3 8EX

## REPORT OF THE AUTHORISED CORPORATE DIRECTOR

### THE COMPANY

Aviva Investors Manager of Manager ICVC (ICVC2) ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales since 23 October 2001. The property of the Company is entrusted to J.P. Morgan Europe Limited ("the Depositary"). The shareholders are not liable for any debts of the Company.

The object of the Company is to invest the scheme property in transferable securities, money market instruments, derivative instruments and forward transactions, deposits and units of collective investment schemes in accordance with the COLL Sourcebook with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of that property.

The Company has an umbrella structure and currently has thirteen sub-funds ("Funds") which are available for investment, each with a different investment objective. In the financial statements you will find an investment review for each Fund which includes details of the investment objectives.

### AUTHORISED STATUS

From 23 October 2001 the Company was authorised as an Open-Ended Investment Company under Regulation 7 of the Open-Ended Investment Companies Regulations 1996 (superseded by Regulation 12 of the Open-Ended Investment Companies Regulations 2001).

The Company is authorised to operate as a "UCITS Scheme" for the purposes of the COLL sourcebook.

### SIGNIFICANT INFORMATION

On 2 January 2019, the name of the Aviva Investors UK Opportunities Fund was changed to the Aviva Investors UK Listed Equity High Alpha Fund. At the same time the investment objective was clarified to provide further detail about the Fund, although there were no changes made to the way the Fund is run. At the time of these changes, the amount of the Fund that may be invested in other collective investment schemes was changed from 5% to 10%.

### FUND CLOSURES

The Aviva Investors Sterling Credit MoM 1 Fund closed on 6 December 2017 and will be terminated in due course.

### THE FINANCIAL STATEMENTS

We are pleased to present the interim financial statements of the Company for the period ended 31 January 2019. As required by the Regulations, information for each of the Funds has also been included in these financial statements. On the following pages we review the performance of each of those Funds during the period. We hope that you find our review useful and informative.

### ANNUAL GENERAL MEETINGS

The Company will not be holding Annual General Meetings.

## STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 31 January 2019.

## AVIVA INVESTORS UK LISTED EQUITY HIGH ALPHA FUND

The name of the Fund was changed from the Aviva Investors UK Opportunities Fund on 2 January 2019.

### INVESTMENT OBJECTIVE

The Fund aims to grow your investment and generate a higher return than the FTSE All-Share Index over the long term (5 years or more) by investing in shares of UK companies.

### INVESTMENT POLICY

At least 80% of the Fund will be invested in shares of UK companies, or non-UK companies which are listed in the UK or which have significant trading activities in the UK. Other investments: The Fund may also invest in shares of unlisted companies, other funds, (including funds managed by Aviva Investors companies), cash and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund (share class A) returned -10.68% (net of fees). This compared to an average return of -9.17% for its peer group the Lipper UK Equity sector. The Funds benchmark, the FTSE® All-Share Index, returned -8.44%.

#### Review

2018 proved to be a disappointing year for UK equities. The combination of increased global tensions, most notably US/China trade disputes and Brexit uncertainties in the UK, increased concerns around economic growth prospects both globally and for the UK. Towards the end of the year, fears that the US Federal Reserve would continue to raise rates, despite evidence that the US economy was slowing, led to a sharp sell off in the US, and consequently global equities in December. Pharmaceuticals, beverages, food retailers and utilities outperformed. Tobacco was an exception due to increased regulatory pressures in the US. Economy sensitive sectors particularly automotives, banks, general retail and construction performed poorly.

Over the year the portfolio positioning moved towards companies where valuations had become depressed due to concerns both over a global slowdown or recession in 2019/20 and the potential impact of a disorderly Brexit. The combination of the probabilities of these outcomes and their earnings' impact have been over discounted by the market. Consequently, stocks adversely exposed to these outcomes are now, we believe, undervalued.

The Fund increased its exposure to mining companies hit by China slowdown concerns. These included Anglo American, Antofagasta, Glencore and BHP. All these companies are demonstrating tight capital discipline and generate strong cash flows on current commodity prices. In the UK attractively valued domestic stocks such as Mitchells & Butler, Dixons Carphone, Land Securities and Royal Bank of Scotland were acquired. Valuations such as price to book, price to earnings or dividend yield were all attractive in absolute or relative terms versus the market and in relation to history.

Against this, stocks where defensive attributes were, we believe, over valued in terms of future earnings prospects were sold. Stocks in this category included consumer staples such as Reckitt Benkiser, Unilever and Imperial Tobacco and utilities such as National Grid. Also, some of the more highly valued names, particularly in the small to mid-cap area, were sold to reflect greater economic uncertainties, compressing valuations, and we felt growth prospects were overvalued due to macro or micro risks. Examples here included Sanne, First Derivatives, Keyword Studios and B&M European Value Retail.

#### Outlook

At present the portfolio repositioning towards undervalued, economy sensitive, stocks have yet to deliver outperformance, although 2019 has started promisingly as global recession fears have faded due to the US Federal Reserve's move to a more 'patient' stance on rates. Key challenges remain – Brexit, and the resolution of China and US trade negotiations. Logic suggests these will resolve favourably for markets, however risks remain.

Overall, UK equities, particularly the sectors and stocks we are exposed to, are valued cheaply relatively to other global markets, and relative to history in terms of price to earnings ratios, free cash flow and dividend yields. This is also the case versus bond and credit yields.

On this basis, the balance of probabilities favours positive returns for equities in 2019, despite the risks, while our portfolio positioning should benefit from a less pessimistic view on economic and political outcomes.

At the stock specific level we continue to see a number of attractive individual investment opportunities which substantiate our top down valuation comparatives. In summary we expect 2019 to be a better year.

#### March 2019

Sources: Fund and peer group performance figures – Lipper, mid to mid basis with net income reinvested in GBP, with no initial charges applied. Market data – Bloomberg.

\* Fund performance figures – share class 1, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Aviva Investors Global Services Limited

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

## AVIVA INVESTORS UK LISTED EQUITY HIGH ALPHA FUND (CONTINUED)

**Material Portfolio Changes**

Purchases	Sales
British American Tobacco	HSBC Holdings
Land Securities Group	Energiean Oil & Gas
Thomas Cook Group	BP
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP	Imperial Brands
John Wood Group	ITV
Elementis	Vodafone Group
Bellway	Cineworld Group
DS Smith	Derwent London
Royal Dutch Shell 'B'	RPC Group
Grafton Group	Keywords Studios

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- Investment may be restricted to a limited number of holdings, industries, or Countries. The Fund share price may be more exposed to specific events and as a result may experience large daily price changes.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.



## INVESTMENT PERFORMANCE

## Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	31.07.16	1,127	878,708	128.32
	31.07.17	1,523	1,009,651	150.83
	31.07.18	1,288	790,799	162.87
	31.01.19	940	645,148	145.62
Class 2	31.07.16	840	390,657	214.96
	31.07.17	804	315,587	254.70
	31.07.18	928	334,896	277.03
	31.01.19	10,734	4,327,279	248.05
Class 3	31.07.16	180,522	59,878,505	301.48
	31.07.17	216,700	60,480,176	358.30
	31.07.18	236,157	60,417,130	390.88
	31.01.19	211,684	60,391,521	350.52

\* Valued at bid market prices.

## Share Price Record – Accumulation Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 1	2016	136.85	117.46
	2017	152.66	127.18
	2018	169.53	146.43
	2019**	162.46	131.59
Class 2	2016	227.47	196.04
	2017	257.77	213.08
	2018	288.15	248.62
	2019**	276.45	224.09
Class 3	2016	318.10	274.57
	2017	362.61	298.86
	2018	406.34	350.45
	2019**	390.24	316.57

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 1	1.03%	1.03%
Class 2	0.73%	0.73%
Class 3	0.43%	0.43%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 1	2016	2.3425	17.34
	2017	2.5072	18.56
	2018	2.8974	21.45
	2019*	1.9836	14.68
Class 2	2016	5.6225	25.04
	2017	6.1071	27.20
	2019*	3.7597	16.74
Class 3	2016	8.7711	27.94
	2017	9.5795	30.51
	2019*	5.8491	18.63

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 99.73% (97.37%)</b>				
<b>Communication Services 4.90% (11.09%)</b>				
<b>Diversified Telecommunication Services 1.27% (1.86%)</b>				
BT Group	GBP	1,197,319	2,831	1.27
			<u>2,831</u>	<u>1.27</u>
<b>Entertainment 1.85% (3.12%)</b>				
Cineworld Group	GBP	1,539,753	4,123	1.85
			<u>4,123</u>	<u>1.85</u>
<b>Media 1.78% (4.10%)</b>				
Next Fifteen Communications Group <sup>#</sup>	GBP	844,030	3,984	1.78
			<u>3,984</u>	<u>1.78</u>
<b>Wireless Telecommunication Services 0.00% (2.01%)</b>				
<b>Communication Services total</b>			<b>10,938</b>	<b>4.90</b>
<b>Consumer Discretionary 11.02% (4.74%)</b>				
<b>Distributors 1.47% (0.96%)</b>				
Inchcape	GBP	561,016	3,293	1.47
			<u>3,293</u>	<u>1.47</u>
<b>Hotels, Restaurants &amp; Leisure 4.23% (0.00%)</b>				
888 Holdings	GBP	1,678,967	2,849	1.28
Mitchells & Butlers	GBP	1,125,274	3,228	1.44
Thomas Cook Group	GBP	9,568,124	3,362	1.51
			<u>9,439</u>	<u>4.23</u>
<b>Household Durables 3.84% (2.88%)</b>				
Bellway	GBP	219,649	6,324	2.83
Countryside Properties	GBP	720,499	2,252	1.01
			<u>8,576</u>	<u>3.84</u>
<b>Multiline Retail 0.00% (0.90%)</b>				
<b>Specialty Retail 1.48% (0.00%)</b>				
Dixons Carphone	GBP	2,378,838	3,303	1.48
			<u>3,303</u>	<u>1.48</u>
<b>Consumer Discretionary total</b>			<b>24,611</b>	<b>11.02</b>
<b>Consumer Staples 6.35% (3.41%)</b>				
<b>Food &amp; Staples Retailing 2.41% (1.06%)</b>				
Tesco	GBP	2,418,247	5,380	2.41
			<u>5,380</u>	<u>2.41</u>
<b>Tobacco 3.94% (2.35%)</b>				
British American Tobacco	GBP	336,879	8,808	3.94
			<u>8,808</u>	<u>3.94</u>
<b>Consumer Staples total</b>			<b>14,188</b>	<b>6.35</b>
<b>Energy 18.06% (19.99%)</b>				
<b>Energy Equipment &amp; Services 4.10% (3.54%)</b>				
Gulf Marine Services	GBP	8,999,772	1,706	0.77
John Wood Group	GBP	1,377,194	7,445	3.33
			<u>9,151</u>	<u>4.10</u>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Oil, Gas &amp; Consumable Fuels 13.96% (16.45%)</b>				
BP	GBP	471,185	2,455	1.10
Cairn Energy	GBP	1,899,688	3,628	1.62
Premier Oil	GBP	3,331,919	2,494	1.11
Royal Dutch Shell 'A'	GBP	48,862	1,154	0.52
Royal Dutch Shell 'B'	GBP	903,603	21,461	9.61
			31,192	13.96
<b>Energy total</b>			<b>40,343</b>	<b>18.06</b>
<b>Financials 24.56% (27.74%)</b>				
<b>Banks 14.29% (16.91%)</b>				
Barclays	GBP	6,808,310	10,810	4.84
Royal Bank of Scotland Group	GBP	4,353,309	10,553	4.72
Standard Chartered	GBP	1,685,842	10,553	4.73
			31,916	14.29
<b>Capital Markets 0.56% (0.81%)</b>				
Sherborne Investors Guernsey C	GBP	2,131,381	1,257	0.56
			1,257	0.56
<b>Consumer Finance 2.04% (2.19%)</b>				
International Personal Finance	GBP	2,158,963	4,547	2.04
			4,547	2.04
<b>Insurance 7.67% (7.83%)</b>				
Legal & General Group	GBP	1,085,429	2,845	1.28
Phoenix Group Holdings	GBP	922,433	5,904	2.64
Prudential	GBP	560,594	8,378	3.75
			17,127	7.67
<b>Financials total</b>			<b>54,847</b>	<b>24.56</b>
<b>Health Care 1.48% (1.03%)</b>				
<b>Health Care Providers &amp; Services 1.48% (1.03%)</b>				
Spire Healthcare Group	GBP	2,704,736	3,311	1.48
			3,311	1.48
<b>Health Care total</b>			<b>3,311</b>	<b>1.48</b>
<b>Industrials 10.11% (7.56%)</b>				
<b>Airlines 1.20% (1.09%)</b>				
International Consolidated Airlines Group	GBP	416,096	2,680	1.20
			2,680	1.20
<b>Commercial Services &amp; Supplies 0.00% (0.69%)</b>				
<b>Construction &amp; Engineering 3.33% (2.82%)</b>				
Kier Group	GBP	707,810	3,691	1.65
Morgan Sindall Group	GBP	316,019	3,748	1.68
			7,439	3.33
<b>Electrical Equipment 0.99% (0.96%)</b>				
Melrose Industries	GBP	1,301,818	2,204	0.99
			2,204	0.99
<b>Machinery 1.30% (0.00%)</b>				
IMI	GBP	297,796	2,896	1.30
			2,896	1.30

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Professional Services 1.75% (2.00%)</b>				
Alpha Financial Markets Consulting#	GBP	832,893	1,916	0.86
Ricardo	GBP	333,366	2,000	0.89
			<u>3,916</u>	<u>1.75</u>
<b>Trading Companies &amp; Distributors 1.54% (0.00%)</b>				
Grafton Group	GBP	460,977	3,453	1.54
			<u>3,453</u>	<u>1.54</u>
<b>Industrials total</b>			<b>22,588</b>	<b>10.11</b>
<b>Information Technology 0.00% (1.05%)</b>				
<b>IT Services 0.00% (1.05%)</b>				
<b>Software 0.00% (0.00%)</b>				
Izodia^	GBP	1,192,922	–	–
			<u>–</u>	<u>–</u>
<b>Information Technology total</b>			<b>–</b>	<b>–</b>
<b>Materials 20.68% (19.39%)</b>				
<b>Chemicals 1.41% (0.00%)</b>				
Elementis	GBP	1,716,143	3,154	1.41
			<u>3,154</u>	<u>1.41</u>
<b>Construction Materials 1.34% (2.28%)</b>				
CRH	GBP	135,713	2,994	1.34
			<u>2,994</u>	<u>1.34</u>
<b>Containers &amp; Packaging 2.99% (3.54%)</b>				
DS Smith	GBP	1,929,589	6,682	2.99
			<u>6,682</u>	<u>2.99</u>
<b>Metals &amp; Mining 14.94% (13.57%)</b>				
Anglo American	GBP	504,643	9,799	4.39
Antofagasta	GBP	373,981	3,204	1.44
BHP Group	GBP	482,605	8,204	3.67
Glencore	GBP	3,603,423	11,104	4.97
Petra Diamonds	GBP	3,184,575	1,054	0.47
			<u>33,365</u>	<u>14.94</u>
<b>Materials total</b>			<b>46,195</b>	<b>20.68</b>
<b>Real Estate 2.57% (1.37%)</b>				
<b>Equity Real Estate Investment Trusts (REITs) 2.57% (1.37%)</b>				
Land Securities Group	GBP	653,114	5,729	2.57
			<u>5,729</u>	<u>2.57</u>
<b>Real Estate total</b>			<b>5,729</b>	<b>2.57</b>
<b>Equities total</b>			<b>222,750</b>	<b>99.73</b>
<b>Liquidity Funds 0.98% (0.00%)</b>				
Aviva Investors Sterling Liquidity Fund Class 3, Income shares, GBP†	GBP	2,200,000	2,200	0.98
<b>Liquidity Funds total</b>			<b>2,200</b>	<b>0.98</b>
Investment assets			224,950	100.71
Net other liabilities			(1,592)	(0.71)
<b>Net assets</b>			<b>223,358</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

# Security traded on another regulated market.

^ Unlisted, suspended or delisted security.

† A related party to the Fund.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(28,307)		7,298
Revenue	4,062		3,199	
Expenses	(493)		(495)	
Net revenue before taxation	3,569		2,704	
Taxation	2		(5)	
Net revenue after taxation		3,571		2,699
<b>Total return before distributions</b>		<b>(24,736)</b>		<b>9,997</b>
Distributions		(3,571)		(2,699)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(28,307)</b>		<b>7,298</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>238,373</b>		<b>219,027</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	9,873		262	
Amounts payable on cancellation of shares	(352)		(311)	
		9,521		(49)
Dilution adjustment		63		-
Change in net assets attributable to shareholders from investment activities (see above)		(28,307)		7,298
Retained distribution on accumulation shares		3,708		2,699
<b>Closing net assets attributable to shareholders</b>		<b>223,358</b>		<b>228,975</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £238,373,383.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	224,950	232,096
<b>Current assets:</b>		
Debtors	274	5,225
Cash and bank balances	1,495	3,895
<b>Total assets</b>	<b>226,719</b>	<b>241,216</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(3,361)	(2,843)
<b>Total liabilities</b>	<b>(3,361)</b>	<b>(2,843)</b>
<b>Net assets attributable to shareholders</b>	<b>223,358</b>	<b>238,373</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS UK EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in UK equities.

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in the UK. Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019 the Fund returned -4.26% (net of fees). The Funds benchmark, the FTSE® All-Share Index, return of -8.44%.

#### Review

Amongst our better performers over the period were so-called defensives. Led by Mondelez and Diageo.

Of course most of their performance is a response to the perturbation that global equity investors felt as 2018 came to a close. For as long as I can remember portfolio investors' instinctive reaction to uncertainty has been to buy shares in good old dependable Unilever, or whisky or chocolate; or Heineken (which has rallied strongly after the period end). Or even scientific publishing – and RELX gained as markets fell in the second half of the period.

Is there any more to their bounce than this? Well, it is worth noting that their rally coincided with a big drop for Oil, which lost nearly 20%. I long ago learned not to extrapolate anything from swings in the oil market, but it is undeniable that lower energy costs are good for global consumers and what is good for consumers is probably also good for consumer goods companies.

But there's also the steady flow of news from these companies, demonstrating the intention and ability to improve the quality of their earnings and to keep their brand equity per share high during a period when 20th century brand equity is challenged by 21st century ideas of what constitutes a valued brand.

So we were encouraged to see Diageo's announcement in November 2018 of the sale of 19 secondary US brands at a price that, admittedly, will be dilutive to earnings in the first year, but will increase the profit margin and growth rate of the company over time, as the lower margin and lower growth sales fall away. Meanwhile, the combination of Fevertree's renovation of the mixer market with the heritage of Tanqueray has meaningfully enhanced the value of that venerable brand. Tanqueray is nearly 190 years old, but its sales grew over 20% in 2018 and I don't think it fanciful to claim that the brand is both bigger and more valuable today than it has ever been.

The same is true for Horlicks. Many Brits of a certain age – notably me – will rub their eyes at the prospect of homely comfort drink Horlicks, created as long ago as 1873, commanding a valuation of £3bn. But it does and Unilever (via its Indian subsidiary HindustanLever) has paid it. And it probably makes sense to have done so. Certainly a 2% gain on HindustanLever's share price in response to the news – taking it to an all-time high and now up 29% over the last 12 months says that investors are still ready to back a credible Emerging Market consumption growth story – when brand and distribution capability come together.

Talking about investors being ready to back credible growth stories, it is also noteworthy that another relative outperformer for the portfolio over the last 6 months was Pearson. We cannot and must not think that this move or even the 30% gain in Pearson's shares over the year demonstrate either that we have been right to retain our investment in the company, or that the bull case is by any means proven. It is not. But it is for sure that today it sounds less absurd than it would have done a year ago to claim Pearson is having early success in propagating digital versions of its IP and that this could result in a sustained period of profitable growth. We continue to believe that secular growth, rather than cyclical rallies, will be most highly prized by investors in coming years. We look to portfolio holdings such as Disney, DMGT, Hargreaves Lansdown, LSE, Nintendo, PayPal and Sage to provide this sort of technology-enabled growth.

Clients may recall that we follow and regard as significant, Bloomberg's Global Merger and Acquisition Tracker, which tallies every announcement of any deal, of whatever scale, everywhere around the world. After a disappointing year for equity investors worldwide, we think it worthy of note that 2018 was still, by one measure, the busiest year in financial history for corporate deals. There were over 48,000 announced, even if not all were consummated. The value of those deals aggregated at \$5.4 trillion, which is in fact only the second highest total ever – 2015's \$5.6 trillion remains the boss. Our interpretation of this golden period of M&A is that companies around the world see an urgent need to get deals done, in order to capture the opportunities presented by technology change and globalisation or, at the least, to create breathing space to confront the challenges, with cost savings and pooled resources. Although it is early in 2019 we think it instructive that deal-making has already got off to a hectic start, with massive activity in the pharmaceutical sector. Forecasts about such matters are idle, but I would be very surprised if 2019 was not another record, or near one, for global takeovers. Today's politics are horrible in many parts of the world, but investors should remember that corporations take decisions over periods longer than electoral cycles and even business cycles (if such things actually exist). And that this means the scope for positive surprises is at its highest when macro-trends appear at their gloomiest.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Lindsell Train Limited.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

## AVIVA INVESTORS UK EQUITY MOM 1 FUND (CONTINUED)

**Material Portfolio Changes**

Purchases	Sales
RELX	PayPal Holdings
Diageo	Greene King
Walt Disney	Mondelez International 'A'
Sage Group	Sage Group
Schroders	Heineken Holding
Schroders, (Non-Voting) 'C'	
Burberry Group	
Mondelez International 'A'	
Daily Mail & General Trust 'A'	
Pearson	

There were only 5 sales during the period.

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.



## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	274,503	91,121,345	301.25
	31.07.17	358,250	103,392,549	346.50
	31.07.18	402,691	102,192,951	394.05
	31.01.19	382,321	101,764,995	375.69

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	307.64	252.55
	2017	352.51	290.03
	2018	406.19	340.53
	2019**	409.38	361.32

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.02%	1.02%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as “synthetic charges” or the “synthetic” part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	4.1795	14.75
	2017	4.4187	15.59
	2018	4.3867	15.48
	2019*	1.5647	5.52

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 99.10% (93.65%)</b>				
<b>Communication Services 17.51% (16.16%)</b>				
<b>Entertainment 6.65% (5.12%)</b>				
Celtic#	GBP	166,410	275	0.07
Manchester United 'A'	USD	415,982	6,136	1.61
Nintendo	JPY	27,900	6,622	1.73
Walt Disney	USD	147,500	12,377	3.24
			25,410	6.65
<b>Media 10.86% (11.04%)</b>				
Daily Mail & General Trust 'A'	GBP	2,616,181	15,932	4.17
Euromoney Institutional Investor	GBP	738,833	9,221	2.41
Pearson	GBP	1,783,837	16,368	4.28
			41,521	10.86
<b>Communication Services total</b>			<b>66,931</b>	<b>17.51</b>
<b>Consumer Discretionary 6.73% (7.52%)</b>				
<b>Hotels, Restaurants &amp; Leisure 2.05% (2.75%)</b>				
Fuller Smith & Turner 'A'	GBP	206,675	2,201	0.58
Young & Co's Brewery#	GBP	21,763	233	0.06
Young & Co's Brewery 'A'#	GBP	360,785	5,411	1.41
			7,845	2.05
<b>Textiles, Apparel &amp; Luxury Goods 4.68% (4.77%)</b>				
Burberry Group	GBP	990,019	17,880	4.68
			17,880	4.68
<b>Consumer Discretionary total</b>			<b>25,725</b>	<b>6.73</b>
<b>Consumer Staples 25.29% (23.22%)</b>				
<b>Beverages 15.92% (13.74%)</b>				
AG Barr	GBP	1,237,392	9,318	2.44
Diageo	GBP	1,267,986	36,664	9.59
Heineken Holding	EUR	225,000	14,865	3.89
			60,847	15.92
<b>Food Products 4.57% (4.48%)</b>				
Mondelez International 'A'	USD	523,287	17,468	4.57
			17,468	4.57
<b>Personal Products 4.80% (5.00%)</b>				
Unilever	GBP	462,117	18,360	4.80
			18,360	4.80
<b>Consumer Staples total</b>			<b>96,675</b>	<b>25.29</b>
<b>Financials 23.66% (24.23%)</b>				
<b>Capital Markets 23.66% (24.23%)</b>				
Hargreaves Lansdown	GBP	1,724,068	28,094	7.35
London Stock Exchange Group	GBP	659,755	30,065	7.86
Rathbone Brothers	GBP	640,006	14,912	3.90
Schroders	GBP	593,793	15,480	4.05
Schroders, (Non-Voting) 'C'	GBP	92,617	1,917	0.50
			90,468	23.66
<b>Financials total</b>			<b>90,468</b>	<b>23.66</b>
<b>Industrials 8.79% (6.77%)</b>				
<b>Professional Services 8.79% (6.77%)</b>				
RELX	GBP	1,998,872	33,601	8.79
			33,601	8.79
<b>Industrials total</b>			<b>33,601</b>	<b>8.79</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Information Technology 12.98% (11.53%)</b>				
<b>Electronic Equipment, Instruments &amp; Components 3.18% (3.02%)</b>				
Halma	GBP	867,747	12,148	3.18
			<u>12,148</u>	<u>3.18</u>
<b>IT Services 4.64% (4.57%)</b>				
PayPal Holdings	USD	251,760	17,747	4.64
			<u>17,747</u>	<u>4.64</u>
<b>Software 5.16% (3.94%)</b>				
Sage Group	GBP	3,149,218	19,727	5.16
			<u>19,727</u>	<u>5.16</u>
<b>Information Technology total</b>			<b>49,622</b>	<b>12.98</b>
<b>Investment Funds 4.14% (4.22%)</b>				
<b>Investment Companies 4.14% (4.22%)</b>				
Finsbury Growth & Income Trust	GBP	2,064,000	15,852	4.14
			<u>15,852</u>	<u>4.14</u>
<b>Investment Funds total</b>			<b>15,852</b>	<b>4.14</b>
<b>Equities total</b>			<b>378,874</b>	<b>99.10</b>
Investment assets			378,874	99.10
Net other assets			3,447	0.90
<b>Net assets</b>			<b>382,321</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

# Security traded on another regulated market.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(18,657)		16,339
Revenue	3,658		3,754	
Expenses	(2,002)		(1,888)	
Net revenue before taxation	1,656		1,866	
Taxation	(61)		(43)	
Net revenue after taxation		1,595		1,823
<b>Total return before distributions</b>		<b>(17,062)</b>		<b>18,162</b>
Distributions		(1,595)		(1,823)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(18,657)</b>		<b>16,339</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>402,691</b>		<b>358,250</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	2,390		–	
Amounts payable on cancellation of shares	(4,103)		(2,679)	
		(1,713)		(2,679)
Change in net assets attributable to shareholders from investment activities (see above)		(18,657)		16,339
<b>Closing net assets attributable to shareholders</b>		<b>382,321</b>		<b>371,910</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £402,690,679.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	378,874	377,134
<b>Current assets:</b>		
Debtors	3,180	23,002
Cash and bank balances	2,433	6,572
<b>Total assets</b>	<b>384,487</b>	<b>406,708</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,592)	(2,678)
Other creditors	(574)	(1,339)
<b>Total liabilities</b>	<b>(2,166)</b>	<b>(4,017)</b>
<b>Net assets attributable to shareholders</b>	<b>382,321</b>	<b>402,691</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS UK EQUITY MOM 2 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in UK equities.

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in the UK. Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -9.09% (net of fees). The Funds benchmark, the FTSE® All-Share Index returned -8.44%.

#### Review

The market environment for equities over the period was very negative. Quantitative easing began to disappear, trade tensions increased and Italy seemed to revel in becoming the EU's latest delinquent. Above all of that, however, was the fear of higher interest rates in response to the continued strength of the US economy. With full employment approaching, it should be no surprise that the Federal Reserve fears inflation and wants to slow things down a little. The trade war, meanwhile, moved from rhetoric to reality. And with international investors continuing to give our shores a wide berth, the UK market remained a domestic affair.

In a falling market, our holding in Bayer might hitherto have been considered a more 'defensive' holding. But instead it fell sharply in response to unexpected product liability issues relating to its recent acquisition of Monsanto. This was a genuine surprise and unfortunate in that while we had decided to exit the stock earlier in 2018, we retained a holding which, while smaller than it had been, was enough to put a bump in the tailgate of our performance.

The second notable 'bump' was also in the healthcare sector. Indivior is a market leader in treating addiction to opioids. Its legacy products are losing their patent protection so finding new products is important – but progress here has been slower than hoped. For us this remains a good opportunity, albeit one requiring more patience than we thought (and more patience than the market currently has).

Positive contributors included some of our 'dependables' – stocks that have been steadily contributing to returns for some time. Over this period, Wolters Kluwer was prominent. Similar to our other substantial position in this area, Relx, Wolters provides data and analytics that help its clients to do their jobs more effectively and profitably. Its services span tax and accounting, healthcare and legal.

Additions to the portfolio over the period included Smiths Group and ITV. Smiths Group has high-quality, cash-generative businesses in medical products, detection (airports etc) and seals (oil and gas /refining). We like the idea that, in addition to the respectable dividend, management has been investing to ensure better growth in the future.

The case for buying ITV is, perhaps, more controversial: in our view, it is approaching its 'Waterstones/Kindle' moment. This term describes the idea that, at one stage, Amazon's Kindle e-readers were forecast to replace books. At that time, stores selling physical copies of books (such as Waterstones) were assumed to be going the way of red telephone boxes.

Latterly, however, sales of Kindles have stalled and book sales have shown signs of life. Similarly, the idea that all advertising will move to social media or that Netflix will rule the world is showing signs that it may be flawed. ITV still has a lot of value to offer advertisers. It also has its own digital properties that have yet to be tapped. The shares are at five-year lows. Even the slightest sign that it can avoid outright oblivion should lead to better performance.

Sales included taking profits on our holding in Delivery Hero, an aggregator of takeaway food services (think of services such as Just Eat and Uber Eats). It has demonstrated startling growth. And while we think that growth will continue, we also suspect that life will become more competitive and that more investment will be needed to realise that growth. This was not something which the lofty valuation could withstand, hence the sale.

#### Outlook

For now, markets appear to be entering calmer waters. Although trade wars and political uncertainty have been part of the recent weakness in equity markets, at its heart is the discomfort caused by exiting the era of quantitative easing. This entails leaving the land of nearly free money and moving to an environment in which capital has a price and where that price bears some relation to the risks associated with it. To have expected equity markets to take this change in their stride was – albeit with hindsight – optimistic.

In the short-term, it would seem markets have adjusted to this shift. There also seems to be a pause in the move to higher interest rates in the US. From a long-term perspective, perhaps we should be worried that the preponderance of debt (much of it low quality) and a US president who sees a rising stockmarket as part of his remit may distract the Federal Reserve from acting appropriately to ward off the threat of inflation. The risk is that, at some stage, these 'conflicts' re-emerge.

Meanwhile, the UK has more immediate issues to hurdle. Forecasting the eventual outcome from Brexit is extremely difficult. Attempting to steer the portfolio according to these charts would probably be futile. Suffice it to say that from the perspective of the stockmarket the UK remains a pariah for the international investor, yet many of its companies have little to do with the fortunes of the UK economy. We believe anything faintly resembling good news (or even less bad news) or any kind of certainty around Brexit will begin to tempt buyers. While we wait, the yield on the FTSE All-Share yield is close to its highest for 20 years (barring the period around the financial crisis) and dividend cover is now recovering from a period of weakness.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Artemis.

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## AVIVA INVESTORS UK EQUITY MOM 2 FUND (CONTINUED)

**Material Portfolio Changes**

Purchases	Sales
ITV	Bayer
Smiths Group	Lloyds Banking Group
Daily Mail & General Trust 'A'	SAP
Ebro Foods	Segro
Imperial Brands	GlaxoSmithKline
BP	Delivery Hero
Royal Dutch Shell 'B'	Berkeley Group Holdings
William Hill	BT Group
3i Group	Legal & General Group
RELX	IG Group Holdings

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	139,552	147,173,681	94.82
	31.07.17	124,189	118,028,339	105.22
	31.07.18	139,105	125,715,552	110.65
	31.01.19	129,774	131,504,194	98.68

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	97.37	82.18
	2017	108.05	94.39
	2018	114.26	100.91
	2019**	110.82	93.80

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.04%	1.04%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as “synthetic charges” or the “synthetic” part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	2.7865	29.22
	2017	2.9378	30.81
	2018	3.0611	32.10
	2019*	1.3962	14.64

\* Up to 31 March 2019 (the interim distribution payment date).



## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 95.01% (99.61%)</b>				
<b>Communication Services 9.90% (9.74%)</b>				
<b>Diversified Telecommunication Services 2.05% (3.04%)</b>				
BT Group	GBP	616,691	1,421	1.10
Inmarsat	GBP	331,637	1,236	0.95
			<u>2,657</u>	<u>2.05</u>
<b>Entertainment 0.73% (0.56%)</b>				
Vivendi	EUR	49,073	948	0.73
			<u>948</u>	<u>0.73</u>
<b>Media 5.20% (3.66%)</b>				
Daily Mail & General Trust 'A'	GBP	191,148	1,164	0.90
Informa	GBP	597,056	4,049	3.12
ITV	GBP	1,184,731	1,534	1.18
			<u>6,747</u>	<u>5.20</u>
<b>Wireless Telecommunication Services 1.92% (2.48%)</b>				
Vodafone Group	GBP	1,797,526	2,490	1.92
			<u>2,490</u>	<u>1.92</u>
<b>Communication Services total</b>			<b>12,842</b>	<b>9.90</b>
<b>Consumer Discretionary 4.40% (5.61%)</b>				
<b>Hotels, Restaurants &amp; Leisure 3.74% (4.25%)</b>				
SSP Group	GBP	298,229	1,995	1.54
TUI	GBP	120,639	1,407	1.08
William Hill	GBP	834,146	1,460	1.12
			<u>4,862</u>	<u>3.74</u>
<b>Household Durables 0.00% (0.65%)</b>				
<b>Specialty Retail 0.66% (0.71%)</b>				
Card Factory	GBP	468,510	854	0.66
			<u>854</u>	<u>0.66</u>
<b>Consumer Discretionary total</b>			<b>5,716</b>	<b>4.40</b>
<b>Consumer Staples 8.86% (8.07%)</b>				
<b>Food &amp; Staples Retailing 3.05% (2.99%)</b>				
Tesco	GBP	1,771,253	3,953	3.05
			<u>3,953</u>	<u>3.05</u>
<b>Food Products 1.50% (0.58%)</b>				
Ebro Foods	EUR	67,264	1,059	0.81
Origin Enterprises	EUR	182,535	893	0.69
			<u>1,952</u>	<u>1.50</u>
<b>Tobacco 4.31% (4.50%)</b>				
British American Tobacco	GBP	55,856	1,505	1.16
Imperial Brands	GBP	163,014	4,092	3.15
			<u>5,597</u>	<u>4.31</u>
<b>Consumer Staples total</b>			<b>11,502</b>	<b>8.86</b>
<b>Energy 9.26% (9.08%)</b>				
<b>Oil, Gas &amp; Consumable Fuels 9.26% (9.08%)</b>				
BP	GBP	1,287,085	6,688	5.15
Royal Dutch Shell 'B'	GBP	224,752	5,333	4.11
			<u>12,021</u>	<u>9.26</u>
<b>Energy total</b>			<b>12,021</b>	<b>9.26</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Financials 27.18% (29.11%)</b>				
<b>Banks 8.36% (10.33%)</b>				
Barclays	GBP	1,858,542	2,924	2.25
HSBC Holdings	GBP	511,676	3,269	2.52
Lloyds Banking Group	GBP	6,132,425	3,547	2.73
Nordea Bank	SEK	160,773	1,112	0.86
			<u>10,852</u>	<u>8.36</u>
<b>Capital Markets 7.81% (7.94%)</b>				
3i Group	GBP	695,625	5,886	4.54
IG Group Holdings	GBP	229,451	1,453	1.12
London Stock Exchange Group	GBP	61,289	2,793	2.15
			<u>10,132</u>	<u>7.81</u>
<b>Diversified Financial Services 0.96% (1.63%)</b>				
Standard Life Aberdeen	GBP	492,674	1,245	0.96
			<u>1,245</u>	<u>0.96</u>
<b>Insurance 10.05% (9.21%)</b>				
Direct Line Insurance Group	GBP	1,016,845	3,452	2.66
Legal & General Group	GBP	1,735,535	4,523	3.49
Phoenix Group Holdings	GBP	482,553	3,088	2.38
RSA Insurance Group	GBP	378,622	1,975	1.52
			<u>13,038</u>	<u>10.05</u>
<b>Financials total</b>			<b>35,267</b>	<b>27.18</b>
<b>Health Care 6.18% (8.82%)</b>				
<b>Pharmaceuticals 6.18% (8.82%)</b>				
AstraZeneca	GBP	46,712	2,595	2.00
GlaxoSmithKline	GBP	328,675	4,834	3.72
Indivior	GBP	519,671	591	0.46
			<u>8,020</u>	<u>6.18</u>
<b>Health Care total</b>			<b>8,020</b>	<b>6.18</b>
<b>Industrials 14.04% (13.68%)</b>				
<b>Aerospace &amp; Defense 1.06% (0.81%)</b>				
Cobham	GBP	1,270,975	1,371	1.06
			<u>1,371</u>	<u>1.06</u>
<b>Air Freight &amp; Logistics 0.51% (1.26%)</b>				
Royal Mail	GBP	245,824	664	0.51
			<u>664</u>	<u>0.51</u>
<b>Commercial Services &amp; Supplies 1.57% (1.79%)</b>				
Rentokil Initial	GBP	610,855	2,042	1.57
			<u>2,042</u>	<u>1.57</u>
<b>Electrical Equipment 0.77% (1.12%)</b>				
Melrose Industries	GBP	597,541	998	0.77
			<u>998</u>	<u>0.77</u>
<b>Industrial Conglomerates 2.28% (1.36%)</b>				
Smiths Group	GBP	204,338	2,957	2.28
			<u>2,957</u>	<u>2.28</u>
<b>Professional Services 6.89% (6.13%)</b>				
RELX	GBP	291,529	4,901	3.78
RELX	EUR	45,911	772	0.59
Wolters Kluwer	EUR	68,232	3,265	2.52
			<u>8,938</u>	<u>6.89</u>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Transportation Infrastructure 0.96% (1.21%)</b>				
BBA Aviation	GBP	525,876	1,246	0.96
			1,246	0.96
<b>Industrials total</b>			<b>18,216</b>	<b>14.04</b>
<b>Information Technology 0.74% (2.41%)</b>				
<b>Internet Services &amp; Infrastructure 0.00% (0.80%)</b>				
<b>Software 0.74% (1.61%)</b>				
Sage Group	GBP	153,930	964	0.74
			964	0.74
<b>Information Technology total</b>			<b>964</b>	<b>0.74</b>
<b>Investment Funds 0.95% (0.84%)</b>				
<b>Investment Companies 0.95% (0.84%)</b>				
NextEnergy Solar Fund	GBP	1,082,946	1,235	0.95
			1,235	0.95
<b>Investment Funds total</b>			<b>1,235</b>	<b>0.95</b>
<b>Materials 5.52% (4.77%)</b>				
<b>Chemicals 0.57% (0.36%)</b>				
Corbion	EUR	34,232	744	0.57
			744	0.57
<b>Metals &amp; Mining 4.95% (4.41%)</b>				
Anglo American	GBP	116,499	2,276	1.76
Rio Tinto	GBP	99,034	4,141	3.19
			6,417	4.95
<b>Materials total</b>			<b>7,161</b>	<b>5.52</b>
<b>Real Estate 7.04% (6.75%)</b>				
<b>Equity Real Estate Investment Trusts (REITs) 7.04% (6.75%)</b>				
Assura	GBP	3,197,355	1,919	1.48
Secure Income REIT <sup>#</sup>	GBP	933,547	3,678	2.83
Segro	GBP	540,894	3,536	2.73
			9,133	7.04
<b>Real Estate total</b>			<b>9,133</b>	<b>7.04</b>
<b>Utilities 0.94% (0.73%)</b>				
<b>Independent Power and Renewable Electricity Producers 0.94% (0.73%)</b>				
Drax Group	GBP	303,221	1,217	0.94
			1,217	0.94
<b>Utilities total</b>			<b>1,217</b>	<b>0.94</b>
<b>Equities total</b>			<b>123,294</b>	<b>95.01</b>
Investment assets			123,294	95.01
Net other assets			6,480	4.99
<b>Net assets</b>			<b>129,774</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

<sup>#</sup> Security traded on another regulated market.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(14,791)		812
Revenue	2,413		1,988	
Expenses	(663)		(658)	
Net revenue before taxation	1,750		1,330	
Taxation	(4)		(21)	
Net revenue after taxation		1,746		1,309
<b>Total return before distributions</b>		<b>(13,045)</b>		<b>2,121</b>
Distributions		(1,746)		(1,309)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(14,791)</b>		<b>812</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>139,105</b>		<b>124,189</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	8,823		1,128	
Amounts payable on cancellation of shares	(3,413)		–	
		5,410		1,128
Dilution adjustment		50		–
Change in net assets attributable to shareholders from investment activities (see above)		(14,791)		812
<b>Closing net assets attributable to shareholders</b>		<b>129,774</b>		<b>126,129</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £139,105,031.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	123,294	138,559
<b>Current assets:</b>		
Debtors	9,536	813
Cash and bank balances	7,643	2,455
<b>Total assets</b>	<b>140,473</b>	<b>141,827</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,836)	(2,453)
Other creditors	(8,863)	(269)
<b>Total liabilities</b>	<b>(10,699)</b>	<b>(2,722)</b>
<b>Net assets attributable to shareholders</b>	<b>129,774</b>	<b>139,105</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS UK EQUITY MOM 3 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in UK equities.

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in the UK. Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -6.57% (net of fees). The Funds benchmark, the FTSE® All-Share index, returned -8.44%

#### Review

The portfolio underperformed the comparison index towards the end of 2018, driven by a sell-off in seemingly every major theme that the portfolio is exposed to, from cyclical sectors such as industrials and financials to UK domestic stocks. It seemed the glass half-empty brigade was out in strength, with investors firmly focused on a plethora of worries – from high corporate and government debt to slowing US and Chinese economic growth, trade wars, increasing labour costs and so on. Markets were clearly betting on some form of global economic slowdown, selling cyclical and financials down to bargain basement levels, and value investors were kicked from pillar to post.

In terms of stocks, consumer-focused names were the lead detractors, including food retailer Tesco, clothing retailer Next, floor specialist Carpetright and home improvement retailer Kingfisher. Within industrials, outsourcing and professional services company Capita was a leading detractor from relative returns. Grafton Group and SIG were also caught in the sell-off.

That said, there were signs of light on the horizon. After a dismal few months, with the All-Share down more than 10% in Q4 2018 alone, the UK equity market rallied sharply in January, rising by 4%. The action in the UK market was reflective of global trends, with the MSCI World Index rising by 5% in January, having fallen by 11% in Q4 (in sterling terms). As is often the case, quite what induced the equities markets to change direction isn't obvious, but the inflection point almost precisely coincided with the turn of the year.

At the sector level, and rather unsurprisingly given its awful performance in December, the best performing sector in January was retail, with all the retailers mentioned above (except KingFisher) bouncing back strongly. Other cyclical sectors, such as industrials and mining were also to the fore, while more defensive, economically-insensitive sectors, such as telecoms and pharmaceuticals were among the laggards.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Investec Asset Management.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

#### Material Portfolio Changes

Purchases	Sales
Standard Chartered	HSBC Holdings
TP ICAP	Centrica
Travis Perkins	Capita
Countrywide	Signet Jewelers
Delphi Technologies	QinetiQ Group
Forterra	Drax Group
Superdry	Serco Group
Kingfisher	Wm Morrison Supermarkets
GlaxoSmithKline	NOW
easyJet	GlaxoSmithKline

#### Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	82,774	60,986,162	135.73
	31.07.17	73,926	47,436,358	155.84
	31.07.18	81,833	51,056,003	160.28
	31.01.19	75,747	51,312,951	147.62

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	143.88	118.45
	2017	161.65	132.88
	2018	165.56	145.10
	2019**	158.81	135.52

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.05%	1.05%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	3.6926	25.68
	2017	3.4386	23.91
	2018	3.4745	24.16
	2019*	1.5537	10.80

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 99.62% (97.02%)</b>				
<b>Communication Services 2.49% (2.25%)</b>				
<b>Diversified Telecommunication Services 2.04% (1.84%)</b>				
BT Group	GBP	669,846	1,544	2.04
			1,544	2.04
<b>Media 0.45% (0.41%)</b>				
Bloomsbury Publishing	GBP	153,144	343	0.45
			343	0.45
<b>Communication Services total</b>			<b>1,887</b>	<b>2.49</b>
<b>Consumer Discretionary 14.65% (11.31%)</b>				
<b>Auto Components 1.01% (0.00%)</b>				
Delphi Technologies	USD	56,306	765	1.01
			765	1.01
<b>Distributors 1.07% (0.83%)</b>				
Headlam Group	GBP	207,606	812	1.07
			812	1.07
<b>Household Durables 2.15% (1.30%)</b>				
McCarthy & Stone	GBP	1,196,789	1,625	2.15
			1,625	2.15
<b>Internet &amp; Direct Marketing Retail 0.45% (0.39%)</b>				
N Brown Group	GBP	396,148	340	0.45
			340	0.45
<b>Multiline Retail 5.15% (4.99%)</b>				
Marks & Spencer Group	GBP	873,471	2,539	3.35
Next	GBP	28,318	1,366	1.80
			3,905	5.15
<b>Speciality Retail 4.82% (3.80%)</b>				
Carpetright	GBP	2,965,449	658	0.87
Dixons Carphone	GBP	376,582	516	0.68
Kingfisher	GBP	510,414	1,146	1.51
Superdry	GBP	172,686	892	1.18
Topps Tiles	GBP	679,949	442	0.58
			3,654	4.82
<b>Consumer Discretionary total</b>			<b>11,101</b>	<b>14.65</b>
<b>Consumer Staples 7.03% (7.53%)</b>				
<b>Food &amp; Staples Retailing 6.43% (7.09%)</b>				
Tesco	GBP	1,699,886	3,794	5.01
Wm Morrison Supermarkets	GBP	454,910	1,075	1.42
			4,869	6.43
<b>Personal Products 0.60% (0.44%)</b>				
Avon Products	USD	316,233	453	0.60
			453	0.60
<b>Consumer Staples total</b>			<b>5,322</b>	<b>7.03</b>
<b>Energy 10.22% (10.12%)</b>				
<b>Oil, Gas &amp; Consumable Fuels 10.22% (10.12%)</b>				
BP	GBP	692,315	3,597	4.75
Royal Dutch Shell 'B'	GBP	174,495	4,141	5.47
			7,738	10.22
<b>Energy total</b>			<b>7,738</b>	<b>10.22</b>



## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Financials 21.59% (20.46%)</b>				
<b>Banks 18.98% (19.85%)</b>				
Barclays	GBP	2,229,802	3,508	4.63
Citigroup	USD	54,857	2,685	3.54
CYBG	GBP	397,203	694	0.92
Lloyds Banking Group	GBP	3,154,873	1,825	2.41
Royal Bank of Scotland Group	GBP	1,482,981	3,583	4.73
Standard Chartered	GBP	337,508	2,083	2.75
			14,378	18.98
<b>Capital Markets 2.61% (0.61%)</b>				
Hipgnosis Songs Fund	GBP	485,844	520	0.69
TP ICAP	GBP	462,467	1,457	1.92
			1,977	2.61
<b>Financials total</b>			<b>16,355</b>	<b>21.59</b>
<b>Health Care 7.95% (7.61%)</b>				
<b>Pharmaceuticals 7.95% (7.61%)</b>				
GlaxoSmithKline	GBP	409,424	6,021	7.95
			6,021	7.95
<b>Health Care total</b>			<b>6,021</b>	<b>7.95</b>
<b>Industrials 24.03% (25.60%)</b>				
<b>Aerospace &amp; Defense 0.44% (1.67%)</b>				
Chemring Group	GBP	217,342	335	0.44
			335	0.44
<b>Airlines 1.93% (1.47%)</b>				
easyJet	GBP	114,914	1,460	1.93
			1,460	1.93
<b>Commercial Services &amp; Supplies 2.34% (3.14%)</b>				
Aggreko	GBP	251,496	1,770	2.34
			1,770	2.34
<b>Professional Services 4.56% (7.14%)</b>				
Capita	GBP	3,030,839	3,456	4.56
			3,456	4.56
<b>Road &amp; Rail 1.11% (0.83%)</b>				
Go-Ahead Group	GBP	46,425	840	1.11
			840	1.11
<b>Trading Companies &amp; Distributors 13.65% (11.35%)</b>				
Grafton Group	GBP	481,583	3,557	4.69
SIG	GBP	2,301,487	2,757	3.64
Travis Perkins	GBP	325,854	4,029	5.32
			10,343	13.65
<b>Industrials total</b>			<b>18,204</b>	<b>24.03</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Materials 7.66% (5.59%)</b>				
<b>Construction Materials 4.03% (3.18%)</b>				
CRH	EUR	53,385	1,164	1.54
CRH	GBP	10,300	225	0.30
Forterra	GBP	627,341	1,663	2.19
			<u>3,052</u>	<u>4.03</u>
<b>Metals &amp; Mining 3.63% (2.41%)</b>				
Coeur Mining	USD	75,555	289	0.38
Hochschild Mining	GBP	175,116	325	0.43
Impala Platinum Holdings	ZAR	483,133	1,070	1.41
Pan American Silver	USD	38,002	426	0.56
SSR Mining	USD	61,974	644	0.85
			<u>2,754</u>	<u>3.63</u>
<b>Materials total</b>			<b>5,806</b>	<b>7.66</b>
<b>Real Estate 3.30% (2.60%)</b>				
<b>Equity Real Estate Investment Trusts (REITs) 1.69% (1.61%)</b>				
Land Securities Group	GBP	146,288	1,278	1.69
			<u>1,278</u>	<u>1.69</u>
<b>Real Estate Management &amp; Development 1.61% (0.99%)</b>				
Countrywide	GBP	10,207,177	940	1.24
LSL Property Services	GBP	112,395	279	0.37
			<u>1,219</u>	<u>1.61</u>
<b>Real Estate total</b>			<b>2,497</b>	<b>3.30</b>
<b>Utilities 0.70% (3.95%)</b>				
<b>Independent Power and Renewable Electricity Producers 0.70% (1.60%)</b>				
Drax Group	GBP	132,389	531	0.70
			<u>531</u>	<u>0.70</u>
<b>Multi-Utilities 0.00% (2.35%)</b>				
<b>Utilities total</b>			<b>531</b>	<b>0.70</b>
<b>Equities total</b>			<b>75,462</b>	<b>99.62</b>
Investment assets			75,462	99.62
Net other assets			285	0.38
<b>Net assets</b>			<b>75,747</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.  
The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital losses		(6,549)		(73)
Revenue	1,193		1,067	
Expenses	(399)		(390)	
Net revenue before taxation	794		677	
Taxation	(3)		1	
Net revenue after taxation		791		678
<b>Total return before distributions</b>		<b>(5,758)</b>		<b>605</b>
Distributions		(791)		(678)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(6,549)</b>		<b>(73)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>81,833</b>		<b>73,926</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	4,125		-	
Amounts payable on cancellation of shares	(3,695)		(587)	
		430		(587)
Dilution adjustment		33		-
Change in net assets attributable to shareholders from investment activities (see above)		(6,549)		(73)
<b>Closing net assets attributable to shareholders</b>		<b>75,747</b>		<b>73,266</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £81,832,809.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	75,462	79,391
<b>Current assets:</b>		
Debtors	4,332	55
Cash and bank balances	5	4,035
<b>Total assets</b>	<b>79,799</b>	<b>83,481</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Bank overdrafts	(3,193)	–
Distribution payable	(797)	(1,044)
Other creditors	(62)	(604)
<b>Total liabilities</b>	<b>(4,052)</b>	<b>(1,648)</b>
<b>Net assets attributable to shareholders</b>	<b>75,747</b>	<b>81,833</b>

## ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

# AVIVA INVESTORS US EQUITY MOM 1 FUND

## INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in US equities.

## INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in the US. Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

## FUND MANAGER’S REPORT

### Performance

Over the six months ended 31 January 2019, the Fund returned -5.25% (gross of fees). The Funds benchmark, the S&P 500 Index, returned -3.0%.

### Review

U.S. equity markets experienced an uptick in volatility in the fourth quarter which resulted in a significant double-digit selloff. The defensive real estate and utilities sectors strongly outperformed amidst the heightened volatility, while more growth oriented segments lagged in the fourth quarter after outperforming for most of the year.

The portfolio’s active size positioning had a negative impact on relative performance as capital concentration increased during the period, reflecting the outperformance of mega cap stocks over the smaller cap stocks in the index on average.

Three of the strategy’s ten largest detractors during the period were overweight positions in the consumer discretionary sector (Wynn Resorts, Tiffany & Co. and Capri Holdings).

The portfolio underperformed its benchmark, the S&P 500 Index, over the past six months, (gross of fees), but has outperformed the benchmark for the trailing ten-year and since inception periods, as of 31 January 2019, (gross of fees).

Due to their volatility and correlation characteristics, the portfolio tends to overweight the smaller stocks within the investment universe as they provide more relative volatility capture potential. The portfolio’s active size positioning had a negative impact on relative performance for the period as smaller-cap stocks underperformed the mega cap stocks within the index during the period. An overall negative selection effect also detracted from the portfolio’s relative performance during the period.

The Aviva U.S. Enhanced Plus portfolio was negatively impacted by several positions in the consumer discretionary and consumer staples sectors. Three of the strategy’s ten largest detractors during the period were overweight positions in the consumer discretionary sector (Wynn Resorts, Tiffany & Co. and Capri Holdings). Two of the strategy’s ten largest detractors during the period were positions in the consumer staples sector (overweight to Constellation Brands and an underweight to Procter & Gamble).

An average underweight to health care, as well as an average overweight to industrials, detracted from the portfolio’s relative performance during the period. An overall negative selection effect, especially within the consumer discretionary and information technology sectors, also detracted from the portfolio’s relative performance during the period.

March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by INTECH.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

## Material Portfolio Changes

Purchases	Sales
Adobe Systems	Northrop Grumman
Anthem	Home Depot
Mastercard 'A'	Altria Group
Thermo Fisher Scientific	McDonald's
ConocoPhillips	AbbVie
salesforce.com	Morgan Stanley
3M	Lam Research
Apple	Prologis
Netflix	UnitedHealth Group
Valero Energy	Amphenol 'A'

## Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund’s Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## COMPARATIVE TABLES

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	246,769	89,291,279	276.36
	31.07.17	200,817	63,015,327	318.68
	31.07.18	225,566	62,982,827	358.14
	31.01.19	180,901	54,072,506	334.55

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	280.62	205.76
	2017	329.13	267.16
	2018	367.41	311.63
	2019**	380.30	309.65

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.04%	1.04%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	1.3428	5.88
	2017	1.6684	7.30
	2018	1.3575	5.94
	2019*	0.5654	2.48

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 99.63% (99.05%)</b>				
<b>Communication Services 3.85% (3.65%)</b>				
<b>Diversified Telecommunication Services 0.10% (0.05%)</b>				
Verizon Communications	USD	4,506	186	0.10
			186	0.10
<b>Entertainment 1.50% (1.32%)</b>				
Activision Blizzard	USD	605	21	0.01
Electronic Arts	USD	500	34	0.02
Netflix	USD	7,012	1,820	1.01
Take-Two Interactive Software	USD	2,014	158	0.09
Twenty-First Century Fox 'A'	USD	6,993	261	0.14
Twenty-First Century Fox 'B'	USD	11,139	414	0.23
			2,708	1.50
<b>Interactive Media &amp; Services 1.95% (1.69%)</b>				
Alphabet 'A'	USD	1,019	853	0.47
Alphabet 'C'	USD	1,000	830	0.46
Facebook 'A'	USD	12,148	1,392	0.77
Twitter	USD	18,702	460	0.25
			3,535	1.95
<b>Media 0.30% (0.59%)</b>				
Discovery 'C'	USD	8,600	165	0.09
Discovery 'A'	USD	13,935	284	0.16
Interpublic Group	USD	2,700	47	0.03
Omnicom Group	USD	700	41	0.02
			537	0.30
<b>Communication Services total</b>			<b>6,966</b>	<b>3.85</b>
<b>Consumer Discretionary 11.25% (11.50%)</b>				
<b>Auto Components 0.00% (0.48%)</b>				
<b>Automobiles 0.00% (0.16%)</b>				
<b>Distributors 0.16% (0.22%)</b>				
Genuine Parts	USD	3,833	291	0.16
			291	0.16
<b>Hotels, Restaurants &amp; Leisure 1.03% (2.68%)</b>				
Carnival	USD	1,093	48	0.03
Chipotle Mexican Grill	USD	153	62	0.03
Darden Restaurants	USD	918	74	0.04
Marriott International 'A'	USD	12,630	1,094	0.61
McDonald's	USD	2,159	299	0.17
Starbucks	USD	2,828	147	0.08
Yum! Brands	USD	1,872	134	0.07
			1,858	1.03
<b>Household Durables 0.08% (0.94%)</b>				
DR Horton	USD	1,259	36	0.02
Garmin	USD	2,000	105	0.06
			141	0.08
<b>Internet &amp; Direct Marketing Retail 2.36% (1.92%)</b>				
Amazon.com	USD	3,139	3,999	2.21
Booking Holdings	USD	190	263	0.15
			4,262	2.36

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Multiline Retail 2.61% (1.42%)</b>				
Dollar General	USD	17,251	1,516	0.84
Dollar Tree	USD	14,104	1,032	0.57
Kohl's	USD	16,200	853	0.47
Macy's	USD	13,711	269	0.15
Nordstrom	USD	7,139	247	0.13
Target	USD	14,741	813	0.45
			4,730	2.61
<b>Speciality Retail 2.86% (1.99%)</b>				
Advance Auto Parts	USD	3,084	374	0.21
AutoZone	USD	1,422	914	0.50
Best Buy	USD	23,400	1,052	0.58
Foot Locker	USD	1,080	47	0.03
Home Depot	USD	2,474	343	0.19
O'Reilly Automotive	USD	960	253	0.14
Ross Stores	USD	9,423	663	0.37
Tiffany	USD	10,300	691	0.38
TJX	USD	12,885	480	0.27
Tractor Supply	USD	4,200	287	0.16
Ulta Beauty	USD	285	63	0.03
			5,167	2.86
<b>Textiles, Apparel &amp; Luxury Goods 2.15% (1.69%)</b>				
Capri Holdings	USD	16,800	549	0.30
NIKE 'B'	USD	790	49	0.03
PVH	USD	5,293	445	0.24
Ralph Lauren	USD	4,824	430	0.24
Tapestry	USD	18,386	538	0.30
Under Armour 'C'	USD	10,909	158	0.09
Under Armour 'A'	USD	4,100	65	0.03
VF	USD	25,819	1,665	0.92
			3,899	2.15
<b>Consumer Discretionary total</b>			<b>20,348</b>	<b>11.25</b>
<b>Consumer Staples 4.65% (4.46%)</b>				
<b>Beverages 1.02% (2.04%)</b>				
Brown-Forman 'B'	USD	13,415	476	0.26
Constellation Brands 'A'	USD	10,521	1,368	0.76
			1,844	1.02
<b>Food &amp; Staples Retailing 2.04% (0.41%)</b>				
Costco Wholesale	USD	6,080	979	0.54
Kroger	USD	48,078	1,036	0.57
Sysco	USD	11,615	557	0.31
Walmart	USD	15,455	1,117	0.62
			3,689	2.04
<b>Food Products 1.00% (0.35%)</b>				
Archer-Daniels-Midland	USD	13,063	445	0.25
Conagra Brands	USD	5,060	83	0.04
Hormel Foods	USD	17,522	555	0.31
McCormick, (Non-Voting) 'G'	USD	4,028	376	0.21
Tyson Foods 'A'	USD	7,240	343	0.19
			1,802	1.00
<b>Household Products 0.05% (0.38%)</b>				
Church & Dwight	USD	809	39	0.02
Procter & Gamble	USD	725	52	0.03
			91	0.05



## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Personal Products 0.54% (0.48%)</b>				
Estee Lauder 'A'	USD	9,573	980	0.54
			980	0.54
<b>Tobacco 0.00% (0.80%)</b>				
<b>Consumer Staples total</b>			<b>8,406</b>	<b>4.65</b>
<b>Energy 6.17% (4.35%)</b>				
<b>Energy Equipment &amp; Services 0.15% (0.24%)</b>				
Helmerich & Payne	USD	2,870	124	0.07
National Oilwell Varco	USD	6,208	142	0.08
			266	0.15
<b>Oil, Gas &amp; Consumable Fuels 6.02% (4.11%)</b>				
Anadarko Petroleum	USD	11,100	405	0.22
Chevron	USD	4,015	346	0.19
Concho Resources	USD	1,451	134	0.07
ConocoPhillips	USD	27,132	1,360	0.75
EOG Resources	USD	8,219	623	0.34
Exxon Mobil	USD	17,657	973	0.54
Hess	USD	12,552	516	0.29
HollyFrontier	USD	16,842	718	0.40
Marathon Oil	USD	39,438	481	0.27
Marathon Petroleum	USD	19,575	975	0.54
Occidental Petroleum	USD	17,509	894	0.49
ONEOK	USD	14,214	695	0.39
Phillips 66	USD	10,623	766	0.42
Valero Energy	USD	31,766	2,014	1.11
			10,900	6.02
<b>Energy total</b>			<b>11,166</b>	<b>6.17</b>
<b>Financials 14.60% (19.82%)</b>				
<b>Banks 5.10% (7.41%)</b>				
Bank of America	USD	46,002	1,019	0.57
Citizens Financial Group	USD	20,710	546	0.30
Comerica	USD	13,588	838	0.46
Fifth Third Bancorp	USD	33,408	688	0.38
Huntington Bancshares	USD	6,889	71	0.04
JPMorgan Chase	USD	20,200	1,608	0.89
KeyCorp	USD	22,758	289	0.16
M&T Bank	USD	3,762	476	0.26
PNC Financial Services Group	USD	18,477	1,742	0.96
Regions Financial	USD	84,815	998	0.55
SunTrust Banks	USD	17,603	813	0.45
Wells Fargo	USD	1,338	51	0.03
Zions Bancorp	USD	2,517	92	0.05
			9,231	5.10
<b>Capital Markets 4.99% (6.57%)</b>				
BlackRock	USD	1,617	503	0.28
Cboe Global Markets	USD	6,953	495	0.27
CME Group	USD	15,428	2,121	1.17
E*TRADE Financial	USD	21,706	768	0.42
Intercontinental Exchange	USD	8,736	508	0.28
Moody's	USD	8,910	1,063	0.59
Morgan Stanley	USD	3,296	108	0.06
MSCI	USD	3,095	384	0.21
Nasdaq	USD	9,733	643	0.36
Northern Trust	USD	1,282	87	0.05
S&P Global	USD	7,013	1,010	0.56
T Rowe Price Group	USD	19,690	1,340	0.74
			9,030	4.99

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Consumer Finance 0.11% (0.39%)</b>				
American Express	USD	1,904	149	0.08
Discover Financial Services	USD	920	47	0.03
			196	0.11
<b>Diversified Financial Services 0.89% (0.69%)</b>				
Berkshire Hathaway 'B'	USD	10,264	1,612	0.89
			1,612	0.89
<b>Insurance 3.51% (4.76%)</b>				
Aflac	USD	32,815	1,185	0.65
Allstate	USD	26,538	1,767	0.98
Aon	USD	3,485	410	0.23
Arthur J Gallagher	USD	11,226	624	0.34
Cincinnati Financial	USD	4,057	248	0.14
Marsh & McLennan	USD	3,063	196	0.11
Progressive	USD	29,845	1,519	0.84
Torchmark	USD	752	47	0.03
Travelers	USD	3,570	342	0.19
			6,338	3.51
<b>Financials total</b>			<b>26,407</b>	<b>14.60</b>
<b>Health Care 16.07% (10.70%)</b>				
<b>Biotechnology 0.00% (0.90%)</b>				
AbbVie	USD	160	10	–
			10	–
<b>Health Care Equipment &amp; Supplies 7.03% (3.89%)</b>				
Abbott Laboratories	USD	18,812	1,028	0.57
ABIOMED	USD	3,900	1,009	0.56
Align Technology	USD	6,372	1,131	0.62
Baxter International	USD	35,665	1,949	1.08
Becton Dickinson	USD	8,920	1,669	0.92
Boston Scientific	USD	2,342	67	0.04
Cooper	USD	2,140	451	0.25
Edwards Lifesciences	USD	2,326	299	0.17
IDEXX Laboratories	USD	6,179	978	0.54
Intuitive Surgical	USD	5,806	2,251	1.24
ResMed	USD	6,839	489	0.27
Stryker	USD	10,215	1,397	0.77
			12,718	7.03
<b>Health Care Providers &amp; Services 5.23% (3.17%)</b>				
Anthem	USD	10,339	2,345	1.30
Centene	USD	16,480	1,634	0.90
Cigna	USD	7,933	1,208	0.67
CVS Health	USD	3,977	200	0.11
HCA Healthcare	USD	7,149	758	0.42
Henry Schein	USD	7,377	438	0.24
Humana	USD	3,300	771	0.43
Laboratory Corp. of America Holdings	USD	4,047	427	0.24
UnitedHealth Group	USD	6,692	1,379	0.76
WellCare Health Plans	USD	1,405	295	0.16
			9,455	5.23
<b>Life Sciences Tools &amp; Services 1.88% (1.06%)</b>				
Illumina	USD	2,168	451	0.25
IQVIA Holdings	USD	7,500	729	0.40
PerkinElmer	USD	7,496	516	0.29
Thermo Fisher Scientific	USD	9,010	1,683	0.93
Waters	USD	143	25	0.01
			3,404	1.88

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Pharmaceuticals 1.93% (1.68%)</b>				
Eli Lilly	USD	5,137	458	0.25
Johnson & Johnson	USD	13,010	1,305	0.72
Merck	USD	4,502	252	0.14
Nektar Therapeutics	USD	581	19	0.01
Pfizer	USD	19,200	609	0.34
Zoetis	USD	13,100	850	0.47
			3,493	1.93
<b>Health Care total</b>			<b>29,080</b>	<b>16.07</b>
<b>Industrials 11.33% (15.56%)</b>				
<b>Aerospace &amp; Defense 5.17% (6.97%)</b>				
Boeing	USD	9,723	2,875	1.59
General Dynamics	USD	2,113	275	0.15
Harris	USD	4,676	552	0.31
L3 Technologies	USD	5,704	865	0.48
Lockheed Martin	USD	3,864	859	0.47
Northrop Grumman	USD	4,274	915	0.51
Raytheon	USD	13,628	1,782	0.98
Textron	USD	5,871	239	0.13
TransDigm Group	USD	3,360	987	0.55
			9,349	5.17
<b>Air Freight &amp; Logistics 0.46% (0.56%)</b>				
CH Robinson Worldwide	USD	12,300	813	0.45
Expeditors International of Washington	USD	283	15	0.01
			828	0.46
<b>Airlines 0.18% (0.00%)</b>				
United Continental Holdings	USD	5,014	334	0.18
			334	0.18
<b>Building Products 0.00% (0.06%)</b>				
<b>Commercial Services &amp; Supplies 1.47% (1.07%)</b>				
Cintas	USD	924	131	0.07
Copart	USD	15,371	588	0.32
Republic Services	USD	18,500	1,079	0.60
Rollins	USD	8,635	244	0.13
Waste Management	USD	8,658	627	0.35
			2,669	1.47
<b>Construction &amp; Engineering 0.24% (0.11%)</b>				
Fluor	USD	15,531	429	0.24
			429	0.24
<b>Electrical Equipment 0.15% (0.39%)</b>				
AMETEK	USD	4,757	263	0.15
			263	0.15
<b>Industrial Conglomerates 0.78% (1.04%)</b>				
3M	USD	9,273	1,408	0.78
			1,408	0.78
<b>Machinery 1.02% (2.77%)</b>				
Caterpillar	USD	4,640	460	0.25
Cummins	USD	2,070	231	0.13
Deere	USD	2,092	260	0.14
Flowserve	USD	6,273	208	0.12
Xylem	USD	12,485	685	0.38
			1,844	1.02

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Professional Services 1.07% (0.19%)</b>				
Equifax	USD	3,652	295	0.16
IHS Markit	USD	13,771	540	0.30
Robert Half International	USD	8,581	426	0.24
Verisk Analytics	USD	7,582	679	0.37
			1,940	1.07
<b>Road &amp; Rail 0.76% (1.57%)</b>				
CSX	USD	14,702	743	0.41
Kansas City Southern	USD	292	24	0.01
Norfolk Southern	USD	2,520	324	0.18
Union Pacific	USD	2,384	292	0.16
			1,383	0.76
<b>Trading Companies &amp; Distributors 0.03% (0.83%)</b>				
Fastenal	USD	52	3	–
WW Grainger	USD	236	53	0.03
			56	0.03
<b>Industrials total</b>			<b>20,503</b>	<b>11.33</b>
<b>Information Technology 23.16% (19.02%)</b>				
<b>Communications Equipment 1.77% (0.24%)</b>				
Arista Networks	USD	404	65	0.04
Cisco Systems	USD	39,656	1,412	0.78
F5 Networks	USD	5,700	694	0.38
Juniper Networks	USD	18,664	367	0.20
Motorola Solutions	USD	7,407	659	0.37
			3,197	1.77
<b>Electronic Equipment, Instruments &amp; Components 0.38% (1.27%)</b>				
Amphenol 'A'	USD	3,716	250	0.14
FLIR Systems	USD	5,529	204	0.11
IPG Photonics	USD	1,653	168	0.09
Keysight Technologies	USD	1,209	68	0.04
			690	0.38
<b>Internet Services &amp; Infrastructure 0.00% (0.66%)</b>				
<b>IT Services 6.92% (4.82%)</b>				
Accenture 'A'	USD	2,638	310	0.17
Akamai Technologies	USD	7,506	370	0.20
Automatic Data Processing	USD	10,545	1,120	0.62
Broadridge Financial Solutions	USD	4,700	361	0.20
DXC Technology	USD	1,727	85	0.05
Fidelity National Information Services	USD	7,318	589	0.33
Fiserv	USD	12,406	800	0.44
FleetCor Technologies	USD	1,222	189	0.10
Gartner	USD	2,434	248	0.14
Jack Henry & Associates	USD	692	70	0.04
Mastercard 'A'	USD	20,000	3,111	1.72
PayPal Holdings	USD	17,938	1,264	0.70
Total System Services	USD	12,350	850	0.47
VeriSign	USD	7,507	963	0.53
Visa 'A'	USD	20,835	2,186	1.21
			12,516	6.92
<b>Semiconductors &amp; Semiconductor Equipment 1.99% (4.58%)</b>				
Advanced Micro Devices	USD	11,771	207	0.11
Intel	USD	7,889	286	0.16
Microchip Technology	USD	615	38	0.02
Micron Technology	USD	10,791	315	0.17
NVIDIA	USD	10,120	1,060	0.59
Texas Instruments	USD	21,823	1,698	0.94
			3,604	1.99

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Software 7.70% (4.09%)</b>				
Adobe Systems	USD	14,336	2,652	1.46
ANSYS	USD	4,236	526	0.29
Citrix Systems	USD	837	65	0.04
Fortinet	USD	12,575	721	0.40
Intuit	USD	6,493	1,060	0.59
Microsoft	USD	58,054	4,704	2.60
Oracle	USD	19,336	742	0.41
Red Hat	USD	11,786	1,585	0.88
salesforce.com	USD	10,873	1,236	0.68
Synopsys	USD	9,068	639	0.35
			13,930	7.70
<b>Technology Hardware, Storage &amp; Peripherals 4.40% (3.36%)</b>				
Apple	USD	47,572	5,992	3.31
Hewlett Packard Enterprise	USD	6,238	74	0.04
HP	USD	15,981	270	0.15
NetApp	USD	25,481	1,231	0.68
Seagate Technology	USD	11,936	398	0.22
			7,965	4.40
<b>Information Technology total</b>			<b>41,902</b>	<b>23.16</b>
<b>Materials 1.02% (2.98%)</b>				
<b>Chemicals 0.93% (1.82%)</b>				
CF Industries Holdings	USD	12,820	421	0.23
Eastman Chemical	USD	616	39	0.02
Linde	USD	160	20	0.01
Mosaic	USD	15,625	380	0.21
Sherwin-Williams	USD	2,697	833	0.46
			1,693	0.93
<b>Containers &amp; Packaging 0.09% (0.76%)</b>				
Ball	USD	4,033	157	0.09
			157	0.09
<b>Metals &amp; Mining 0.00% (0.40%)</b>				
<b>Materials total</b>			<b>1,850</b>	<b>1.02</b>
<b>Real Estate 0.95% (2.72%)</b>				
<b>Equity Real Estate Investment Trusts (REITs) 0.95% (2.56%)</b>				
American Tower	USD	1,740	226	0.13
Crown Castle International	USD	171	15	0.01
Digital Realty Trust	USD	5,805	475	0.26
Extra Space Storage	USD	5,600	416	0.23
Mid-America Apartment Communities	USD	680	54	0.03
Prologis	USD	5,598	292	0.16
Realty Income	USD	2,100	108	0.06
SBA Communications	USD	380	52	0.03
Simon Property Group	USD	533	74	0.04
			1,712	0.95
<b>Real Estate Management &amp; Development 0.00% (0.16%)</b>				
<b>Real Estate total</b>			<b>1,712</b>	<b>0.95</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Utilities 6.58% (4.29%)</b>				
<b>Electric Utilities 2.96% (1.78%)</b>				
Alliant Energy	USD	11,200	370	0.20
American Electric Power	USD	7,367	433	0.24
Edison International	USD	2,126	90	0.05
Entergy	USD	5,400	359	0.20
Evergy	USD	7,914	342	0.19
Eversource Energy	USD	3,793	195	0.11
Exelon	USD	14,730	524	0.29
FirstEnergy	USD	8,296	245	0.14
NextEra Energy	USD	16,300	2,157	1.19
Xcel Energy	USD	16,541	642	0.35
			5,357	2.96
<b>Independent Power and Renewable Electricity Producers 0.63% (0.34%)</b>				
AES	USD	40,176	499	0.27
NRG Energy	USD	21,055	645	0.36
			1,144	0.63
<b>Multi-Utilities 2.44% (1.90%)</b>				
Ameren	USD	19,400	1,005	0.56
CMS Energy	USD	4,543	178	0.10
Consolidated Edison	USD	2,437	141	0.08
Dominion Energy	USD	2,729	144	0.08
DTE Energy	USD	8,263	726	0.40
NiSource	USD	9,800	200	0.11
Public Service Enterprise Group	USD	20,168	819	0.45
Sempra Energy	USD	7,008	614	0.34
WEC Energy Group	USD	10,577	576	0.32
			4,403	2.44
<b>Water Utilities 0.55% (0.27%)</b>				
American Water Works	USD	13,900	994	0.55
			994	0.55
<b>Utilities total</b>			<b>11,898</b>	<b>6.58</b>
<b>Equities total</b>			<b>180,238</b>	<b>99.63</b>
Investment assets			180,238	99.63
Net other assets			663	0.37
<b>Net assets</b>			<b>180,901</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.  
The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(13,965)		9,027
Revenue	1,737		1,905	
Expenses	(1,127)		(1,051)	
Net revenue before taxation	610		854	
Taxation	(251)		(267)	
Net revenue after taxation		359		587
<b>Total return before distributions</b>		<b>(13,606)</b>		<b>9,614</b>
Distributions		(359)		(587)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(13,965)</b>		<b>9,027</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>225,566</b>		<b>200,817</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	7,583		300	
Amounts payable on cancellation of shares	(38,304)		(15,043)	
		(30,721)		(14,743)
Dilution adjustment		21		21
Change in net assets attributable to shareholders from investment activities (see above)		(13,965)		9,027
<b>Closing net assets attributable to shareholders</b>		<b>180,901</b>		<b>195,122</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £225,566,165.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	180,238	223,422
<b>Current assets:</b>		
Debtors	1,794	489
Cash and bank balances	830	2,121
<b>Total assets</b>	<b>182,862</b>	<b>226,032</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(306)	(265)
Other creditors	(1,655)	(201)
<b>Total liabilities</b>	<b>(1,961)</b>	<b>(466)</b>
<b>Net assets attributable to shareholders</b>	<b>180,901</b>	<b>225,566</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.



## AVIVA INVESTORS EURO EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in European equities (excluding UK).

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in Europe (excluding UK). Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -12.1% (gross of fees). The Funds benchmark, the FTSE® World Europe-ex UK Index, returned -9.8%.

#### Review

European stocks performed weakly for much of the period under review, reflecting growing concerns about global macroeconomic and geopolitical uncertainty. A slow-down in world trade and tightening monetary conditions in the United States from a low base lead to fears that the economic cycle had peaked, which affected cyclically-exposed sectors and financials. Basic materials was the weakest performing sector, underperforming the index, while financials, technology and industrials also underperformed. Rising input costs, and in some instances labour costs, caused some disappointments at a stock level, as did some results in a number of technology companies, mostly in the United States.

The European economy showed little sign of recovery as 2018 drew to a close, with limited progress in Germany, France and Italy, and this prompted fears of a recession, heightened by the lull in Chinese economic activity. The German economy contracted for the first time in three years, with a loss in economic momentum in part due to one-off factors, including new emissions testing standards, which weighed on the autos sector. Concessions made by the French government to quell the 'gilets jaunes' protests threatened to place the euro zone's second largest economy in breach of the European Union's deficit-to-GDP stability rules, while concerns regarding the Italian government's budget proposals saw Italian stocks, and in particular banks, decline. However, the Italian government's 2019 budgetary stand-off with the European Commission – an issue that had weighed on European financial stocks for much of the period – was resolved in December.

The European Central Bank (ECB) ended its four years of quantitative easing at the end of 2018. As the date of the United Kingdom's departure from the European Union drew closer, speculation increased about the possibility of a no deal exit, or the possibility that the UK government would seek to delay its departure.

At the sector level, stock selection in consumer goods, financials, and oil & gas were the major detractors from performance. In contrast, stock selection in basic materials contributed positively to returns.

At the stock level, not owning Nestlé in the consumer goods sector was the largest detractor from relative performance. We feel that many valuations in this sector have become very stretched, but they defended well during this phase of market stress.

An overweight in French-listed automotive parts supplier Faurecia was another significant detractor in consumer goods. Its share price weakened earlier in the period due to a combination of trade tariff concerns and nervousness from investors following profit warnings from other automotive parts suppliers. In contrast, an overweight in Porsche, which is the holding company of Volkswagen, outperformed as Volkswagen management has talked about splitting off its trucks business. Volkswagen has new management and has paid most of the penalties imposed following the 'Dieselgate' scandal.

Financials was one of the weakest sectors over the period, and this was reflected in the underperformance of a number of our overweight positions, including Société Générale and Julius Baer, which detracted from returns despite their low valuations. The main cause of their underperformance was the overall equity market weakness, with both deriving some revenues from market levels. Additionally, lower bond yields also created some margin pressures across the industry, and Julius Baer is also exposed to Asian markets where there are some concerns about weakness. Another detractor in the sector was Nordea, which released pre-tax profits that were below consensus, although this was largely due to the trading line which can be quite volatile over short periods.

Within healthcare, not holding Roche hurt relative performance as it outperformed the market and sector. However, this was offset by an overweight position in Novartis, our largest positive contribution, which delivered strong results during the year. Its third quarter results showed growth accelerating and good cost control, and confidence is growing in the new CEO and the long-term strategy of the business.

Utilities was the only sector to rise over the period, and this benefited our overweight position in the Spanish electricity transmission grid operator Red Electrica.

Within industrials, French aerospace, defence and security supplier Safran outperformed; the company reported first half results which exceeded expectations, and the gross margin improved despite the integration of Zodiac Aerospace. Also in industrials, being overweight in Dutch information services provider Wolters Kluwer contributed to relative performance. Industrial gases business Linde also performed well, with its share price buoyed by the news that its merger with Praxair had received the necessary regulatory approvals to proceed.

## AVIVA INVESTORS EURO EQUITY MOM 1 FUND (CONTINUED)

## FUND MANAGER'S REPORT (CONTINUED)

**Outlook**

A number of key milestones could make 2019 a defining year for Europe. Despite a loss in economic momentum in recent months, economic activity remains firm. In some cases, activity has softened owing to one-off factors, and an easing in these conditions should result in an improvement in the coming months. This would lend further support to our view that the region's economy will likely continue to expand modestly. Domestic demand in a number of countries should continue to be supported by positive labour market dynamics, rising wages, and falling unemployment. Additionally, financing conditions remain supportive, and interest rates are expected to remain in negative territory through most of 2019.

Although political developments, such as the shape of the United Kingdom's future relationship with the European Union and the European Parliament election warrant close attention, we believe the larger headwinds are primarily external. Should these recede, we would expect particular sectors, such as autos, to perform better, as investor sentiment has become particularly negative in these areas of the economy. In contrast, some areas of the European market, including a number of defensive growth companies with deteriorating underlying fundamentals, continue to look relatively fully valued, and would be potentially more vulnerable to a correction should investor sentiment soften further.

We continue to believe that a focused bottom-up stock selection approach is the best way to explore and uncover compelling opportunities.

**March 2019**

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Lazard Asset Management.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

**Material Portfolio Changes**

Purchases	Sales
Air Liquide	Fresenius
UniCredit	Wolters Kluwer
ASML Holding	BNP Paribas
Vonovia	Bayer
Red Electrica	Siemens
Koninklijke DSM	Anheuser-Busch InBev
QIAGEN	Italgas
Linde	Nordea Bank
Capgemini	Vinci
Galp Energia	Huhtamaki

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	138,928	70,887,198	195.99
	31.07.17	173,785	73,313,168	237.05
	31.07.18	167,490	69,157,059	242.19
	31.01.19	136,993	64,663,408	211.86

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	199.54	167.14
	2017	241.77	191.42
	2018	252.18	226.23
	2019**	243.83	202.82

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.07%	1.07%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	2.7159	14.13
	2017	3.2798	17.07
	2018	3.1761	16.53
	2019*	0.0000	0.00

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 97.23% (98.34%)</b>				
<b>Austria 1.07% (1.02%)</b>				
BAWAG Group	EUR	45,795	1,462	1.07
			<hr/> 1,462	<hr/> 1.07
<b>Belgium 1.45% (2.83%)</b>				
Anheuser-Busch InBev	EUR	34,693	1,992	1.45
			<hr/> 1,992	<hr/> 1.45
<b>Denmark 3.49% (3.39%)</b>				
Asetek	NOK	65,181	287	0.21
Carlsberg 'B'	DKK	37,452	3,278	2.39
Genmab	DKK	10,874	1,210	0.89
			<hr/> 4,775	<hr/> 3.49
<b>Finland 2.07% (3.05%)</b>				
Nordea Bank	SEK	196,491	1,359	0.99
Sampo 'A'	EUR	42,145	1,474	1.08
			<hr/> 2,833	<hr/> 2.07
<b>France 25.16% (24.32%)</b>				
Air Liquide	EUR	29,916	2,754	2.01
Amundi	EUR	49,986	2,175	1.59
AXA	EUR	219,874	3,885	2.83
Capgemini	EUR	22,741	1,909	1.39
Cie de Saint-Gobain	EUR	77,772	2,042	1.49
Cie Generale des Etablissements Michelin	EUR	22,236	1,836	1.34
Faurecia	EUR	76,908	2,544	1.86
Orange	EUR	269,120	3,193	2.33
Safran	EUR	39,364	3,934	2.87
Societe Generale	EUR	66,524	1,576	1.15
SPIE	EUR	81,786	940	0.69
Ubisoft Entertainment	EUR	31,020	2,107	1.54
Vinci	EUR	33,395	2,246	1.64
Vivendi	EUR	172,364	3,329	2.43
			<hr/> 34,470	<hr/> 25.16
<b>Germany 11.57% (12.90%)</b>				
Deutsche Wohnen	EUR	67,587	2,592	1.89
Porsche Automobil Holding Preference	EUR	76,162	3,740	2.73
SAP	EUR	72,983	5,712	4.17
Scout24	EUR	29,809	1,058	0.77
Vonovia	EUR	71,634	2,747	2.01
			<hr/> 15,849	<hr/> 11.57
<b>Ireland 5.58% (5.89%)</b>				
CRH	EUR	38,045	830	0.61
Kerry Group 'A'	EUR	35,478	2,820	2.06
Linde	EUR	16,318	2,012	1.47
Ryanair Holdings	EUR	206,044	1,977	1.44
			<hr/> 7,639	<hr/> 5.58
<b>Italy 1.76% (2.21%)</b>				
Cerved Group	EUR	154,561	1,040	0.76
UniCredit	EUR	154,947	1,369	1.00
			<hr/> 2,409	<hr/> 1.76
<b>Luxembourg 2.16% (2.70%)</b>				
ArcelorMittal	EUR	86,116	1,516	1.11
Subsea 7	NOK	166,229	1,441	1.05
			<hr/> 2,957	<hr/> 2.16

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Netherlands 12.72% (10.48%)</b>				
ABN AMRO Group, CVA	EUR	129,902	2,473	1.81
ASML Holding	EUR	20,982	2,804	2.05
CNH Industrial	EUR	294,705	2,230	1.63
Euronext	EUR	46,500	2,182	1.59
Koninklijke DSM	EUR	34,348	2,445	1.78
QIAGEN	EUR	73,822	2,080	1.52
Unilever, CVA	EUR	46,401	1,879	1.37
Wolters Kluwer	EUR	27,773	1,329	0.97
			17,422	12.72
<b>Norway 2.41% (2.61%)</b>				
Petroleum Geo-Services	NOK	188,727	322	0.23
Equinor	NOK	171,174	2,984	2.18
			3,306	2.41
<b>Portugal 2.63% (2.85%)</b>				
Banco Comercial Portugues 'R'	EUR	5,626,011	1,181	0.86
Galp Energia	EUR	204,658	2,429	1.77
			3,610	2.63
<b>Spain 2.80% (2.63%)</b>				
Bankia	EUR	556,666	1,243	0.91
Red Electrica	EUR	146,488	2,588	1.89
			3,831	2.80
<b>Sweden 6.02% (8.12%)</b>				
Assa Abloy 'B'	SEK	167,592	2,373	1.73
Epiroc 'A'	SEK	220,108	1,585	1.16
Hexagon 'B'	SEK	68,278	2,567	1.87
Saab 'B'	SEK	65,615	1,727	1.26
			8,252	6.02
<b>Switzerland 11.92% (10.84%)</b>				
Cie Financiere Richemont	CHF	42,163	2,201	1.61
Credit Suisse Group	CHF	230,005	2,117	1.54
Julius Baer Group	CHF	76,066	2,306	1.68
Novartis	CHF	146,788	9,712	7.09
			16,336	11.92
<b>Turkey 0.71% (0.72%)</b>				
Turkcell Iletisim Hizmetleri	TRY	463,432	973	0.71
			973	0.71
<b>United Kingdom 3.71% (1.78%)</b>				
RELX	EUR	206,271	3,468	2.53
Royal Dutch Shell 'A'	EUR	68,244	1,611	1.18
			5,079	3.71
<b>Equities total</b>			<b>133,195</b>	<b>97.23</b>
Investment assets			133,195	97.23
Net other assets			3,798	2.77
<b>Net assets</b>			<b>136,993</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(19,996)		8,340
Revenue	689		980	
Expenses	(800)		(933)	
Net (expense)/revenue before taxation	(111)		47	
Taxation	(2)		(218)	
Net expense after taxation		(113)		(171)
<b>Total return before distributions</b>		<b>(20,109)</b>		<b>8,169</b>
Distributions		(1)		(1)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(20,110)</b>		<b>8,168</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>167,490</b>		<b>173,785</b>
Movement due to issue and cancellation of shares:				
Amounts payable on cancellation of shares	(10,394)		(3,249)	
		(10,394)		(3,249)
Dilution adjustment		7		-
Change in net assets attributable to shareholders from investment activities (see above)		(20,110)		8,168
<b>Closing net assets attributable to shareholders</b>		<b>136,993</b>		<b>178,704</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £167,490,103.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	133,195	164,718
<b>Current assets:</b>		
Debtors	1,157	1,642
Cash and bank balances	5,508	3,474
<b>Total assets</b>	<b>139,860</b>	<b>169,834</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(2,196)
Other creditors	(2,867)	(148)
<b>Total liabilities</b>	<b>(2,867)</b>	<b>(2,344)</b>
<b>Net assets attributable to shareholders</b>	<b>136,993</b>	<b>167,490</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS EURO EQUITY MOM 2 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in European equities (excluding UK).

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in Europe (excluding UK). Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -13.4% (net of fees). The Funds benchmark, the MSCI Europe ex-UK Index returned -10.0%.

#### Review

Investor sentiment was buffeted by a range of global concerns during the review period, especially in the fourth quarter of 2018. In particular, the trade war between the US and China had escalated beyond initial expectations with both parties raising targeted tariffs. Though, at the end of 2018 the pair agreed a three month trade truce and commenced negotiations, giving the market some respite in January.

Tightening monetary policy was another key feature of the review period. The European Central Bank confirmed the end of its quantitative easing scheme and maintained guidance that interest rates are to stay unchanged until summer 2019. However, the main focus was on the US Federal Reserve (Fed) which implemented two interest rate hikes and continued to shrink its balance sheet size. These moves combined with weak global economic data concerned investors and pushed the market lower.

In January, however, the Fed softened its rhetoric on its balance sheet normalisation and the pace of interest rate increases. Fed members stated that they will be patient with further adjustments to monetary policy as a result of building global economic and financial pressures and muted inflation.

The sector view on the MSCI Europe ex-UK Index showed a firmly risk off picture. Utilities – a decidedly defensive sector – was the only riser in sterling terms, up 4.6%. Among the weakest sectors were materials (-16.0%), financials (-14.5%) and IT (-12.4%).

In comparison to the MSCI Europe ex-UK, the portfolio's sector positions were unfavourable in a strongly risk off environment. However, the size bias of the portfolio, given our equally weighted approach to portfolio construction, was a much more significant determinant of relative returns: the MSCI Europe ex-UK Large Cap Index returned -9.3% in sterling terms, the MSCI Europe ex-UK Mid Cap Index -12.6% and the MSCI Europe ex-UK Small Cap -13.8%. By definition an equally weighted portfolio will always have a significant bias to medium and small size companies when compared to a capitalisation weighted index and this feature explains most of the return shortfall. But, stock selection was also a negative contributor to performance. Reviewing the efficacy of our secondary scores it is clear that they were unhelpful during a short period of underperformance – a characteristic of their return profile that we expect to see from time to time.

While Fund returns in October and November were disappointing, we continue to apply the Cashflow Solution investment process in a disciplined and consistent manner. Within the materials and energy sectors we still see value as corporate aggression levels are low and valuation spreads are still above normal. Furthermore, the relative performance of defensive stocks compared with these more cyclical areas now looks quite extreme, at nearly two standard deviations above average. On this basis, a reversion could reasonably be expected.

The portfolio's strongest contributors included Roche, Technogym and Construcciones y Auxiliar de Ferrocarriles.

Swiss pharmaceutical Roche Holding benefited from its defensive qualities in an uncertain market. The company also received a boost after the US Food and Drug Administration approved its flu drug.

Technogym's share price rose sharply in the run up to its half year results. The numbers themselves were largely in line with the market's expectations, with profit for the first half of 2018 doubling year-on-year to €37.7m from revenue of €273m. The results were particularly pleasing given the implementation of a new IT system which caused a disruption to revenues in May and June. Nerio Alessandri, the fitness services and equipment manufacturer's chairman and chief executive, stated that these were recovered after the end of the period, in July and August.

Spanish rail systems manufacturer Construcciones y Auxiliar de Ferrocarriles issued strong results. Revenues increased 30% to €1.27bn in the first nine months of 2018 due to the "intense pace" of rail vehicle manufacture, which encompasses over 40 projects globally. The company expects profit growth in future years to be driven by higher activity volumes, stable order intake ratios, solid conversion of its backlog and cost management efforts.

The biggest detractors from performance included Siltronic, Covestro and Natixis.

Silicon wafer supplier Siltronic was one of the detractors as the company felt the strain from the US-China trade dispute. The company has a significant exposure to Asia, which constituted 68% of its revenue in 2017. Operationally, the company's interim results were solid with high demand for wafers boosting sales by 27% year-on-year in the first six months of the year and gross profit doubling.

Premium polymer supplier Covestro issued disappointing third quarter numbers. It recorded a year-on-year increase of 4.8% in sales, of which 3.1% was a result of increasing selling prices. Ebitda was €859m, a touch lower than the same period last year as sales growth was offset by a decline in margins.

French bank Natixis said it anticipates net revenue for the fourth quarter of 2018 to be around €2bn, compared to €2.25bn in the same period last year. It stated that the decline was a result of a €260m hit charge related to a deficient hedging strategy in its Asian business.

Loomis and Oriflame Holding were sold from the portfolio after both companies' interim results showed a deterioration in cash flow characteristics. Royal Unibrew, a Danish brewing company was added.



## AVIVA INVESTORS EURO EQUITY MOM 2 FUND (CONTINUED)

### FUND MANAGER’S REPORT (CONTINUED)

#### Outlook

In October 2018 our trend indicators deteriorated to the point that a downtrend signal emerged from the data and it currently remains the case that most indexes across Europe and the US are currently mired in what we classify as a downtrend. Our valuation measure suggests a cautious outlook is warranted given that a downtrend is only a favourable forward indicator of market returns if market valuations are very cheap and this is not yet the case.

In the absence of cheap valuations, downtrends on average represent a poor equity market outlook with falling prices and high volatility. However it is the case that in the precipitous sell off of last year defensive sectors performed exceptionally well and this is usually an indicator that equity markets can enjoy some respite, if not an indicator that the market has bottomed. In addition we have noted a general absence of high corporate animal spirits that would imply markets had the potential to fall a lot further. Momentum in macroeconomic indicators is also not particularly alarming at this point. Investor anxiety has picked up markedly although not yet at levels that would suggest a more contrarian approach to stock selection is warranted.

In conclusion, whilst mindful of a negative outlook in the context of our trend and valuation indicators, we believe that the absence of high corporate animal spirits, the lack of significant downward momentum in macro indicators and the exceptional performance of defensives are all factors suggestive of a more nuanced picture in which a strongly negative outlook would not be appropriate.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Liontrust Investment Partners LLP.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

### Material Portfolio Changes

Purchases	Sales
Royal Unibrew	Loomis 'B'
Amadeus IT Group 'A'	Oriflame Holding
Moncler	Stora Enso 'R'
SimCorp	
Peugeot	
TOTAL	
Dassault Aviation	
Partners Group Holding	
Swedish Match	
Technogym	

There were only 3 sales during the period.

### Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean ‘risk free’.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund’s Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	47,015	23,251,716	202.20
	31.07.17	56,003	22,923,740	244.30
	31.07.18	54,825	21,300,985	257.38
	31.01.19	47,379	21,300,985	222.43

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	205.29	158.47
	2017	256.01	197.75
	2018	264.60	235.33
	2019**	264.07	203.84

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.05%	1.05%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	2.8284	16.23
	2017	3.7231	21.37
	2018	4.4023	25.27
	2019*	0.0000	0.00

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 97.19% (98.95%)</b>				
<b>Denmark 6.97% (3.82%)</b>				
Royal Unibrew	DKK	23,372	1,353	2.85
SimCorp	DKK	32,501	1,951	4.12
			<u>3,304</u>	<u>6.97</u>
<b>Finland 5.67% (5.92%)</b>				
Elisa	EUR	43,523	1,422	3.00
Stora Enso 'R'	EUR	123,067	1,266	2.67
			<u>2,688</u>	<u>5.67</u>
<b>France 13.83% (14.60%)</b>				
Dassault Aviation	EUR	1,425	1,641	3.46
Eramet	EUR	10,920	584	1.23
Natixis	EUR	200,530	786	1.66
Peugeot	EUR	98,703	1,873	3.95
TOTAL	EUR	39,876	1,670	3.53
			<u>6,554</u>	<u>13.83</u>
<b>Germany 12.45% (14.68%)</b>				
Covestro	EUR	26,184	1,103	2.33
Deutsche Boerse	EUR	14,160	1,436	3.03
Deutsche Pfandbriefbank	EUR	151,946	1,306	2.76
Siltronic	EUR	10,063	769	1.62
Software	EUR	46,033	1,283	2.71
			<u>5,897</u>	<u>12.45</u>
<b>Italy 11.40% (10.62%)</b>				
Mediobanca Banca di Credito Finanziario	EUR	213,380	1,424	3.01
Moncler	EUR	67,604	1,929	4.07
Technogym	EUR	232,072	2,048	4.32
			<u>5,401</u>	<u>11.40</u>
<b>Luxembourg 2.30% (2.53%)</b>				
Subsea 7	NOK	125,408	1,087	2.30
			<u>1,087</u>	<u>2.30</u>
<b>Netherlands 2.97% (2.88%)</b>				
Koninklijke Philips	EUR	47,517	1,408	2.97
			<u>1,408</u>	<u>2.97</u>
<b>Portugal 3.61% (3.48%)</b>				
EDP – Energias de Portugal	EUR	613,586	1,711	3.61
			<u>1,711</u>	<u>3.61</u>
<b>Spain 12.94% (12.71%)</b>				
Amadeus IT Group 'A'	EUR	38,263	2,105	4.44
CIE Automotive	EUR	53,095	1,120	2.36
Construcciones y Auxiliar de Ferrocarriles	EUR	16,435	562	1.19
Ence Energia y Celulosa	EUR	231,625	1,367	2.89
Merlin Properties Socimi, REIT	EUR	95,414	975	2.06
			<u>6,129</u>	<u>12.94</u>
<b>Sweden 14.29% (16.01%)</b>				
Atlas Copco 'A'	SEK	54,472	1,083	2.29
Boliden	SEK	53,704	1,021	2.15
Epiroc 'A'	SEK	54,472	392	0.83
Lundin Petroleum	SEK	64,875	1,574	3.32
Peab	SEK	186,008	1,181	2.49
Swedish Match	SEK	44,292	1,519	3.21
			<u>6,770</u>	<u>14.29</u>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value	
			£000	% of Net Assets
<b>Switzerland 10.76% (11.70%)</b>				
Cembra Money Bank	CHF	23,883	1,587	3.35
Partners Group Holding	CHF	3,353	1,756	3.71
Roche Holding	CHF	8,678	1,755	3.70
			5,098	10.76
<b>Equities total</b>			<b>46,047</b>	<b>97.19</b>
Investment assets			46,047	97.19
Net other assets			1,332	2.81
<b>Net assets</b>			<b>47,379</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(7,425)		839
Revenue	243		359	
Expenses	(263)		(297)	
Net (expense)/revenue before taxation	(20)		62	
Taxation	(1)		(70)	
Net expense after taxation		(21)		(8)
<b>Total return before distributions</b>		<b>(7,446)</b>		<b>831</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(7,446)</b>		<b>831</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>54,825</b>		<b>56,003</b>
Change in net assets attributable to shareholders from investment activities (see above)		(7,446)		831
<b>Closing net assets attributable to shareholders</b>		<b>47,379</b>		<b>56,834</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £54,825,454.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	46,047	54,249
<b>Current assets:</b>		
Debtors	137	145
Cash and bank balances	1,234	1,413
<b>Total assets</b>	<b>47,418</b>	<b>55,807</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(938)
Other creditors	(39)	(44)
<b>Total liabilities</b>	<b>(39)</b>	<b>(982)</b>
<b>Net assets attributable to shareholders</b>	<b>47,379</b>	<b>54,825</b>

## ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS APAC EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in Asia Pacific equities (excluding Japan).

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded on Regulated markets in the Asia Pacific region (excluding Japan). Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -4.5% (net of fees). The Funds benchmark, the MSCI All-Country Asia Pacific ex Japan Index, returned -4.9%.

#### Review

Positive stock selection in Korean Technology and Chinese stocks were key drivers to relative outperformance of the benchmark. Stock selection in Korea Technology was supported by the overweight allocation to NCsoft as the share price did well on strong monetization of its flagship game. We have gradually trimmed on share price strength. On other notable contributors, the nil exposure to Chinese Internet company Baidu helped as its share price was soft on weakening outlook for online advertising and more competition from alternative channels. Meanwhile, our India exposure via the SISF Indian Equity Fund underperformed the regional market as Indian financials sold off on concerns over further rate hikes by the Reserve Bank of India to support the weakening rupee. While the domestic economy of India remains solid and largely immune from the ongoing trade dispute between the US and China, the higher oil prices presented near-term headwinds to the rising trade deficit and inflation outlook of the economy. Any correction in oil prices will likely provide respite to the currency induced macroeconomic stress in India.

Asia ex Japan equities ended with declines, mostly weighed down by weaker performance in Q4. Persistent concerns over the US-China trade conflict, global uncertainty and the pace of US interest rate hikes dominated sentiment. The darkening global economic outlook further troubled investors. Notably, China's economy recorded its weakest quarterly growth since the global financial crisis. Industrial production and retail sales also slowed more than expected, heightening growth concerns. Policymakers responded with measures to support the economy, including cutting banks' reserve requirement ratios and boosting credit for small and private companies.

Across the region, export-oriented markets Taiwan, South Korea and China posted sharp declines. Taiwanese and South Korean stocks were dragged lower by steep falls in technology heavyweights. Chinese equities were negatively impacted by escalation in trade tensions, with the US moving ahead with several rounds of tariff implementation and China retaliating with measures of its own. Hong Kong equities retreated but outpaced the region as strong gains in consumer staples stocks helped mitigate losses.

Meanwhile, the plunge in crude oil prices lifted some net oil importers; Indonesia, the Philippines and India bucked the downward trend to close higher. The Indonesian rupiah was also buoyed by Bank Indonesia's surprise interest rate increase. In India, a widening rift between the government and the Reserve Bank of India culminated in the unexpected resignation of the central bank governor. A former civil servant was appointed as the new head of the central bank. Rupee weakness was also a headwind amid rising inflation and concerns over the trade deficit given oil price strength.

Portfolio activity was broad-based across countries and sectors over the last 6 months to January 2019. Key additions to stocks included Chinese Healthcare name Sinopharm, as falling interest rates help profitability for this working capital intensive business with the new medical devices business to add to growth. We had also added to another Chinese company Sinopec on share price weakness amid reports of its one-time trading losses. It is set to benefit from the implementation of IMO2020 (International Maritime Organisation regulation for a 0.50% global sulphur cap for marine fuels). Outside of China, another key buy include Samsung Fire & Marine Insurance, which we had added to on valuation grounds with good dividend support, which offers good downside protection in a volatile market.

Conversely, we had consolidated the position of Australian banks by trimming Commonwealth Bank of Australia, which we have seen as one of the most expensive among the big four banks and it also has more exposure to mortgages in Australia. We had taken partial profits in NCsoft after strong stock price performance that discounts new game launches in 2019.

#### Outlook

Asian markets started the year on a positive note as oil prices, interest rates and the significant headwinds of 2018 sharply reversed their direction. While macro-economic concerns have abated, concerns over the China slowdown and US-China trade war are still headwinds to economic growth. On the trade war issue, US and China are currently in the process of negotiating a bilateral trade agreement.

In Australia, the short term relief rally in the banks which ensued is likely to continue as the fundamental backdrop of softening interest rates is a positive for Australian banks. Lower interest rates will also be supportive of consumption and investment cycles in high capital cost countries like India, Indonesia and Philippines. After raising interest rates twice in 2018, overall benign inflationary pressure in Asia will keep the monetary policy in Asia accommodative and provide economic support.

The political calendar in South Asia will remain busy with elections in Thailand, Indonesia, Philippines (mid-term) and India due to be held in 2019. Elections in Thailand will be held on 24 March and marks the beginning of the restoration of democratic process in the country. In India, after the loss of ruling party BJP in three local elections, government has turned more populist with the announcement of cash transfers to small farmers. While this annual income support is positive for consumption, it is a medium term risk for inflation and fiscal deficit.

Consensus expects earnings growth in Asia to decelerate from close to 8% in 2018 to 6% 2019. Korea and Taiwan with heavy weights in the technology sector are likely to see negative earnings trajectory in 2019. More domestic driven economies of Indonesia, Philippines and India are expected to report highest earnings growth, in the region, in 2019.

## AVIVA INVESTORS APAC EQUITY MOM 1 FUND (CONTINUED)

## FUND MANAGER'S REPORT (CONTINUED)

**Outlook (continued)**

Despite the recent positivity around trade war resolution, we continue to be mindful of the potential growth and earnings moderation. Earnings outlook for 2019 is still of growth, albeit at a more modest pace. Consensus profitability growth expectations for 2019 remains high single digit which relies on the assumption that China will provide sufficient policy support and offset the negative drag to the economy from trade war. After the recent market bounce, valuations are looking reasonable both in terms of earnings and market value on 2019 consensus numbers and is in line with the long-term average.

**March 2019**

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Schroder Investment Management.

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**Material Portfolio Changes**

Purchases	Sales
Sinopharm Group 'H'	Commonwealth Bank of Australia
Medibank	Jardine Cycle & Carriage
Incitec Pivot	ASX
James Hardie Industries, CDI	China Mobile
Samsung Fire & Marine Insurance	NCSOFT
Hana Financial Group	Ayala Land
China Petroleum & Chemical 'H'	Ping An Insurance Group Co. of China 'H'
Oversea-Chinese Banking	Bangkok Bank
	Rio Tinto
	Novatek Microelectronics

There were only 8 purchases during the period.

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Developing market investments can be less easy to buy and sell, and their values may be influenced by the economic and political risks of the countries of issue.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.



## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	43,444	20,271,338	214.31
	31.07.17	71,264	26,871,824	265.20
	31.07.18	67,003	24,120,133	277.79
	31.01.19	62,085	23,493,763	264.26

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	218.46	162.38
	2017	271.09	211.41
	2018	287.45	261.57
	2019**	284.11	244.65

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.37%	1.36%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as “synthetic charges” or the “synthetic” part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	3.6676	19.15
	2017	3.7197	19.42
	2018	3.7064	19.35
	2019*	1.1449	5.98

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Collective Investment Schemes 9.04% (9.08%)</b>				
Schroder Indian Equity Fund Class I Accumulation USD	USD	30,602	5,611	9.04
<b>Collective Investment Schemes total</b>			<b>5,611</b>	<b>9.04</b>
<b>Equities 90.26% (91.00%)</b>				
<b>Australia 15.96% (17.63%)</b>				
Australia & New Zealand Banking Group	AUD	84,388	1,171	1.89
BHP Billiton	AUD	90,366	1,746	2.81
Brambles	AUD	155,755	919	1.48
Computershare	AUD	55,657	548	0.88
CSL	AUD	11,958	1,291	2.08
Incitec Pivot	AUD	390,470	717	1.16
Medibank	AUD	522,739	760	1.22
National Australia Bank	AUD	46,047	609	0.98
QBE Insurance Group	AUD	35,592	212	0.34
Rio Tinto	AUD	8,995	434	0.70
Westpac Banking	AUD	78,255	1,065	1.72
Woodside Petroleum	AUD	22,881	436	0.70
			9,908	15.96
<b>Bermuda 2.75% (2.67%)</b>				
Hongkong Land Holdings	USD	157,600	856	1.38
Jardine Matheson Holdings	USD	16,700	851	1.37
Peace Mark <sup>^</sup>	HKD	276,000	–	–
			1,707	2.75
<b>Cayman Islands 15.99% (15.82%)</b>				
Alibaba Group Holding, ADR	USD	20,921	2,660	4.29
China Mengniu Dairy	HKD	484,000	1,138	1.83
China Resources Land	HKD	266,888	791	1.27
Pacific Textiles Holdings	HKD	748,000	496	0.80
Sands China	HKD	68,000	246	0.40
SINA	USD	14,037	621	1.00
Tencent Holdings	HKD	106,500	3,578	5.76
Tencent Music Entertainment Group, ADR	USD	27	–	–
Vipshop Holdings, ADR	USD	68,812	395	0.64
			9,925	15.99
<b>China 10.73% (9.69%)</b>				
China Construction Bank 'H'	HKD	1,704,000	1,161	1.87
China Pacific Insurance Group 'H'	HKD	413,000	1,101	1.77
China Petroleum & Chemical 'H'	HKD	1,914,200	1,222	1.97
Industrial & Commercial Bank of China 'H'	HKD	1,702,000	1,002	1.62
Ping An Insurance Group Co. of China 'H'	HKD	84,500	623	1.00
Sinopharm Group 'H'	HKD	175,600	597	0.96
Zhuzhou CRRC Times Electric 'H'	HKD	227,100	958	1.54
			6,664	10.73
<b>Hong Kong 11.08% (10.33%)</b>				
AIA Group	HKD	426,200	2,917	4.70
BOC Hong Kong Holdings	HKD	185,000	541	0.87
China Mobile	HKD	138,500	1,107	1.79
Sun Hung Kai Properties	HKD	45,000	573	0.92
Swire Pacific 'A'	HKD	92,500	833	1.34
Swire Properties	HKD	307,000	908	1.46
			6,879	11.08
<b>Indonesia 0.37% (0.38%)</b>				
Matahari Department Store	IDR	605,500	230	0.37
			230	0.37

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Ireland 1.23% (1.42%)</b>				
James Hardie Industries, CDI	AUD	89,490	761	1.23
			761	1.23
<b>New Zealand 0.74% (0.65%)</b>				
Contact Energy	NZD	145,937	462	0.74
			462	0.74
<b>Philippines 0.30% (0.55%)</b>				
Ayala Land	PHP	283,900	185	0.30
			185	0.30
<b>Singapore 3.09% (3.68%)</b>				
Oversea-Chinese Banking	SGD	142,350	928	1.50
United Overseas Bank	SGD	34,500	493	0.79
UOL Group	SGD	132,400	497	0.80
			1,918	3.09
<b>South Korea 14.15% (13.39%)</b>				
Hana Financial Group	KRW	26,042	713	1.15
LG Chem	KRW	3,062	772	1.24
NAVER	KRW	4,525	422	0.68
NCSOFT	KRW	2,894	930	1.50
Samsung Electronics	KRW	127,973	4,053	6.53
Samsung Fire & Marine Insurance	KRW	3,115	584	0.94
SK Hynix	KRW	25,821	1,310	2.11
			8,784	14.15
<b>Taiwan 8.07% (8.88%)</b>				
ASE Technology Holding	TWD	505,682	752	1.21
Hon Hai Precision Industry	TWD	311,737	541	0.87
Novatek Microelectronics	TWD	197,000	770	1.24
Taiwan Semiconductor Manufacturing	TWD	539,000	2,950	4.75
			5,013	8.07
<b>Thailand 3.51% (3.56%)</b>				
Bangkok Bank	THB	241,700	1,304	2.10
Land & Houses, NVDR	THB	3,368,840	872	1.41
			2,176	3.51
<b>United Kingdom 0.88% (0.91%)</b>				
HSBC Holdings	HKD	84,400	547	0.88
			547	0.88
<b>United States of America 1.41% (1.44%)</b>				
ResMed, CDI	AUD	121,232	878	1.41
			878	1.41
<b>Equities total</b>			<b>56,037</b>	<b>90.26</b>
Investment assets			61,648	99.30
Net other assets			437	0.70
<b>Net assets</b>			<b>62,085</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

^ Unlisted, suspended or delisted security.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(3,264)		4,222
Revenue	762		831	
Expenses	(434)		(478)	
Net revenue before taxation	328		353	
Taxation	(52)		(54)	
Net revenue after taxation		276		299
<b>Total return before distributions</b>		<b>(2,988)</b>		<b>4,521</b>
Distributions		(276)		(299)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(3,264)</b>		<b>4,222</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>67,003</b>		<b>71,264</b>
Movement due to issue and cancellation of shares:				
Amounts payable on cancellation of shares	(1,654)		(3,383)	
		(1,654)		(3,383)
Change in net assets attributable to shareholders from investment activities (see above)		(3,264)		4,222
<b>Closing net assets attributable to shareholders</b>		<b>62,085</b>		<b>72,103</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £67,002,713.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	61,648	67,059
<b>Current assets:</b>		
Debtors	279	234
Cash and bank balances	1,261	415
<b>Total assets</b>	<b>63,188</b>	<b>67,708</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distributions payable	(269)	(628)
Other creditors	(834)	(77)
<b>Total liabilities</b>	<b>(1,103)</b>	<b>(705)</b>
<b>Net assets attributable to shareholders</b>	<b>62,085</b>	<b>67,003</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS JAPAN EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

The Fund aims to grow your investment over the long term (5 years or more) by investing in shares of Japanese companies.

### INVESTMENT POLICY

**Core investment:** At least 80% of the Fund will be invested in shares of companies which are domiciled or listed in Japan or which have significant trading activities in Japan.

**Other investments:** The Fund may also invest in other funds and up to 5% in deposits and cash.

**Strategy:** The Fund is actively managed and will invest in shares that are deemed to offer opportunities for growth.

The process for making these decisions follows detailed analysis based on a wide range of financial metrics and research. The Investment Manager looks to identify companies and sectors which the market has not accurately priced. This strategy aims to grow the Fund over the long term (5 years or more) by benefitting from the price corrections of the chosen shares as they move towards their true value as determined by the manager.

#### Performance & Risk Measurement

The Fund's performance is compared against the FTSE® World Japan Index (the "Index").

The Fund does not aim to track the Index, so may not hold every company in the Index and may also hold companies that do not form part of it. The Fund can hold larger positions in companies than they represent within the Index, but any overweight position is capped at 5% of the Fund's value over and above the index weight of that company.

The Fund uses a "tracking error" to measure the consistency between the fund's returns and the returns of the Index. In general, the lower the tracking error, the more consistent the Fund's returns are relative to the Index, and vice-versa. The Fund is expected to have an average yearly tracking error of between 3% and 9% per annum compared to the Index. In certain conditions the Fund may be outside of this range.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -10.57% (net of fees). The Funds benchmark, the FTSE® World Japan index, returned -8.89%.

#### Review

The benchmark FTSE® World Japan Index declined by 8.89% in yen terms during the review period. Equity prices in Japan followed a steep correction in the global markets towards the end of 2018, as concerns about slowing global economic growth persisted. Japan's earnings results for the first half of fiscal year 2018 failed to meet earlier estimates, while fewer Japanese companies than expected have revised their earnings guidance upwards in light of the recent deterioration in global economic prospects. This helped to fuel a continued sell-off of Japanese equities by international investors. Japanese equities, meanwhile, rebounded in January 2019 to partially erase the December losses as a more accommodative stance towards policy interest rate hikes revealed by Federal Reserve Chairman Jerome Powell, triggered a rapid turnaround in market sentiment.

Economic data appears to have been levelling off during the period, although recent data reports do not seem to indicate the level of substantial weakness that we saw during the financial crisis in 2008. Industrial Production Index figures were -0.4% (mom), +2.9%, -1.1% and -0.1% for September, October, November and December 2018, respectively. Domestic demand has been relatively stable despite the global disruption, as Total Retail Sales increased by 1.3% (yoy) in December.

During the semi-annual review period, stock selection was chiefly responsible for the underperformance, detracting by 158bp. Amid increasing concerns about the global economic outlook and intensifying trade disputes between China and the US, the market seemed to favour Japanese stocks with a defensive or stable growth outlook. As a result, the Medical and Infrastructure sectors outperformed amid a volatile market. Moreover, value oriented stocks in the portfolio failed to keep pace as market participants seemed to put less emphasis on the fundamental value of stocks and instead continued their "flight to quality" trend that persisted throughout much of 2018. In the Infrastructure sector, stock selection had a negative impact of 90bp, largely due to our position in real estate developer Tokyu Fudosan Holdings, which announced a large public offering followed by substantial underperformance. Earnings results of our favoured housing materials holding Nichiha failed to meet expectations due to a weakened domestic housing market. In the Electronics sector, stock selection had a negative impact of 58bp on the relative performance. Electronic component stocks including Taiyo Yuden and Nippon Chemi-con fell sharply as concerns about demand for smart phones and economic conditions in China seemed to accelerate the sell-off among these medium-cap cyclical stocks.

Sector allocation detracted from the relative performance by 16bp during the period. Our underweight positions in defensive sectors including Infrastructure and Medical had a negative impact of 8bp and 3bp respectively. Our overweight position in the Electronics sector also had a negative impact of 6bp on the relative performance.

#### Outlook

While global economic growth is waning, mainly in China and Europe, the Japanese stock market is likely to trace a recovery course in the near-term now that valuations have already sunk to historically low levels. Deterioration in the Chinese economy looks worse than previously expected, while Europe's economic slowdown has also become more notable as it faces headwinds from the US-China trade friction, as well as weakening Eurozone domestic demand. Responsive counter-measures from governments and central banks in the US and China are expected to help relieve the negative market sentiment. Along with the consensus view that a worst case scenario in US-China trade negotiations can be avoided, the Chinese government is clearly showing a willingness to support the domestic economy with fiscal and monetary policies. The US Federal Reserve (Fed) has recently struck a more dovish tone and seems likely to forego further rate hikes and balance sheet unwinding. However, it seems premature to take a bullish view on the broad market outlook given the remaining uncertainty about the timing and scale of such policy action, as well as the potential pull-back in 2020 from the temporary economic support measures amid the maturing global business cycle.

## AVIVA INVESTORS JAPAN EQUITY MOM 1 FUND (CONTINUED)

## FUND MANAGER'S REPORT (CONTINUED)

**Outlook (continued)**

As expected, Japanese corporate earnings announcements for 3Q FY2018 (Oct-Dec), which began in late January, are raising some difficult questions. Notably, firms with substantial business exposure to China are tending to downgrade their full-year earnings guidance figures, which look broadly worse than consensus estimates. Despite such negative announcements, however, individual stock price corrections have so far been limited, implying that the December sell-off has already reflected such negative financial results. Most firms have yet to provide a clear forecast on the timing of a demand recovery in China. Considering past inventory cycles and possible support from fiscal and monetary policies in China, we expect 4Q FY2018 (Jan-Mar) to mark a low point for corporate fundamentals.

Currency markets are still a major risk factor for Japanese equities. The current yen/US dollar exchange rate looks relatively stable, largely helped by improving investor sentiment as explained above. However, unfavourable events such as a breakdown in US-China trade negotiations that might trigger a sudden relapse to risk-off market sentiment, together with a hiatus in the Fed's monetary tightening program, could drive the yen higher; especially given the Bank of Japan's limited scope for further monetary policy easing. Even under such a negative scenario, we see a P/B ratio of around 1.0 as the downside target for Japanese equities. In the past, the TOPIX P/B ratio remained consistently below 1.0 when overall TOPIX ROE fell far below 8%. At present, the 12-month forward ROE for the TOPIX is over 9%, and basic calculations suggest that as long as any decline in FY2019 net profits is limited to 15% (yoy) or less, the TOPIX ROE average will not fall below 8%. Nomura Securities currently estimates net profit growth of Japanese Large Caps stocks (ex. Financials) of +0.2% (yoy) in FY2018 and +5.9% (yoy) in FY2019.

**March 2019**

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Nomura Asset Management.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

**Material Portfolio Changes**

Purchases	Sales
Honda Motor	Fast Retailing
Sony	NTT DOCOMO
Electric Power Development	Shionogi
Marubeni	MINEBEA MITSUMI
Sumitomo Mitsui Trust Holdings	TDK
Shimano	Nitori Holdings
Oji Holdings	Sumitomo Metal Mining
Hoya	JFE Holdings
Nippon Telegraph & Telephone	AEON Financial Service
MINEBEA MITSUMI	Mitsui Fudosan

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	214,330	125,210,846	171.18
	31.07.17	315,140	159,284,578	197.85
	31.07.18	305,012	147,048,857	207.42
	31.01.19	256,600	135,797,948	188.96

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	172.42	126.69
	2017	200.88	165.55
	2018	223.49	193.45
	2019**	213.05	181.41

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.31%	1.31%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	1.2557	8.32
	2017	1.2543	8.31
	2018	1.5565	10.32
	2019*	0.8213	5.44

\* Up to 31 March 2019 (the interim distribution payment date).



## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 99.58% (99.70%)</b>				
<b>Communication Services 6.76% (5.26%)</b>				
<b>Diversified Telecommunication Services 4.34% (1.50%)</b>				
Internet Initiative Japan	JPY	118,600	2,129	0.83
Nippon Telegraph & Telephone	JPY	275,000	9,018	3.51
			<u>11,147</u>	<u>4.34</u>
<b>Entertainment 0.41% (0.68%)</b>				
Capcom	JPY	63,700	1,040	0.41
			<u>1,040</u>	<u>0.41</u>
<b>Wireless Telecommunication Services 2.01% (3.08%)</b>				
SoftBank Group	JPY	86,100	5,149	2.01
			<u>5,149</u>	<u>2.01</u>
<b>Communication Services total</b>			<b>17,336</b>	<b>6.76</b>
<b>Consumer Discretionary 18.53% (19.80%)</b>				
<b>Auto Components 3.17% (5.61%)</b>				
Exedy	JPY	120,700	2,317	0.90
Keihin	JPY	71,100	968	0.38
NGK Spark Plug	JPY	295,300	4,846	1.89
			<u>8,131</u>	<u>3.17</u>
<b>Automobiles 7.58% (4.76%)</b>				
Honda Motor	JPY	446,300	10,179	3.97
Isuzu Motors	JPY	227,200	2,575	1.00
Mitsubishi Motors	JPY	1,017,700	4,802	1.87
Subaru	JPY	105,800	1,894	0.74
			<u>19,450</u>	<u>7.58</u>
<b>Distributors 0.00% (0.56%)</b>				
<b>Diversified Consumer Services 0.00% (0.72%)</b>				
<b>Hotels, Restaurants &amp; Leisure 0.60% (0.75%)</b>				
Saizeriya	JPY	107,300	1,551	0.60
			<u>1,551</u>	<u>0.60</u>
<b>Household Durables 3.33% (0.65%)</b>				
Fujitsu General	JPY	176,800	1,733	0.67
Sony	JPY	177,700	6,815	2.66
			<u>8,548</u>	<u>3.33</u>
<b>Leisure Products 2.93% (1.32%)</b>				
Bandai Namco Holdings	JPY	15,000	505	0.20
Shimano	JPY	45,900	4,899	1.91
Tomy	JPY	262,500	2,114	0.82
			<u>7,518</u>	<u>2.93</u>
<b>Speciality Retail 0.92% (4.51%)</b>				
Fast Retailing	JPY	6,000	2,099	0.82
Yamada Denki	JPY	68,400	257	0.10
			<u>2,356</u>	<u>0.92</u>
<b>Textiles, Apparel &amp; Luxury Goods 0.00% (0.92%)</b>				
<b>Consumer Discretionary total</b>			<b>47,554</b>	<b>18.53</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Consumer Staples 8.18% (4.64%)</b>				
<b>Food &amp; Staples Retailing 2.67% (1.98%)</b>				
Mitsubishi Shokuhin	JPY	84,000	1,677	0.66
Seven & i Holdings	JPY	155,200	5,161	2.01
			<u>6,838</u>	<u>2.67</u>
<b>Food Products 0.00% (0.70%)</b>				
<b>Personal Products 3.68% (1.11%)</b>				
Fancl	JPY	101,800	1,679	0.66
Kao	JPY	144,100	7,757	3.02
			<u>9,436</u>	<u>3.68</u>
<b>Tobacco 1.83% (0.85%)</b>				
Japan Tobacco	JPY	243,800	4,706	1.83
			<u>4,706</u>	<u>1.83</u>
<b>Consumer Staples total</b>			<b>20,980</b>	<b>8.18</b>
<b>Energy 2.21% (2.71%)</b>				
<b>Energy Equipment &amp; Services 0.40% (0.74%)</b>				
Modec	JPY	59,800	1,022	0.40
			<u>1,022</u>	<u>0.40</u>
<b>Oil, Gas &amp; Consumable Fuels 1.81% (1.97%)</b>				
Cosmo Energy Holdings	JPY	134,000	2,310	0.90
JXTG Holdings	JPY	560,300	2,332	0.91
			<u>4,642</u>	<u>1.81</u>
<b>Energy total</b>			<b>5,664</b>	<b>2.21</b>
<b>Financials 11.33% (12.04%)</b>				
<b>Banks 4.36% (4.72%)</b>				
Mitsubishi UFJ Financial Group	JPY	209,640	859	0.33
Sumitomo Mitsui Financial Group	JPY	195,000	5,533	2.16
Sumitomo Mitsui Trust Holdings	JPY	165,800	4,803	1.87
			<u>11,195</u>	<u>4.36</u>
<b>Consumer Finance 1.15% (2.60%)</b>				
Hitachi Capital	JPY	113,300	1,965	0.77
Jaccs	JPY	75,100	984	0.38
			<u>2,949</u>	<u>1.15</u>
<b>Diversified Financial Services 2.20% (1.73%)</b>				
ORIX	JPY	490,800	5,648	2.20
			<u>5,648</u>	<u>2.20</u>
<b>Insurance 3.62% (2.99%)</b>				
MS&AD Insurance Group Holdings	JPY	272,200	6,172	2.41
T&D Holdings	JPY	329,700	3,115	1.21
			<u>9,287</u>	<u>3.62</u>
<b>Financials total</b>			<b>29,079</b>	<b>11.33</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Health Care 7.28% (5.61%)</b>				
<b>Health Care Equipment &amp; Supplies 0.89% (0.00%)</b>				
Hoya	JPY	51,800	2,290	0.89
			<u>2,290</u>	<u>0.89</u>
<b>Health Care Providers &amp; Services 0.68% (0.77%)</b>				
Ship Healthcare Holdings	JPY	60,900	1,753	0.68
			<u>1,753</u>	<u>0.68</u>
<b>Pharmaceuticals 5.71% (4.84%)</b>				
Daiichi Sankyo	JPY	96,900	2,562	1.00
Otsuka Holdings	JPY	205,900	6,431	2.51
Shionogi	JPY	49,000	2,297	0.90
Takeda Pharmaceutical	JPY	82,600	2,544	0.99
Tsumura	JPY	36,300	806	0.31
			<u>14,640</u>	<u>5.71</u>
<b>Health Care total</b>			<b>18,683</b>	<b>7.28</b>
<b>Industrials 18.09% (19.48%)</b>				
<b>Air Freight &amp; Logistics 0.64% (0.38%)</b>				
Mitsui-Soko Holdings	JPY	122,500	1,651	0.64
			<u>1,651</u>	<u>0.64</u>
<b>Airlines 0.95% (0.48%)</b>				
ANA Holdings	JPY	86,400	2,430	0.95
			<u>2,430</u>	<u>0.95</u>
<b>Building Products 0.37% (1.75%)</b>				
Nichiha	JPY	49,300	963	0.37
			<u>963</u>	<u>0.37</u>
<b>Commercial Services &amp; Supplies 0.14% (0.48%)</b>				
Dai Nippon Printing	JPY	20,600	364	0.14
			<u>364</u>	<u>0.14</u>
<b>Construction &amp; Engineering 1.41% (3.67%)</b>				
Nippo	JPY	60,900	887	0.34
Shimizu	JPY	423,300	2,746	1.07
			<u>3,633</u>	<u>1.41</u>
<b>Electrical Equipment 0.68% (1.26%)</b>				
Nidec	JPY	19,000	1,736	0.68
			<u>1,736</u>	<u>0.68</u>
<b>Machinery 8.29% (8.51%)</b>				
Amada Holdings	JPY	170,000	1,302	0.51
Furukawa	JPY	223,400	2,166	0.84
Komatsu	JPY	290,800	5,638	2.20
Meidensha	JPY	74,800	768	0.30
MINEBEA MITSUMI	JPY	72,600	908	0.35
SMC	JPY	10,900	2,732	1.07
Star Micronics	JPY	142,400	1,590	0.62
Sumitomo Heavy Industries	JPY	46,100	1,188	0.46
THK	JPY	165,200	2,988	1.16
Tsubakimoto Chain	JPY	48,000	1,352	0.53
YAMABIKO	JPY	83,400	630	0.25
			<u>21,262</u>	<u>8.29</u>
<b>Professional Services 1.48% (0.96%)</b>				
Recruit Holdings	JPY	185,500	3,793	1.48
			<u>3,793</u>	<u>1.48</u>

PORTFOLIO STATEMENT (CONTINUED)  
As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Road &amp; Rail 0.00% (0.32%)</b>				
<b>Trading Companies &amp; Distributors 4.13% (1.67%)</b>				
Marubeni	JPY	1,039,900	6,178	2.41
Mitsubishi	JPY	197,500	4,411	1.72
			10,589	4.13
<b>Industrials total</b>			<b>46,421</b>	<b>18.09</b>
<b>Information Technology 11.62% (14.50%)</b>				
<b>Electronic Equipment, Instruments &amp; Components 4.40% (7.94%)</b>				
Hitachi	JPY	229,200	5,483	2.14
Ibiden	JPY	286,100	3,180	1.24
Murata Manufacturing	JPY	7,200	779	0.30
Nippon Chemi-Con	JPY	76,200	1,159	0.45
Taiyo Yuden	JPY	52,100	696	0.27
			11,297	4.40
<b>IT Services 2.66% (2.85%)</b>				
Itochu Techno-Solutions	JPY	43,100	684	0.27
NEC Networks & System Integration	JPY	25,100	423	0.16
NET One Systems	JPY	159,500	2,534	0.99
NTT Data	JPY	350,400	3,186	1.24
			6,827	2.66
<b>Semiconductors &amp; Semiconductor Equipment 2.04% (1.24%)</b>				
Disco	JPY	6,100	688	0.27
Rohm	JPY	59,000	3,161	1.23
Tokyo Seimitsu	JPY	61,800	1,373	0.54
			5,222	2.04
<b>Technology Hardware, Storage &amp; Peripherals 2.52% (2.47%)</b>				
Canon	JPY	44,600	975	0.38
Eizo	JPY	50,200	1,479	0.57
NEC	JPY	157,600	4,022	1.57
			6,476	2.52
<b>Information Technology total</b>			<b>29,822</b>	<b>11.62</b>
<b>Materials 7.79% (9.91%)</b>				
<b>Chemicals 5.08% (5.53%)</b>				
Hitachi Chemical	JPY	152,700	1,911	0.74
JSR	JPY	199,800	2,461	0.96
Mitsui Chemicals	JPY	83,300	1,593	0.62
Nippon Soda	JPY	99,800	1,931	0.75
NOF	JPY	94,700	2,381	0.93
Takasago International	JPY	24,600	579	0.23
Zeon	JPY	280,600	2,189	0.85
			13,045	5.08
<b>Metals &amp; Mining 0.98% (3.83%)</b>				
Daido Steel	JPY	32,700	1,039	0.41
JFE Holdings	JPY	19,500	262	0.10
Kobe Steel	JPY	178,900	1,091	0.43
Nippon Denko	JPY	68,500	107	0.04
			2,499	0.98
<b>Paper &amp; Forest Products 1.73% (0.55%)</b>				
Daio Paper	JPY	15,700	154	0.06
Oji Holdings	JPY	972,000	4,286	1.67
			4,440	1.73
<b>Materials total</b>			<b>19,984</b>	<b>7.79</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Real Estate 4.65% (5.09%)</b>				
<b>Equity Real Estate Investment Trusts (REITs) 0.00% (0.43%)</b>				
<b>Real Estate Management &amp; Development 4.65% (4.66%)</b>				
Daiwa House Industry	JPY	276,800	6,851	2.67
Tokyu Fudosan Holdings	JPY	1,219,600	5,070	1.98
			11,921	4.65
<b>Real Estate total</b>			<b>11,921</b>	<b>4.65</b>
<b>Utilities 3.14% (0.66%)</b>				
<b>Electric Utilities 0.78% (0.66%)</b>				
Hokkaido Electric Power	JPY	379,600	2,004	0.78
			2,004	0.78
<b>Independent Power and Renewable Electricity Producers 2.36% (0.00%)</b>				
Electric Power Development	JPY	318,500	6,065	2.36
			6,065	2.36
<b>Utilities total</b>			<b>8,069</b>	<b>3.14</b>
<b>Equities total</b>			<b>255,513</b>	<b>99.58</b>
Investment assets			255,513	99.58
Net other assets			1,087	0.42
<b>Net assets</b>			<b>256,600</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(26,405)		23,327
Revenue	3,305		3,228	
Expenses	(1,821)		(2,113)	
Net revenue before taxation	1,484		1,115	
Taxation	(330)		(313)	
Net revenue after taxation		1,154		802
<b>Total return before distributions</b>		<b>(25,251)</b>		<b>24,129</b>
Distributions		(1,154)		(802)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(26,405)</b>		<b>23,327</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>305,012</b>		<b>315,140</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	5,180		–	
Amounts payable on cancellation of shares	(27,221)		(20,340)	
		(22,041)		(20,340)
Dilution adjustment		34		24
Change in net assets attributable to shareholders from investment activities (see above)		(26,405)		23,327
<b>Closing net assets attributable to shareholders</b>		<b>256,600</b>		<b>318,151</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £305,011,859.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	255,513	304,110
<b>Current assets:</b>		
Debtors	1,753	385
Cash and bank balances	2,723	2,406
<b>Total assets</b>	<b>259,989</b>	<b>306,901</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	(1,115)	(1,561)
Other creditors	(2,274)	(328)
<b>Total liabilities</b>	<b>(3,389)</b>	<b>(1,889)</b>
<b>Net assets attributable to shareholders</b>	<b>256,600</b>	<b>305,012</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS EM EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in emerging market equities.

### INVESTMENT POLICY

The Fund will invest primarily in equity securities listed or traded in emerging markets. Limited exposure to other geographic regions may be possible. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -3.07% (net of fees). The Funds benchmark, the MSCI Emerging Markets Index, returned -2.88%.

#### Review

Emerging market equities fell over the six months ended 31 January 2019. Factors that weighed on global investor sentiment for much of the period included trade tensions between the U.S. and China, concerns about U.S. monetary policy tightening, as well as indications of a slowdown in global growth and increased political uncertainties in Europe. The U.S. Federal Reserve continued with its policy of raising interest rates. However, in the closing weeks of the period, the asset class benefited from improved investor risk appetite amid a generally more positive tone to discussions between the U.S. and China over trade. In other developments, there were indications from the U.S. Federal Reserve of a potentially more "dovish" stance on monetary policy.

The portfolio is overweight to the financials space, where we have identified good investment opportunities across several markets, including Brazil, India, and Russia. Our relatively high exposure here added value, as did stock selection, due in large part to our position in Brazilian bank Itau Unibanco. The company saw its share price outperform in the Brazilian market rally during the period. Itau Unibanco also unveiled results that showed an increase in net interest income and an improvement in the picture on provisions.

Our choice of investments in the consumer discretionary sector had a positive impact. Brazilian department store retailer Lojas Renner made a particularly strong contribution. The shares outperformed in the strong domestic market conditions. The company also unveiled results that showed an acceleration in same-store sales growth.

The portfolio is overweight to the information technology space as we look to exploit the broad trend of increased technological innovation across the developing world. The sector was one of the poorest performers in emerging markets over the period, however, and our overweight stance detracted from relative returns, as did stock selection. For example, Taiwanese firm Largan Precision, a manufacturer of precision handset camera lenses, saw its share price fall. While the company unveiled results that were ahead of expectations, forward guidance was weak on the back of lower Chinese demand. We continue to hold the stock as we believe Largan is well placed to benefit from the rising adoption of dual-camera smartphone and multi-camera augmented reality devices. The company has considerable pricing power, in our view, given its strong position in the market for high-end camera lenses for smartphones.

Our long-standing underweight to the energy sector weighed on relative returns over the period. Broadly speaking, we struggle to identify stocks in this area of the market with sufficient growth potential, while we continue to have a negative view on the longer-term outlook for the price of oil. Having said that, we have stock-specific positions in markets including Russia and the United Arab Emirates, partially as a counterbalance to our large underweight to energy; both markets are correlated to oil-price trends.

At the country level, group allocation added value; this outweighed the negative effect of stock selection. Our overweight to Brazil was beneficial, as was our choice of securities here. Stock selection in India and South Korea also boosted relative returns. On the negative side, our choice of stocks in China, Russia, and Taiwan hampered relative performance.

#### Outlook

We believe that economic growth across many developing markets could continue to be higher than in the developed world soon, with some signs that this gap, which narrowed for five years through 2015, is turning wider. We feel that those countries that push forward with reforms could do well, while countries that do not may struggle. Our view is that we are likely to see a much more uneven world going forward, with less correlation and greater divergence in performance among countries and in stocks within those countries. We will remain focused on quality companies, as we continue to believe that those leading firms will weather the tough environment and may, in fact, improve their competitive positioning.

Near-term risks include an escalation of trade war rhetoric or a worse-than-expected slowdown in China or a breakdown in its financial system or an unexpected bout of risk aversion due to geopolitical events. A stronger-than-expected U.S. dollar could also pose a risk for these markets. However, we believe that investor concerns may be overdone. The extent of the Chinese growth slowdown remains a key question, but we think policymakers have the tools to manage the transition and slowdown that is occurring in China.



## AVIVA INVESTORS EM EQUITY MOM 1 FUND (CONTINUED)

## FUND MANAGER'S REPORT (CONTINUED)

**Outlook (continued)**

In our opinion, the impact that higher U.S. interest rates will have on emerging markets may turn out to be less significant than investors fear. Higher interest rates are reviving the concerns about lower capital flows (such as foreign direct investment) and weaker currencies within these emerging market countries. But broadly speaking, we think that most emerging market countries are in better shape to weather this volatility, with improved current account positions; higher foreign exchange reserves; higher real interest rates; and currencies that, in most cases, have fallen over the past several years.

Overall, we believe the environment may remain complex, but, in our view, this could provide a good opportunity for active investors to take advantage of valuation anomalies. The emerging consumer remains a powerful force, in our view, and could, we believe, continue to drive strong growth in a variety of industries and companies, including retail, banking, technology, and the internet. With investors skeptical, valuations attractive, and fundamentals bottoming, we believe the environment appears positive for emerging markets equities and ripe for stock picking.

March 2019

\* Fund performance figures – share class 2, source Lipper Hindight, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by T Rowe Price International.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

**Material Portfolio Changes**

Purchases	Sales
China Resources Beer Holdings	Lojas Renner
First Abu Dhabi Bank	Itau Unibanco Holding Preference
Alibaba Group Holding, ADR	Ping An Insurance Group Co. of China 'H'
StoneCo 'A'	Samsung Electronics
LG Household & Health Care	First Abu Dhabi Bank
Suzano Papel e Celulose	FirstRand
B3 SA – Brasil Bolsa Balcao	Tencent Holdings
Tencent Holdings	HDFC Bank, ADR
SK Hynix	CP ALL
Komerčni banka	Alibaba Group Holding, ADR

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Developing market investments can be less easy to buy and sell, and their values may be influenced by the economic and political risks of the countries of issue.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	87,881	22,727,468	386.67
	31.07.17	113,339	23,967,847	472.88
	31.07.18	78,646	15,367,112	511.78
	31.01.19	70,467	14,202,083	496.18

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	391.24	268.73
	2017	477.59	380.39
	2018	535.49	470.44
	2019**	517.67	439.53

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	1.46%	1.46%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	1.1557	3.71
	2017	1.8944	6.08
	2018	1.7863	5.74
	2019*	0.0000	0.00

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 95.94% (97.20%)</b>				
<b>Belgium 0.40% (0.46%)</b>				
Anheuser-Busch InBev	ZAR	4,944	284	0.40
			284	0.40
<b>Bermuda 1.45% (1.20%)</b>				
Credicorp	USD	5,671	1,022	1.45
			1,022	1.45
<b>Brazil 11.33% (9.67%)</b>				
Ambev, ADR	USD	36,700	135	0.19
B3 SA – Brasil Bolsa Balcao	BRL	36,900	241	0.34
Banco Bradesco Preference	BRL	112,975	1,057	1.50
BR Malls Participacoes	BRL	82,772	251	0.36
Itau Unibanco Holding Preference	BRL	363,823	2,935	4.17
Itausa – Investimentos Itau Preference	BRL	59,700	168	0.24
Lojas Renner	BRL	141,439	1,342	1.90
Multiplan Empreendimentos Imobiliarios	BRL	39,197	210	0.30
Raia Drogasil	BRL	101,011	1,311	1.86
Suzano Papel e Celulose	BRL	34,200	333	0.47
			7,983	11.33
<b>Cayman Islands 21.05% (22.04%)</b>				
58.com, ADR	USD	6,400	301	0.42
AAC Technologies Holdings	HKD	46,000	217	0.31
Alibaba Group Holding, ADR	USD	37,617	4,783	6.79
Baidu, ADR	USD	9,320	1,203	1.71
China Mengniu Dairy	HKD	473,000	1,112	1.58
Ctrip.com International, ADR	USD	25,100	620	0.88
Hengan International Group	HKD	131,500	786	1.11
StoneCo 'A'	USD	14,663	240	0.34
Sunny Optical Technology Group	HKD	43,600	326	0.46
TAL Education Group, ADR	USD	6,098	140	0.20
Tencent Holdings	HKD	152,000	5,107	7.25
Tencent Music Entertainment Group, ADR	USD	41	–	–
			14,835	21.05
<b>Chile 1.94% (2.03%)</b>				
Banco Santander Chile, ADR	USD	37,500	914	1.30
SACI Falabella	CLP	74,104	453	0.64
			1,367	1.94
<b>China 4.13% (4.58%)</b>				
Anhui Conch Cement 'H'	HKD	232,500	957	1.36
China Longyuan Power Group 'H'	HKD	383,000	218	0.31
Huaneng Renewables 'H'	HKD	1,174,000	255	0.36
Ping An Insurance Group Co. of China 'H'	HKD	201,000	1,482	2.10
			2,912	4.13
<b>Colombia 0.34% (0.35%)</b>				
Grupo Aval Acciones y Valores, ADR Preference	USD	45,456	236	0.34
			236	0.34
<b>Czech Republic 0.27% (0.00%)</b>				
Komerční banka	CZK	6,201	191	0.27
			191	0.27
<b>Hong Kong 0.97% (0.61%)</b>				
China Resources Beer Holdings	HKD	152,000	405	0.58
CSPC Pharmaceutical Group	HKD	212,000	277	0.39
			682	0.97

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Hungary 0.77% (0.61%)</b>				
OTP Bank	HUF	17,206	545	0.77
			545	0.77
<b>India 6.13% (7.39%)</b>				
Axis Bank, GDR	USD	16,514	638	0.91
HDFC Bank, ADR	USD	31,840	2,323	3.30
ICICI Bank, ADR	USD	14,948	120	0.17
Infosys, ADR	USD	93,612	756	1.07
Mahindra & Mahindra, GDR	USD	43,191	316	0.45
State Bank of India, GDR	USD	2,712	86	0.12
Tata Motors, ADR	USD	8,199	79	0.11
			4,318	6.13
<b>Indonesia 3.12% (2.42%)</b>				
Astra International	IDR	1,815,700	835	1.19
Bank Central Asia	IDR	885,500	1,360	1.93
			2,195	3.12
<b>Mexico 1.45% (1.88%)</b>				
Grupo Aeroportuario del Sureste, ADR	USD	2,370	324	0.46
Wal-Mart de Mexico	MXN	351,300	701	0.99
			1,025	1.45
<b>Netherlands 1.03% (0.98%)</b>				
X5 Retail Group, GDR	USD	15,287	305	0.43
Yandex 'A'	USD	16,400	422	0.60
			727	1.03
<b>Philippines 2.45% (2.65%)</b>				
BDO Unibank	PHP	29,265	58	0.08
GT Capital Holdings	PHP	12,290	192	0.27
SM Investments	PHP	62,425	905	1.28
Universal Robina	PHP	265,470	574	0.82
			1,729	2.45
<b>Russia 3.20% (3.29%)</b>				
Sberbank of Russia, ADR	USD	218,108	2,255	3.20
			2,255	3.20
<b>South Africa 8.19% (8.54%)</b>				
Absa Group	ZAR	38,011	405	0.57
Bid	ZAR	19,324	317	0.45
Clicks Group	ZAR	33,556	384	0.55
FirstRand	ZAR	249,621	1,000	1.42
Mr Price Group	ZAR	15,269	198	0.28
Naspers 'N'	ZAR	6,766	1,183	1.68
Nedbank Group	ZAR	7,593	125	0.18
Sanlam	ZAR	255,950	1,250	1.77
Shoprite Holdings	ZAR	96,732	910	1.29
			5,772	8.19
<b>South Korea 11.35% (10.38%)</b>				
Amorepacific	KRW	1,176	147	0.21
AMOREPACIFIC Group	KRW	2,337	110	0.16
LG Household & Health Care	KRW	2,481	2,152	3.05
NAVER	KRW	7,652	714	1.01
Samsung Electronics	KRW	153,406	4,685	6.65
SK Hynix	KRW	3,765	191	0.27
			7,999	11.35

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Taiwan 10.00% (11.31%)</b>				
Catcher Technology	TWD	64,000	367	0.52
Largan Precision	TWD	19,000	1,783	2.53
President Chain Store	TWD	70,000	559	0.79
Taiwan Semiconductor Manufacturing	TWD	700,000	3,831	5.44
Uni-President Enterprises	TWD	283,878	507	0.72
			7,047	10.00
<b>Thailand 2.58% (2.52%)</b>				
Airports of Thailand	THB	270,000	453	0.64
CP ALL	THB	718,600	1,364	1.94
			1,817	2.58
<b>Turkey 0.53% (0.56%)</b>				
BIM Birlesik Magazalar	TRY	28,076	371	0.53
			371	0.53
<b>United Arab Emirates 2.27% (2.18%)</b>				
DP World	USD	19,707	257	0.37
Emaar Malls	AED	224,094	72	0.10
First Abu Dhabi Bank	AED	414,171	1,267	1.80
			1,596	2.27
<b>United Kingdom 0.00% (0.50%)</b>				
<b>United States of America 0.44% (0.57%)</b>				
Southern Copper	USD	12,200	313	0.44
			313	0.44
<b>Virgin Islands, British 0.55% (0.48%)</b>				
Mail.Ru Group, GDR Preference	USD	20,271	388	0.55
			388	0.55
<b>Equities total</b>			<b>67,609</b>	<b>95.94</b>
Investment assets			67,609	95.94
Net other assets			2,858	4.06
<b>Net assets</b>			<b>70,467</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital (losses)/gains		(2,440)		12,723
Revenue	541		675	
Expenses	(545)		(778)	
Net expense before taxation	(4)		(103)	
Taxation	(81)		(87)	
Net expense after taxation		(85)		(190)
<b>Total return before distributions</b>		<b>(2,525)</b>		<b>12,533</b>
Distributions		2		–
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(2,523)</b>		<b>12,533</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>78,646</b>		<b>113,339</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	2,147		1,830	
Amounts payable on cancellation of shares	(7,814)		(14,649)	
		(5,667)		(12,819)
Dilution adjustment		11		30
Change in net assets attributable to shareholders from investment activities (see above)		(2,523)		12,533
<b>Closing net assets attributable to shareholders</b>		<b>70,467</b>		<b>113,083</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £78,646,099.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	67,609	76,445
<b>Current assets:</b>		
Debtors	1,358	373
Cash and bank balances	6,125	2,201
<b>Total assets</b>	<b>75,092</b>	<b>79,019</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Distribution payable	–	(275)
Other creditors	(4,625)	(98)
<b>Total liabilities</b>	<b>(4,625)</b>	<b>(373)</b>
<b>Net assets attributable to shareholders</b>	<b>70,467</b>	<b>78,646</b>

## ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS UK GILTS MOM 1 FUND

### INVESTMENT OBJECTIVE

To achieve income (with some prospect for long-term capital growth) by investing primarily in UK government fixed interest securities.

### INVESTMENT POLICY

The Fund will invest primarily in UK government fixed interest securities listed or traded on Regulated markets in the UK. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: Sterling gilts, index linked gilts, Sterling, US dollar and Euro denominated investment grade credit, money market instruments, collective investment schemes and deposits. In addition to the instruments detailed above, on an ancillary basis and not exceeding 10% of the value of the scheme property, the Fund may invest in credit which is deemed to be below investment grade.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned 1.41% (net of fees). The Funds benchmark, the FTSE® British Government All Stocks Index, returned 1.58%.

#### Review

It was a period of contrasting fortunes for the gilt market. With the summer months bringing strong UK economic data, especially into the end of the third quarter, the Bank of England (BoE) continued to give hawkish guidance on monetary policy whilst keeping interest rates unchanged due to the ongoing Brexit negotiations. This resulted in a steepening of the yield curve, a trend for which the Fund was positioned. Alongside this curve steepening position, the Fund went into November with a bearish bias towards UK rates, thereby anticipating gilt yields to rise. However, the position detracted from performance as gilt yields fell sharply following the surprise resignation of the Brexit secretary, Dominic Raab. Nevertheless, once again the curve-steepening trade offset some of this negative performance, as did a long position in German Bunds, which was held towards the end of the year. The start of 2019 saw renewed volatility, with sentiment being dominated by a dovish shift on monetary policy by the US Federal Reserve and weaker economic data globally, which caused a rally in fixed income assets. Through this turbulence the Fund was positioned with a long duration bias in the UK, US and Germany. With yields moving lower over the month, these positions therefore helped the Fund begin the new year well.

Gilts made modest gains over the review period, with long-dated issues profiting the most market expectations that the pace of interest rate rises globally would slacken in 2019. However, this was not the case early in the period as yields spiked on suggestions that US interest rate hikes would have to be accelerated to offset the inflationary pressures of more expensive oil and a strong recovery by the American economy. This unwound into the year-end, however, as investors became concerned about the sustainability of global growth in the context of increased trade tensions and political problems in Italy. In the UK, monetary policy was tightened once, taking the base up to 0.75% in August. The BoE indicated that it was looking to continue to raise interest rates to more historically normal levels, despite the uncertainty created by a potential no-deal Brexit. However, falling growth forecasts and ongoing political deadlock over Brexit led to fading prospects of further hikes in the short term. This sentiment was underscored by an unexpected fall of consumer inflation to just below the BoE target.

The Fund was positioned for a steepening of the yield curve, which anticipated the yields of long-dated gilts rising by a greater magnitude than those of shorter-dated gilts. This was a consequence of the Brexit-driven uncertainty hanging over the economy, interest rate policy and the political situation. We did, however, adjust tactically the Fund's interest rate sensitivity in order to exploit opportunities as they developed. During the period we also looked for cross-market trades where we saw value discrepancies between gilts and the sovereign bonds of other countries. Once successful strategy towards the end of 2018 was to take a position anticipating relative strength in German Bunds.

#### Outlook

The near-term prospects for the gilt market will be dominated by Brexit as the UK's negotiations on its terms to leave the EU enter their most critical phase. Were the UK to leave the EU without a deal, it would represent a major short-term threat to the economy and would potentially force the BoE into cutting interest rates once again and/or even bringing back quantitative easing. Such developments would underpin the gilt market. However, were a constructive deal on trade be concluded, then gilt investors would likely refocus on broader global trends. With the BoE looking for an opportunity to raise interest rates, this could well exert upward pressure on yields, despite a backdrop of benign growth and unthreatening inflation.

#### March 2019

\* Fund performance figures –share class 2, source Lipper Hindsight, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Aviva Investors Global Services Limited.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.



## AVIVA INVESTORS UK GILTS MOM 1 FUND (CONTINUED)

### Material Portfolio Changes

Purchases	Sales
UK Treasury 1.63% 22/10/2028	UK Treasury 4.50% 07/03/2019
UK Treasury 4.50% 07/03/2019	UK Treasury 1.25% 22/07/2027
UK Treasury 1.25% 22/07/2027	UK Treasury 1.50% 22/07/2047
UK Treasury 1.75% 22/07/2019	UK Treasury 1.75% 22/07/2019
UK Treasury 3.75% 07/09/2019	UK Treasury 1.75% 22/07/2057
UK Treasury 1.50% 22/07/2047	UK Treasury 1.50% 22/01/2021
UK Treasury 1.75% 22/07/2057	UK Treasury 1.75% 07/09/2022
UK Treasury 4.25% 07/12/2040	UK Treasury 3.75% 07/09/2020
UK Treasury 2.50% 22/07/2065	UK Treasury 2.25% 07/09/2023
UK Treasury 4.50% 07/09/2034	UK Treasury 3.75% 22/07/2052

### Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean ‘risk free’.
- Bond values are affected by changes in interest rates.
- Further information on the risks applicable to the Fund is detailed in the Fund’s Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	91,970	72,055,485	127.64
	31.07.17	66,487	54,546,750	121.89
	31.07.18	27,617	22,873,596	120.74
	31.01.19	27,844	22,873,596	121.73

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	128.62	113.65
	2017	132.19	119.86
	2018	124.83	118.11
	2019**	122.80	116.78

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	0.78%	0.78%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	1.5187	13.12
	2017	1.3783	11.90
	2018	1.4968	12.93
	2019*	0.7117	6.15

\* Up to 31 March 2019 (the interim distribution payment date).

## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Government Bonds 99.19% (94.77%)</b>				
<b>United Kingdom 99.19% (94.77%)</b>				
UK Treasury 1.75% 22/07/2019	GBP	3,316,018	3,331	11.96
UK Treasury 3.75% 07/09/2019	GBP	1,750,000	1,781	6.40
UK Treasury 2.00% 22/07/2020	GBP	833,821	849	3.05
UK Treasury 3.75% 07/09/2020	GBP	990,324	1,037	3.73
UK Treasury 1.50% 22/01/2021	GBP	1,186,384	1,203	4.32
UK Treasury 1.75% 07/09/2022	GBP	1,097,120	1,133	4.07
UK Treasury 2.25% 07/09/2023	GBP	884,184	939	3.37
UK Treasury 1.25% 22/07/2027	GBP	1,406,600	1,420	5.10
UK Treasury 1.63% 22/10/2028	GBP	4,450,296	4,612	16.56
UK Treasury 4.50% 07/09/2034	GBP	1,139,008	1,607	5.77
UK Treasury 4.25% 07/09/2039	GBP	613,078	891	3.20
UK Treasury 4.25% 07/12/2040	GBP	925,541	1,362	4.89
UK Treasury 1.50% 22/07/2047	GBP	4,700,470	4,472	16.06
UK Treasury 3.75% 22/07/2052	GBP	652,515	1,002	3.60
UK Treasury 1.75% 22/07/2057	GBP	210,469	217	0.78
UK Treasury 2.50% 22/07/2065	GBP	296,805	383	1.38
UK Treasury 1.63% 22/10/2071	GBP	1,367,591	1,379	4.95
			27,618	99.19
<b>Government Bonds total</b>			<b>27,618</b>	<b>99.19</b>
<b>Forward Currency Contracts 0.00% ((0.02)%)</b>				
Buy GBP 272,225 sell USD 354,882 dated 21/02/2019			2	0.01
Buy USD 354,882 sell EUR 311,988 dated 21/02/2019			(3)	(0.01)
<b>Forward Currency Contracts total</b>			<b>(1)</b>	<b>-</b>
<b>Futures 0.02% ((0.01)%)</b>				
Euro-Buxl 07/03/2019	EUR	2	2	0.01
Long Gilt 27/03/2019	GBP	3	1	-
US 10 Year Note 20/03/2019	USD	27	4	0.01
<b>Futures total</b>			<b>7</b>	<b>0.02</b>
Investment assets			27,624	99.21
Net other assets			220	0.79
<b>Net assets</b>			<b>27,844</b>	<b>100.00</b>

All holdings are debt securities and admitted to an official stock exchange unless otherwise stated.  
The comparative percentage figures in brackets are as at 31 July 2018.

## Debt Security Credit Analysis

	Market Value £000	% of Net Assets
<b>Bonds</b>		
- Investment Grade*	27,618	99.19
<b>Debt securities total</b>	<b>27,618</b>	<b>99.19</b>

\* Investment grade refers to the quality of a company's credit. A rating of 'BBB' or higher is considered an investment grade issue.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital gains/(losses)		335		(755)
Revenue	163		419	
Expenses	(108)		(269)	
Net revenue before taxation	55		150	
Taxation	-		-	
Net revenue after taxation		55		150
<b>Total return before distributions</b>		<b>390</b>		<b>(605)</b>
Distributions		(163)		(402)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>227</b>		<b>(1,007)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>27,617</b>		<b>66,487</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	-		3,194	
Amounts payable on cancellation of shares	-		(1,058)	
		-		2,136
Dilution adjustment		-		1
Change in net assets attributable to shareholders from investment activities (see above)		227		(1,007)
<b>Closing net assets attributable to shareholders</b>		<b>27,844</b>		<b>67,617</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £27,617,342.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	27,627	26,173
<b>Current assets:</b>		
Debtors	129	173
Cash and bank balances	192	1,379
<b>Total assets</b>	<b>27,948</b>	<b>27,725</b>
<b>Liabilities:</b>		
Investment liabilities	(3)	(9)
<b>Creditors:</b>		
Distribution payable	(84)	(81)
Other creditors	(17)	(18)
<b>Total liabilities</b>	<b>(104)</b>	<b>(108)</b>
<b>Net assets attributable to shareholders</b>	<b>27,844</b>	<b>27,617</b>

## ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS UK CREDIT MOM 1 FUND

### INVESTMENT OBJECTIVE

To achieve income (with some prospect for long-term capital growth) by investing primarily in UK corporate fixed interest securities.

### INVESTMENT POLICY

The Fund will invest primarily in UK corporate fixed interest securities listed or traded on Regulated Markets in the UK. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: Sterling denominated investment grade credit, overseas investment grade credit (hedged), gilts, overseas government bonds (hedged), money market instruments, collective investment schemes and deposits. In addition to the instruments detailed above, on an ancillary basis and not exceeding 10% of the value of the scheme property, the Fund may invest in credit which is deemed to be below investment grade.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned 1.28% (net of fees). The Funds benchmark returned 1.21%.

#### Review

The Sterling credit market returned 1.21% over the period 31 July 2018 to 31 January 2019. Spreads widened by 24 bps, as volatility picked up alongside a broad risk-off environment, concerns over peaking growth and continued political tensions.

We continue to overweight credit risk but we have de-risked as credit markets are closer to fair value. We are focusing on relative value opportunities between sectors and companies to drive returns, preferring companies with high barriers to entry, superior growth potential, strong pricing power, favorable asset quality and management teams which support bondholders while avoiding those which lack those characteristics. We expect volatility to increase as monetary stimulus from Central Banks has been largely removed from markets, and also appreciate that we are approaching late cycle. We remain defensively positioned whilst focusing on security selection opportunities.

The main contributor to performance came from duration strategies, while spread strategies detracted from performance. Currency strategies were flat over the timeframe.

Contributors over the period included, overweight exposure to the belly of the US curve as yields decreased in most segments across the curve by between 20 bps to 45 bps.

Portfolio avoided selection of certain commercial-mortgaged backed securities (CMBS) that were part of the benchmark; these CMBS securities underperformed over the period which boosted alpha.

Detractors over the period included, overweight the consumer services and retail sectors as spreads widened over the period, detracting from performance.

Overweight to the financial sector as spreads widened over the timeframe which subtracted from performance.

#### Outlook

In the U.S., following expansion of close to 3% during 2018, we continue to expect real GDP growth to average a below-consensus 2% to 2.5% in 2019, reflecting the recent tightening of financial conditions, fading fiscal stimulus and slower growth in China and elsewhere. Growth momentum is likely to moderate during the year, converging to trend growth of just below 2% during the second half. We expect employment growth to moderate in 2019 and average around 150,000 nonfarm payroll gains per month, which would still exceed the level of job gains that is consistent with a stable unemployment rate over time. Headline inflation looks set to drop sharply over the next several months, reflecting base effects and the recent plunge in oil prices. Meanwhile, core CPI inflation of about 2% is expected to trend sideways as inflation expectations remain anchored and the (inflation) Phillips curve is quite flat. Against this backdrop, following the expected December rate hike to a target range of 2.25% to 2.5%, we expect one or two more increases in the fed funds rate by the end of 2019, with a high chance of the Fed pausing or even ending the hiking cycle in the first half of the year.

We expect Eurozone GDP growth to slow to a below-consensus 1.0% to 1.5% range in 2019 from close to 2% in 2018. Our downward revision from September reflects the tightening in financial conditions in Italy, which will take a toll on growth, as well as weaker global growth. Core consumer price inflation has been stuck at around 1% for several years now, but we expect it to pick up somewhat over the next year as unemployment is likely to keep falling and wage growth has accelerated, particularly in Germany. Yet, this would still fall short of the ECB's own forecasts and keep inflation under the "below but close to 2%" objective. Nonetheless, the ECB has ended its net asset purchases, and a first rate hike may be implemented during the second half of 2019. However, if a pause by the Fed occurs in the first half of 2019, which looks quite likely, and the euro appreciates significantly versus the U.S. dollar in response, the ECB may well extend its forward guidance of unchanged rates into the following year.

In the U.K., we see nominal GDP growth in 2019 in line with consensus but expect a more favorable split between real output growth and inflation. Our forecast of real GDP growth in a range of 1.25% to 1.75% is based on our expectation that a chaotic no-deal Brexit will be avoided as there will either be a deal on a transition agreement that will be accepted by U.K. Parliament or an extended stop-the-clock negotiation period. Our below-consensus inflation forecast sees inflation coming back to the 2% target over the course of next year as import price pressures fade and weak wage growth keeps service sector inflation subdued. Against this backdrop, we see one to two additional rate hikes from the Bank of England over the next year.

We expect moderate GDP growth in Japan in 2019 in a 0.75% to 1.25% range, supported by a tight labor market and a supportive fiscal stance. The consumption tax hike currently planned for October 2019 will cause some quarterly volatility in consumption as households will aim to bring forward purchases of large-ticket items. We expect the BOJ to further tweak its Japanese government bond (JGB) buying operations and to continue to stealth taper its purchases, with lower purchases in the 10-plus year sector contributing to a further steepening of the yield curve. This is aimed at easing some of the negative side effects of the low interest rate environment on the financial sector.

## AVIVA INVESTORS UK CREDIT MOM 1 FUND (CONTINUED)

## FUND MANAGER'S REPORT (CONTINUED)

**Outlook (continued)**

For China, our baseline forecast is for 2019 GDP growth to slow to the middle of a 5.5% to 6.5% range, which is meant to convey the large uncertainties around the outlook caused by trade tensions with the U.S., domestic pressure to deleverage, and economic policy that tries to satisfy partially conflicting targets (e.g., growth and employment versus financial stability). Any further currency depreciation against the U.S. dollar is likely to be moderate in our baseline scenario. However, if trade negotiations between the U.S. and China fail and tensions escalate, we would expect monetary easing and sharp currency depreciation.

**March 2019**

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Kames Capital.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

**Material Portfolio Changes**

Purchases	Sales
Western Power Distribution 3.50% 16/10/2026	Western Power Distribution 3.50% 16/10/2026
Volkswagen International Finance 3.38% 16/11/2026	Lloyds Banking Group, FRN 7.63% Perpetual
BNP Paribas 3.38% 23/01/2026	UBS, FRN 6.38% 19/11/2024
UniCredit 7.83% 04/12/2023	Metropolitan Life Global Funding I 3.50% 30/09/2026
GE Capital UK Funding 5.88% 18/01/2033	JPMorgan Chase 3.50% 18/12/2026
WPC Eurobond, REIT 2.25% 09/04/2026	Wells Fargo 4.63% 02/11/2035
Tesco Corporate Treasury Services 1.38% 24/10/2023	General Electric 4.88% 18/09/2037
Electricite de France 5.50% 17/10/2041	Westfield America Management 2.63% 30/03/2029
Barclays, FRN 7.75% Perpetual	Imperial Brands Finance 5.50% 28/09/2026
John Lewis 6.13% 21/01/2025	Prudential, FRN 5.00% 20/07/2055

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	97,632	93,126,919	104.84
	31.07.17	69,168	66,746,623	103.63
	31.07.18	66,318	66,402,542	99.87
	31.01.19	68,594	69,070,434	99.31

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	106.12	96.37
	2017	109.10	101.18
	2018	105.78	100.20
	2019**	101.19	97.95

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	0.79%	0.79%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	3.0997	30.90
	2017	3.4703	34.60
	2018	3.3888	33.79
	2019*	1.4332	14.29

\* Up to 31 March 2019 (the interim distribution payment date).



## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Government Bonds 3.98% (3.96%)</b>				
<b>Canada 0.15% (0.15%)</b>				
Province of Quebec Canada 1.50% 15/12/2023	GBP	100,000	100	0.15
			100	0.15
<b>United Kingdom 3.83% (3.81%)</b>				
UK Treasury 1.50% 22/07/2047	GBP	2,550,000	2,426	3.54
UK Treasury 1.75% 22/01/2049	GBP	200,000	202	0.29
			2,628	3.83
<b>Government Bonds total</b>			<b>2,728</b>	<b>3.98</b>
<b>Corporate Bonds 86.63% (87.97%)</b>				
<b>Australia 1.12% (2.08%)</b>				
BHP Billiton Finance 3.25% 25/09/2024	GBP	150,000	162	0.24
BHP Billiton Finance 4.30% 25/09/2042	GBP	200,000	255	0.37
Vicinity Centres Trust, REIT 3.38% 07/04/2026	GBP	150,000	156	0.23
Westfield America Management 2.13% 30/03/2025	GBP	150,000	148	0.21
Westfield America Management 2.63% 30/03/2029	GBP	50,000	49	0.07
			770	1.12
<b>Belgium 0.87% (0.91%)</b>				
Anheuser-Busch InBev 1.75% 07/03/2025	GBP	300,000	288	0.42
Anheuser-Busch InBev 4.00% 24/09/2025	GBP	150,000	164	0.24
Anheuser-Busch InBev 2.25% 24/05/2029	GBP	150,000	141	0.21
			593	0.87
<b>Cayman Islands 0.00% (0.83%)</b>				
<b>Denmark 0.49% (0.51%)</b>				
AP Moller – Maersk 4.00% 04/04/2025	GBP	150,000	154	0.22
Orsted 4.88% 12/01/2032	GBP	150,000	184	0.27
			338	0.49
<b>France 7.36% (5.65%)</b>				
AXA, FRN 5.63% 16/01/2054	GBP	150,000	165	0.24
AXA, FRN 5.45% Perpetual	GBP	200,000	208	0.30
Banque Federative du Credit Mutuel 2.25% 18/12/2023	GBP	200,000	201	0.29
BNP Paribas 5.75% 24/01/2022	GBP	100,000	110	0.16
BNP Paribas 3.38% 23/01/2026	GBP	400,000	406	0.59
BNP Paribas, FRN 2.13% 23/01/2027	EUR	100,000	89	0.13
Bouygues 5.50% 06/10/2026	GBP	100,000	119	0.17
BPCE 2.13% 16/12/2022	GBP	200,000	201	0.29
BPCE 5.25% 16/04/2029	GBP	200,000	232	0.34
Credit Agricole 0.75% 05/12/2023	EUR	100,000	88	0.13
Credit Agricole, FRN 7.50% Perpetual	GBP	100,000	107	0.16
Dexia Credit Local 2.13% 12/02/2025	GBP	900,000	919	1.34
Electricite de France 4.50% 21/09/2028	USD	200,000	152	0.22
Electricite de France 5.88% 18/07/2031	GBP	150,000	194	0.28
Electricite de France 6.13% 02/06/2034	GBP	100,000	134	0.20
Electricite de France 5.50% 27/03/2037	GBP	200,000	253	0.37
Electricite de France 5.50% 17/10/2041	GBP	400,000	516	0.75
Engie 5.00% 01/10/2060	GBP	100,000	147	0.22
Orange 5.25% 05/12/2025	GBP	250,000	298	0.44
Orange 5.63% 23/01/2034	GBP	150,000	195	0.29
SNCF Mobilites 5.38% 18/03/2027	GBP	100,000	126	0.18
Teleperformance 1.88% 02/07/2025	EUR	100,000	87	0.13
Total Capital International 1.25% 16/12/2024	GBP	100,000	98	0.14
			5,045	7.36

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Germany 4.15% (4.38%)</b>				
Deutsche Bahn Finance 3.13% 24/07/2026	GBP	150,000	164	0.24
Deutsche Bank 1.88% 28/02/2020	GBP	300,000	297	0.43
Kreditanstalt fuer Wiederaufbau 5.50% 18/06/2025	GBP	1,250,000	1,561	2.27
Kreditanstalt fuer Wiederaufbau 5.75% 07/06/2032	GBP	500,000	739	1.08
Volkswagen Bank 2.50% 31/07/2026	EUR	100,000	88	0.13
			2,849	4.15
<b>Guernsey 0.50% (0.52%)</b>				
Credit Suisse Group Funding Guernsey 2.75% 08/08/2025	GBP	350,000	345	0.50
			345	0.50
<b>Ireland 0.76% (0.30%)</b>				
GE Capital UK Funding 5.88% 18/01/2033	GBP	450,000	522	0.76
			522	0.76
<b>Italy 0.91% (0.63%)</b>				
Assicurazioni Generali, FRN 6.42% Perpetual	GBP	100,000	101	0.15
Enel 5.75% 22/06/2037	GBP	100,000	121	0.17
UniCredit 7.83% 04/12/2023	USD	500,000	405	0.59
			627	0.91
<b>Japan 0.28% (0.29%)</b>				
East Japan Railway 4.50% 25/01/2036	GBP	150,000	192	0.28
			192	0.28
<b>Jersey 4.28% (4.45%)</b>				
AA Bond 2.75% 31/07/2043	GBP	100,000	87	0.13
AA Bond 2.88% 31/07/2043	GBP	250,000	230	0.34
AA Bond 4.25% 31/07/2043	GBP	150,000	152	0.22
AA Bond 4.88% 31/07/2043	GBP	400,000	379	0.55
Atrium European Real Estate 3.00% 11/09/2025	EUR	100,000	89	0.13
CPUK Finance 3.59% 28/02/2042	GBP	150,000	157	0.23
Glencore Finance Europe 6.00% 03/04/2022	GBP	150,000	166	0.24
Heathrow Funding 5.23% 15/02/2023	GBP	150,000	170	0.25
Heathrow Funding 7.13% 14/02/2024	GBP	600,000	722	1.05
Heathrow Funding 6.75% 03/12/2028	GBP	150,000	195	0.29
HSBC Bank Capital Funding Sterling 1, FRN 5.84% Perpetual	GBP	150,000	185	0.27
Kennedy Wilson Europe Real Estate 3.95% 30/06/2022	GBP	400,000	400	0.58
			2,932	4.28
<b>Luxembourg 1.06% (0.85%)</b>				
Aroundtown 3.25% 18/07/2027	GBP	100,000	97	0.14
Aroundtown 3.00% 16/10/2029	GBP	300,000	279	0.40
Bevco Lux 1.75% 09/02/2023	EUR	100,000	87	0.13
CPI Property Group 1.45% 14/04/2022	EUR	100,000	87	0.13
Logicor Financing 1.50% 14/11/2022	EUR	100,000	87	0.13
Logicor Financing 2.25% 13/05/2025	EUR	100,000	87	0.13
			724	1.06
<b>Mexico 0.35% (0.35%)</b>				
America Movil 4.95% 22/07/2033	GBP	100,000	123	0.18
America Movil 4.38% 07/08/2041	GBP	100,000	118	0.17
			241	0.35
<b>Netherlands 7.03% (5.84%)</b>				
Bank Nederlandse Gemeenten 5.20% 07/12/2028	GBP	400,000	521	0.76
Cooperatieve Rabobank 5.25% 14/09/2027	GBP	250,000	286	0.42
Cooperatieve Rabobank 4.63% 23/05/2029	GBP	250,000	276	0.40
Cooperatieve Rabobank, FRN 6.91% Perpetual	GBP	100,000	137	0.20
Deutsche Telekom International Finance 2.50% 10/10/2025	GBP	100,000	101	0.15
Deutsche Telekom International Finance 7.63% 15/06/2030	GBP	100,000	145	0.21
E.ON International Finance 6.38% 07/06/2032	GBP	400,000	542	0.79
E.ON International Finance 5.88% 30/10/2037	GBP	100,000	135	0.20
Enel Finance International 5.63% 14/08/2024	GBP	250,000	285	0.42

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Netherlands 7.03% (5.84%) (continued)</b>				
ING Groep 2.50% 15/11/2030	EUR	100,000	92	0.13
innogy Finance 6.25% 03/06/2030	GBP	250,000	327	0.48
innogy Finance 4.75% 31/01/2034	GBP	400,000	472	0.69
Koninklijke KPN 5.00% 18/11/2026	GBP	150,000	166	0.24
Koninklijke KPN 5.75% 17/09/2029	GBP	150,000	177	0.26
Nederlandse Waterschapsbank 5.38% 07/06/2032	GBP	100,000	139	0.20
Volkswagen Financial Services 1.88% 07/09/2021	GBP	100,000	99	0.14
Volkswagen Financial Services 1.75% 12/09/2022	GBP	250,000	244	0.36
Volkswagen International Finance 3.38% 16/11/2026	GBP	500,000	503	0.73
WPC Eurobond, REIT 2.25% 09/04/2026	EUR	200,000	175	0.25
			4,822	7.03
<b>Singapore 0.55% (0.33%)</b>				
SingTel Group Treasury 3.88% 28/08/2028	USD	200,000	155	0.23
Temasek Financial I 5.13% 26/07/2040	GBP	150,000	220	0.32
			375	0.55
<b>Spain 0.50% (0.52%)</b>				
Telefonica Emisiones 5.29% 09/12/2022	GBP	150,000	167	0.24
Telefonica Emisiones 5.38% 02/02/2026	GBP	150,000	174	0.26
			341	0.50
<b>Sweden 0.27% (0.38%)</b>				
Akelius Residential Property 2.38% 15/08/2025	GBP	100,000	95	0.14
Castellum 2.13% 20/11/2023	EUR	100,000	89	0.13
			184	0.27
<b>Switzerland 1.04% (1.63%)</b>				
Credit Suisse Group, FRN 2.13% 12/09/2025	GBP	300,000	287	0.42
Credit Suisse Group, FRN 7.50% Perpetual	USD	200,000	155	0.23
UBS 5.13% 15/05/2024	USD	350,000	270	0.39
			712	1.04
<b>United Arab Emirates 0.14% (0.00%)</b>				
DP World 4.25% 25/09/2030	GBP	100,000	99	0.14
			99	0.14
<b>United Kingdom 40.97% (41.87%)</b>				
Affinity Sutton Capital Markets 5.98% 17/09/2038	GBP	100,000	144	0.21
Affinity Sutton Capital Markets 4.25% 08/10/2042	GBP	100,000	120	0.18
Alba, FRN, Series 2006-2 'A3A' 0.97% 15/12/2038	GBP	82,880	77	0.11
Anglian Water Services Financing 1.63% 10/08/2025	GBP	100,000	97	0.14
Anglian Water Services Financing 4.50% 05/10/2027	GBP	100,000	115	0.17
Annington Funding 2.65% 12/07/2025	GBP	100,000	98	0.14
Annington Funding 3.18% 12/07/2029	GBP	150,000	148	0.22
Annington Funding 3.69% 12/07/2034	GBP	250,000	251	0.37
Arqiva Financing 4.88% 31/12/2032	GBP	93,334	104	0.15
Arqiva Financing 5.34% 30/12/2037	GBP	100,000	116	0.17
Artesian Finance II 6.00% 30/09/2033	GBP	150,000	209	0.30
Aspire Defence Finance 4.67% 31/03/2040	GBP	91,671	111	0.16
Assura Financing, REIT 3.00% 19/07/2028	GBP	100,000	100	0.15
Barclays 3.13% 17/01/2024	GBP	300,000	300	0.44
Barclays 3.25% 12/02/2027	GBP	350,000	342	0.50
Barclays, FRN 2.38% 06/10/2023	GBP	300,000	293	0.43
Barclays, FRN 7.75% Perpetual	USD	300,000	227	0.33
Barclays, FRN 7.87% Perpetual	GBP	350,000	365	0.53
Barclays Bank 7.63% 21/11/2022	USD	350,000	285	0.42
BAT International Finance 6.00% 29/06/2022	GBP	150,000	167	0.24
BAT International Finance 4.00% 04/09/2026	GBP	150,000	158	0.23
BAT International Finance 2.25% 09/09/2052	GBP	250,000	165	0.24
BG Energy Capital 5.13% 01/12/2025	GBP	150,000	181	0.26
BP Capital Markets 2.27% 03/07/2026	GBP	100,000	100	0.15
British Land, REIT 2.38% 14/09/2029	GBP	300,000	286	0.42

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>United Kingdom 40.97% (41.87%) (continued)</b>				
British Telecommunications 5.75% 07/12/2028	GBP	100,000	123	0.18
British Telecommunications 3.13% 21/11/2031	GBP	150,000	147	0.21
Broadgate Financing 4.95% 05/04/2031	GBP	100,649	116	0.17
Bunzl Finance 2.25% 11/06/2025	GBP	100,000	98	0.14
BUPA Finance 5.00% 25/04/2023	GBP	150,000	162	0.24
BUPA Finance 2.00% 05/04/2024	GBP	150,000	148	0.22
Cadent Finance 1.13% 22/09/2021	GBP	150,000	148	0.22
Cadent Finance 2.13% 22/09/2028	GBP	450,000	430	0.63
Centrica 6.38% 10/03/2022	GBP	100,000	114	0.17
Centrica 4.38% 13/03/2029	GBP	100,000	112	0.16
Clarion Funding 2.63% 18/01/2029	GBP	200,000	200	0.29
Compass Group 3.85% 26/06/2026	GBP	100,000	113	0.17
Connect Plus M25 Issuer 2.61% 31/03/2039	GBP	198,412	202	0.29
Crh Finance UK 4.13% 02/12/2029	GBP	150,000	166	0.24
CYBG, FRN 4.00% 25/09/2026	GBP	100,000	96	0.14
CYBG, FRN 7.87% 14/12/2028	GBP	100,000	104	0.15
DS Smith 2.88% 26/07/2029	GBP	150,000	142	0.21
Experian Finance 2.13% 27/09/2024	GBP	200,000	201	0.29
FCE Bank 2.73% 03/06/2022	GBP	150,000	147	0.21
GlaxoSmithKline Capital 3.38% 20/12/2027	GBP	200,000	220	0.32
GlaxoSmithKline Capital 5.25% 19/12/2033	GBP	100,000	132	0.19
Gosforth Funding, FRN, Series 2018-1X 'A2' 1.33% 25/08/2060	GBP	98,258	98	0.14
Greene King Finance 5.11% 15/03/2034	GBP	400,000	456	0.67
Greene King Finance 4.06% 15/03/2035	GBP	267,600	284	0.41
Guinness Partnership 4.00% 24/10/2044	GBP	150,000	173	0.25
Hammerson, REIT 6.00% 23/02/2026	GBP	150,000	170	0.25
Heathrow Finance 3.88% 01/03/2027	GBP	250,000	231	0.34
HSBC Bank 4.75% 24/03/2046	GBP	250,000	287	0.42
HSBC Bank, FRN 5.38% 04/11/2030	GBP	150,000	171	0.25
HSBC Holdings 5.75% 20/12/2027	GBP	150,000	177	0.26
HSBC Holdings 2.63% 16/08/2028	GBP	600,000	587	0.86
HSBC Holdings 6.75% 11/09/2028	GBP	150,000	190	0.28
HSBC Holdings, FRN 2.26% 13/11/2026	GBP	150,000	145	0.21
Hutchison Whampoa Finance UK 5.63% 24/11/2026	GBP	100,000	123	0.18
Imperial Brands Finance 4.88% 07/06/2032	GBP	150,000	166	0.24
Informa 3.13% 05/07/2026	GBP	200,000	202	0.29
InterContinental Hotels Group 2.13% 24/08/2026	GBP	350,000	328	0.48
Intu SGS Finance, REIT 3.88% 17/03/2028	GBP	150,000	145	0.21
John Lewis 6.13% 21/01/2025	GBP	350,000	383	0.56
Land Securities Capital Markets, REIT 1.97% 08/02/2026	GBP	100,000	100	0.15
Land Securities Capital Markets, REIT 2.40% 08/02/2031	GBP	150,000	151	0.22
Land Securities Capital Markets, REIT 2.63% 22/09/2039	GBP	100,000	98	0.14
LCR Finance 4.50% 07/12/2038	GBP	150,000	214	0.31
Legal & General Group, FRN 5.50% 27/06/2064	GBP	150,000	154	0.22
Lloyds Bank 4.88% 30/03/2027	GBP	250,000	303	0.44
Lloyds Banking Group 2.25% 16/10/2024	GBP	900,000	872	1.27
Lloyds Banking Group 3.75% 11/01/2027	USD	450,000	327	0.48
London Power Networks 6.13% 07/06/2027	GBP	150,000	190	0.28
Manchester Airport Group Funding 4.75% 31/03/2034	GBP	100,000	121	0.18
Marks & Spencer 3.00% 08/12/2023	GBP	200,000	197	0.29
Marks & Spencer 4.75% 12/06/2025	GBP	450,000	472	0.69
Mitchells & Butlers Finance 6.01% 15/12/2030	GBP	176,292	199	0.29
Mitchells & Butlers Finance, Series B1 5.97% 15/12/2025	GBP	180,928	194	0.28
Mitchells & Butlers Finance, Series C1 6.47% 15/09/2032	GBP	100,000	109	0.16
Motability Operations Group 3.75% 16/07/2026	GBP	150,000	168	0.25
Motability Operations Group 4.38% 08/02/2027	GBP	150,000	174	0.25
Motability Operations Group 5.63% 29/11/2030	GBP	150,000	200	0.29
National Express Group 2.50% 11/11/2023	GBP	300,000	296	0.43

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>United Kingdom 40.97% (41.87%) (continued)</b>				
National Grid Electricity Transmission 4.00% 08/06/2027	GBP	150,000	171	0.25
Nationwide Building Society 3.25% 20/01/2028	GBP	450,000	477	0.70
Network Rail Infrastructure Finance 4.38% 09/12/2030	GBP	250,000	321	0.47
Next 4.38% 02/10/2026	GBP	150,000	161	0.23
Next 3.63% 18/05/2028	GBP	100,000	100	0.15
NIE Finance 6.38% 02/06/2026	GBP	100,000	127	0.19
Northern Electric Finance 5.13% 04/05/2035	GBP	100,000	130	0.19
Northern Gas Networks Finance 4.88% 30/06/2027	GBP	100,000	119	0.17
Northern Powergrid Yorkshire 4.38% 05/07/2032	GBP	100,000	119	0.17
Northumbrian Water Finance 1.63% 11/10/2026	GBP	100,000	94	0.14
Places for People Homes 3.63% 22/11/2028	GBP	300,000	302	0.44
Places For People Treasury 2.88% 17/08/2026	GBP	300,000	292	0.43
Prudential, FRN 5.70% 19/12/2063	GBP	150,000	174	0.25
Quadgas Finance 3.38% 17/09/2029	GBP	200,000	199	0.29
RAC Bond 4.57% 06/05/2046	GBP	350,000	344	0.50
RHP Finance 3.25% 05/02/2048	GBP	250,000	250	0.36
Rio Tinto Finance 4.00% 11/12/2029	GBP	150,000	174	0.25
Riverside Finance 3.88% 05/12/2044	GBP	100,000	112	0.16
Rolls-Royce 3.38% 18/06/2026	GBP	150,000	158	0.23
Royal Bank of Scotland Group 4.80% 05/04/2026	USD	200,000	152	0.22
Royal Bank of Scotland Group, FRN 2.87% 19/09/2026	GBP	300,000	292	0.43
Santander UK 5.75% 02/03/2026	GBP	100,000	126	0.18
Santander UK Group Holdings 3.63% 14/01/2026	GBP	300,000	307	0.45
Santander UK Group Holdings, FRN 2.92% 08/05/2026	GBP	200,000	195	0.28
Santander UK Group Holdings, FRN 6.75% Perpetual	GBP	350,000	353	0.51
Scotland Gas Networks 4.88% 21/12/2034	GBP	150,000	184	0.27
Severn Trent Utilities Finance 3.63% 16/01/2026	GBP	150,000	161	0.24
Severn Trent Utilities Finance 6.25% 07/06/2029	GBP	100,000	132	0.19
Sky 6.00% 21/05/2027	GBP	100,000	127	0.19
Society of Lloyd's 4.75% 30/10/2024	GBP	450,000	481	0.70
South Eastern Power Networks 5.63% 30/09/2030	GBP	150,000	191	0.28
Southern Electric Power Distribution 5.50% 07/06/2032	GBP	150,000	190	0.28
Southern Electric Power Distribution 4.63% 20/02/2037	GBP	100,000	118	0.17
Southern Gas Networks 4.88% 21/03/2029	GBP	150,000	179	0.26
Southern Gas Networks 3.10% 15/09/2036	GBP	100,000	100	0.15
SP Manweb 4.88% 20/09/2027	GBP	250,000	295	0.43
Student Finance 2.67% 30/09/2029	GBP	150,000	147	0.21
Telereal Securitisation 4.97% 10/12/2033	GBP	129,000	145	0.21
Telereal Securitisation 5.43% 10/12/2033	GBP	137,400	161	0.23
Tesco Corporate Treasury Services 1.38% 24/10/2023	EUR	200,000	173	0.25
Tesco Property Finance 2 6.05% 13/10/2039	GBP	171,152	204	0.30
Tesco Property Finance 4 5.80% 13/10/2040	GBP	293,175	346	0.50
Tesco Property Finance 6 5.41% 13/07/2044	GBP	144,487	164	0.24
Thames Water Utilities Cayman Finance 1.88% 24/01/2024	GBP	200,000	195	0.28
Thames Water Utilities Cayman Finance 3.50% 25/02/2028	GBP	150,000	157	0.23
TP ICAP 5.25% 26/01/2024	GBP	200,000	188	0.27
Transport for London 4.50% 31/03/2031	GBP	150,000	178	0.26
Travis Perkins 4.38% 15/09/2021	GBP	100,000	102	0.15
Travis Perkins 4.50% 07/09/2023	GBP	200,000	200	0.29
Unique Pub Finance 5.66% 30/06/2027	GBP	545,893	587	0.86
UNITE Group, REIT 3.50% 15/10/2028	GBP	200,000	202	0.29
University of Oxford 2.54% 08/12/2117	GBP	100,000	95	0.14
Virgin Media Secured Finance 5.50% 15/01/2025	GBP	135,000	137	0.20
Vodafone Group 3.38% 08/08/2049	GBP	100,000	90	0.13
Western Power Distribution West Midlands 5.75% 16/04/2032	GBP	150,000	194	0.28
Whitbread Group 3.38% 16/10/2025	GBP	100,000	102	0.15
Yorkshire Water Services Odsal Finance 6.45% 28/05/2027	GBP	150,000	195	0.28
			28,104	40.97

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>United States of America 14.00% (15.65%)</b>				
Amgen 5.50% 07/12/2026	GBP	150,000	182	0.27
Amgen 4.00% 13/09/2029	GBP	600,000	661	0.96
Apple 3.05% 31/07/2029	GBP	100,000	107	0.16
Apple 3.60% 31/07/2042	GBP	100,000	116	0.17
AT&T 5.50% 15/03/2027	GBP	150,000	175	0.26
AT&T 4.38% 14/09/2029	GBP	600,000	650	0.95
AT&T 5.20% 18/11/2033	GBP	100,000	117	0.17
AT&T 4.25% 01/06/2043	GBP	150,000	156	0.23
Bank of America 4.25% 10/12/2026	GBP	450,000	505	0.74
Bank of America 7.00% 31/07/2028	GBP	250,000	338	0.49
Charter Communications Operating 4.50% 01/02/2024	USD	100,000	77	0.11
Citigroup 2.75% 24/01/2024	GBP	100,000	101	0.15
Citigroup 5.88% 01/07/2024	GBP	150,000	174	0.25
Citigroup 5.15% 21/05/2026	GBP	150,000	175	0.26
Citigroup 4.50% 03/03/2031	GBP	150,000	168	0.24
Citigroup, FRN 1.50% 24/07/2026	EUR	100,000	88	0.13
Digital Stout Holding, REIT 4.25% 17/01/2025	GBP	150,000	160	0.23
Discovery Communications 2.50% 20/09/2024	GBP	750,000	733	1.07
General Electric 6.25% 29/09/2020	GBP	200,000	211	0.31
General Electric 5.38% 18/12/2040	GBP	100,000	113	0.16
General Motors Financial 2.25% 06/09/2024	GBP	250,000	237	0.35
Goldman Sachs Group 4.25% 29/01/2026	GBP	500,000	542	0.79
Goldman Sachs Group 6.88% 18/01/2038	GBP	100,000	136	0.20
Kraft Heinz Foods 4.13% 01/07/2027	GBP	150,000	158	0.23
McDonald's 5.88% 23/04/2032	GBP	100,000	133	0.19
Metropolitan Life Global Funding I 1.63% 09/06/2022	GBP	200,000	199	0.29
Metropolitan Life Global Funding I 2.88% 11/01/2023	GBP	200,000	209	0.30
MidAmerican Energy 3.65% 15/04/2029	USD	100,000	77	0.11
Morgan Stanley 2.63% 09/03/2027	GBP	350,000	347	0.51
Prologis, REIT 2.25% 30/06/2029	GBP	250,000	239	0.35
SLM Student Loan Trust 2003-10, FRN 1.45% 15/12/2039	GBP	150,000	143	0.21
Time Warner Cable 5.75% 02/06/2031	GBP	150,000	173	0.25
Time Warner Cable 5.25% 15/07/2042	GBP	100,000	111	0.16
Verizon Communications 4.07% 18/06/2024	GBP	100,000	111	0.16
Verizon Communications 4.75% 17/02/2034	GBP	550,000	653	0.95
Verizon Communications 3.38% 27/10/2036	GBP	300,000	305	0.44
Walgreens Boots Alliance 3.60% 20/11/2025	GBP	150,000	156	0.23
Walmart 5.63% 27/03/2034	GBP	150,000	215	0.31
Wells Fargo 2.13% 20/12/2023	GBP	150,000	149	0.22
Wells Fargo 4.88% 29/11/2035	GBP	250,000	305	0.44
			9,605	14.00
<b>Corporate Bonds total</b>			<b>59,420</b>	<b>86.63</b>
<b>Suprationals 5.95% (6.18%)</b>				
European Investment Bank 1.00% 21/09/2026	GBP	500,000	482	0.70
European Investment Bank 3.75% 07/12/2027	GBP	150,000	176	0.26
European Investment Bank 6.00% 07/12/2028	GBP	500,000	693	1.01
European Investment Bank 4.50% 07/06/2029	GBP	150,000	189	0.27
European Investment Bank 5.63% 07/06/2032	GBP	1,300,000	1,878	2.74
International Bank for Reconstruction & Development 4.88% 07/12/2028	GBP	400,000	519	0.76
International Bank for Reconstruction & Development 5.75% 07/06/2032	GBP	100,000	148	0.21
<b>Suprationals total</b>			<b>4,085</b>	<b>5.95</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Forward Currency Contracts 0.01% ((0.07)%)</b>				
Buy EUR 1,799,000 sell GBP 1,572,501 dated 15/02/2019			4	0.01
Buy EUR 802,000 sell GBP 722,260 dated 15/02/2019			(19)	(0.03)
Buy GBP 470,616 sell EUR 531,000 dated 15/02/2019			5	0.01
Buy GBP 3,232,439 sell EUR 3,698,000 dated 15/02/2019			(9)	(0.01)
Buy GBP 2,567,552 sell USD 3,330,000 dated 15/02/2019			30	0.04
Buy USD 259,000 sell GBP 203,741 dated 15/02/2019			(6)	(0.01)
<b>Forward Currency Contracts total</b>			<b>5</b>	<b>0.01</b>
<b>Futures 0.02% (0.01%)</b>				
Euro-Bobl 07/03/2019	EUR	(9)	(6)	(0.01)
Euro-Bund 07/03/2019	EUR	11	2	–
Long Gilt 27/03/2019	GBP	(15)	(12)	(0.02)
US 5 Year Note 29/03/2019	USD	(12)	(10)	(0.01)
US 10 Year Note 20/03/2019	USD	18	42	0.06
<b>Futures total</b>			<b>16</b>	<b>0.02</b>
Investment assets			66,254	96.59
Net other assets			2,340	3.41
<b>Net assets</b>			<b>68,594</b>	<b>100.00</b>

All holdings are debt securities and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## Debt Security Credit Analysis

	Market Value £000	% of Net Assets
<b>Bonds</b>		
– Investment Grade*	61,829	90.13
– Below Investment Grade	4,021	5.87
– Unrated	383	0.56
<b>Debt securities total</b>	<b>66,233</b>	<b>96.56</b>

\* Investment grade refers to the quality of a company's credit. A rating of 'BBB' or higher is considered an investment grade issue.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital losses		(133)		(366)
Revenue	970		1,227	
Expenses	(269)		(276)	
Net revenue before taxation	701		951	
Taxation	–		–	
Net revenue after taxation		701		951
<b>Total return before distributions</b>		<b>568</b>		<b>585</b>
Distributions		(969)		(1,212)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(401)</b>		<b>(627)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>66,318</b>		<b>69,168</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	3,234		498	
Amounts payable on cancellation of shares	(568)		(775)	
		2,666		(277)
Dilution adjustment		11		–
Change in net assets attributable to shareholders from investment activities (see above)		(401)		(627)
<b>Closing net assets attributable to shareholders</b>		<b>68,594</b>		<b>68,264</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £66,318,332.



## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	66,316	65,110
<b>Current assets:</b>		
Debtors	2,774	896
Cash and bank balances	382	927
<b>Total assets</b>	<b>69,472</b>	<b>66,933</b>
<b>Liabilities:</b>		
Investment liabilities	(62)	(83)
<b>Creditors:</b>		
Distribution payable	(501)	(487)
Other creditors	(315)	(45)
<b>Total liabilities</b>	<b>(878)</b>	<b>(615)</b>
<b>Net assets attributable to shareholders</b>	<b>68,594</b>	<b>66,318</b>

## ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS STERLING CREDIT MOM 1 FUND

The Fund closed on 6 December 2017, and will be terminated in due course.

### INVESTMENT OBJECTIVE

To achieve income (with some prospect for long-term capital growth).

### INVESTMENT POLICY

The Fund may invest in any of the following financial instruments in order to achieve its investment objective: Sterling credit, overseas credit, gilts, overseas government bonds, asset backed securities, (including mortgage backed securities), money market instruments, collective investment schemes and deposits. Up to 50% of the value of the scheme property may be invested in credit which is deemed to be below investment grade. The Fund's exposure will be in Sterling or currency hedged back to Sterling. The Sterling exposure will be within a range of 98% to 102%.

### FUND MANAGER'S REPORT

#### Performance

Over the period ended 6 December 2017 the Fund\* returned 2.69 per cent (net of fees).

#### Review

The European Central Bank's (ECB) decision on its Asset Purchase Programme (APP) dominated investor attention at the start of Quarter 4, with the Council delivering a taper to €30bn per month but a dovish extension to the programme until at least September 2018 with confirmation that euro interest rates would not rise at least until the Quantitative Easing (QE) programme has ended. In addition, Mario Draghi confirmed that bonds maturing in the APP would be reinvested, that both corporate bonds and ABS would remain part of the programme, and that QE would not "stop suddenly", thereby adding to the dovish speculation that the APP will extend past September 2018.

In the UK, strong economic data and continuing high inflation numbers added to the conviction that the emergency rate cut following the UK referendum on EU membership would be reversed before year-end. However, two new members have been added to the monetary policy committee recently and are regarded as being on the dovish side, while the deputy governor, Jon Cunliffe, also made comments regarding inflation and wages that suggested the decision is very much open to debate.

Central Banks were once again the main focus of market attention as we kicked off the penultimate month of the year. The Federal Reserve (Fed) rate decision on 1 November 2017 was as expected, a non-event with rates left unchanged, although expectation of a hike at the next Federal Open Market Committee (FOMC) on 13 December 2017 is now almost fully priced in. Meanwhile, the Bank of England provided a much more interesting story; the emergency rate cut that followed the UK referendum on EU membership was reversed on 2 November 2017 as expected, but Governor Carney followed up that decision by saying "two more 25bps rate hikes will be needed over the next three years". This was a surprisingly candid comment given the amount of uncertainty that faces the UK economy with the "Brexit" divorce to be negotiated, with a fragile government clinging onto power and an opposition waiting in the wings with a radically different set of policies.

The Brexit negotiations themselves took a step forward, with the apparent willingness of the UK Government to improve its offer on the "divorce bill". However, just as progress was being made, the prospect of a snap general election in Ireland began to increase and the Irish border question took great prominence as Michel Barnier, the EU negotiator, stated that "those who wanted Brexit" should find a solution.

In Europe, the 'Jamaican coalition' in Germany failed to reach a working agreement, subsequently raising the prospect of a second election and Mario Draghi also hit the headlines with a dovish speech, highlighting that inflation was still subdued and labour market slack remained significant despite strong economic recovery. He also cautioned that the Non-Performing Loan problem in the EU had not been solved and that further work was required.

In the US, the Federal Reserve prepared to bid farewell to Janet Yellen, who announced that she would be stepping down from the Board of Governors in February 2018, when the new Chair Jerome Powell takes over. Since taking over from Ben Bernanke, Yellen has avoided a recession and guided the US through a period of stable growth, where full employment has been achieved. She has also raised rates four times without causing too much market volatility and has started on the road to reducing the Fed's balance sheet. If Powell's term is as successful, market participants will be very contented, albeit surprised, as avoiding recession during his tenure is likely to be challenging.

A strong market technical backdrop helped credit spreads close the year close to the tight, resulting in a more than satisfactory 2017 for investors. In the US, the FOMC raised Fed funds by 0.25 per cent, in what was a highly anticipated move and therefore did little to move markets. Meanwhile President Trump finally saw the Senate pass the tax reform package, thereby giving the current credit cycle an additional boost, but saw some added volatility to US Treasury yields as the reforms were interpreted by markets as having the potential to cause inflation to rise.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP, composite benchmark source Morningstar Direct. Unless otherwise indicated, all data has been sourced by Twentyfour Asset Management.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

#### Material Portfolio Changes

There were no purchases or sales during the period as the Fund closed on 6 December 2017.

#### Synthetic Risk and Reward Indicator

Investment risks have been removed as the Fund closed on 6 December 2017.

## INVESTMENT PERFORMANCE

**Net Asset Value – Income Shares**

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	70,809	70,306,075	100.72
	31.07.17	44,844	42,630,931	105.19
	31.07.18**	–	–	–

\* Valued at bid market prices.

\*\* Up to 6 December 2017 (the date the Fund closed).

**Share Price Record – Income Shares**

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	106.02	96.74
	2017	106.73	100.98
	2018**	107.31	105.36

\* Valued at mid market prices.

\*\* Up to 6 December 2017 (the date the Fund closed).

**Revenue Record – Income Shares**

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	4.5469	42.31
	2017	4.3185	40.19
	2018*	1.1628	10.82

\* Up to 6 December 2017 (the date the Fund closed).

**Portfolio Statement**

As the Fund closed on 6 December 2017, there were no investments as at 31 January 2019.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital gains		–		230
Revenue	–		658	
Expenses	–		(138)	
Net revenue before taxation	–		520	
Taxation	–		–	
Net revenue after taxation		–		520
<b>Total return before distributions</b>		–		<b>750</b>
Distributions		–		(642)
<b>Change in net assets attributable to shareholders from investment activities</b>		–		<b>108</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		–		<b>44,844</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	–		16	
Amounts payable on cancellation of shares	–		(44,952)	
		–		(44,936)
Dilution adjustment		–		36
Change in net assets attributable to shareholders from investment activities (see above)		–		108
Fund closure		–		(52)
<b>Closing net assets attributable to shareholders</b>		–		<b>–</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £nil.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
<b>Current assets:</b>		
Debtors	–	2
Cash and bank balances	110	121
<b>Total assets</b>	<b>110</b>	<b>123</b>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	(110)	(123)
<b>Total liabilities</b>	<b>(110)</b>	<b>(123)</b>
<b>Net assets attributable to shareholders</b>	<b>–</b>	<b>–</b>

**ACCOUNTING POLICIES**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## AVIVA INVESTORS GLOBAL AGG MOM 1 FUND

### INVESTMENT OBJECTIVE

To achieve income (with some prospect for long-term capital growth) by investing primarily in global fixed interest securities.

### INVESTMENT POLICY

The Fund will invest primarily in global fixed interest securities listed or traded on Regulated Markets. The Fund may invest in any of the following financial instruments in order to achieve its investment objective: Sterling denominated investment grade credit, overseas investment grade credit (hedged), gilts, overseas government bonds (hedged), money market instruments, collective investment schemes and deposits. In addition to the instruments detailed above, on an ancillary basis and not exceeding 10% of the value of the scheme property, the Fund may invest in credit which is deemed to be below investment grade.

### FUND MANAGER'S REPORT

#### Performance

Over the six months ended 31 January 2019, the Fund returned -0.58% (net of fees). The Funds benchmark, the Barclays Global Aggregate (hedged to GBP) index, returned 1.81%.

#### Review

The second half of 2018 and the first month of 2019 will be remembered primarily for the financial market volatility. After a relatively calm Q3 in which credit spreads, treasuries and the USD dollar were all comparatively stable, Q4 2018 and Jan 2019 were characterized by significant levels of financial market volatility across asset classes. The combination of slowing US economic data, the prolonged shutdown of the US government and Fed Chairman Powell being perceived as not concerned initially pushed spreads wider and 10 year treasury yields towards 2.5%. However, while the Fed did hike rates at their December meeting, language highlighting the data dependence of any future adjustment to the Fed Funds Rate assuaged the market as this represented a dovish shift from a Fed previously expected to hike rates 25 basis points per quarter 'on autopilot'. Combined with the resolution of the government shut down and a de-escalation of the trade conflict with China, this fueled a risk rally that has yet to run its course.

Across the Atlantic Ocean, after a stellar year of growth in 2017, European growth decelerated steadily over 2018 as multiple external shocks overwhelmed healthy consumption growth. With its focus on the export of high value added capital goods, the German economy was particularly hard hit by the drop in Chinese demand associated with their decelerating. With ongoing growth disappointments, European Central Bank (ECB) rhetoric has become increasingly dovish and the probability that Mario Draghi will begin the normalization of monetary policy before he leaves office has fallen. Across the English Channel, UK economic data generally disappointed during the second half of the year as Brexit-induced parliamentary deal began to weigh more heavily on the real economy. Of particular concern is the fact that the downward trend in the UK composite PMI that characterized the second half of 2018 shows little signs of stabilizing. With a Brexit resolution not yet in sight, the outlook for the UK economy remains cloudy and additional rate hikes appear unlikely near term.

In Japan, the Bank of Japan (BoJ) continued with its program of Quantitative and Qualitative Monetary Easing (QQE) leaving it unchanged in size despite a meaningful deterioration in their outlook for both growth and inflation. However, with the jobless

rate at the lowest level in almost 30 years, and wage growth showing tentative signs of accelerating, the BoJ has a high bar to increase the size of the QQE program and place further stress on Japanese financial markets. In China, conversely, policy makers were much more active as the impact of prior deleveraging and the US trade conflict strained the traditional engines of Chinese growth. While they have done so in a piecemeal fashion, Chinese policy makers have been consistently easing both monetary and fiscal policy for the better part of a year. As this stimulus filtered through the economy we have begun to see an upturn in the leading indicators of Chinese economic activity suggesting an acceleration in growth in coming quarters.

Over the six months ending 31 January 2019, the portfolio returned 1.11% on an absolute basis and -0.58% relative to its benchmark. Accounting for approximately half of the period's underperformance was active FX positioning. Persistent weakness in European economic data and fears of Chinese competitive devaluation kept the US dollar well bid and more cyclically sensitive currencies under pressure. Of the remaining underperformance, it can be split approximately equally between security selection and asset allocation. Looking at security selection the entirety of the underperformance can be attributed to and a position in GE bonds that widened significantly in the fourth quarter before bouncing in January. Finally, from an asset allocation standpoint, the portfolio was particularly negatively impacted by its allocation to inflation-protected securities as tightening financial conditions caused break evens to fall.

#### Outlook

Looking forward at what we believe the key Features of the Economic Landscape. Global economic growth is expected to slow modestly as the Fed removes financial accommodation, but multiple political risks cloud the economic landscape. Still, the current level of DM economic activity is above potential and cost pressures are building.

Chinese officials are likely to meet their goal for economic growth (at the cost of slowing reforms and worsening the national balance sheet), supporting commodity prices and other EM economies.

US-dollar appreciation and the drop in energy prices have been a recent, but only temporary, drag on inflation. The Fed will likely tighten modestly more and be more willing to tolerate volatility than currently thought by most investors. And other DM central banks are moving, albeit slowly, to renormalize monetary policy.

For a fixed income valuation. Pressures on resources in DM economies make their sovereign yields expensive. Breakevens offer value and provide inexpensive protection to upside surprises to inflation. The US dollar appears expensive against other developed and emerging market currencies.

Valuations of investment grade corporates have improved, but fundamentals are likely to soften. Despite the selloff, high yield spreads remain somewhat expensive.

There is value in emerging markets local currency and dollar debt, but market and political uncertainties are elevated and interest rate volatility is low but will likely rise. Higher short-term Treasury yields provide attractive carry at the short end that will offset capital losses some as rates rise.

#### March 2019

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Standish Mellon.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

## AVIVA INVESTORS GLOBAL AGG MOM 1 FUND (CONTINUED)

**Material Portfolio Changes**

Purchases	Sales
US Treasury 2.75% 31/07/2023	US Treasury 2.75% 31/07/2023
US Treasury 5.75% 30/11/2023	US Treasury 5.75% 30/11/2023
US Treasury 3.38% 15/11/2048	US Treasury Bill 0.00% 03/01/2019
Italy Buoni Poliennali Del Tesoro 0.95% 15/03/2023	Mexican Bonos 8.00% 07/12/2023
US Treasury, FRN 2.40% 31/01/2020	US Treasury 2.75% 15/02/2028
US Treasury Bill 0.00% 03/01/2019	Japan Government Ten Year Bond 0.50% 20/12/2024
Mexican Bonos 8.00% 07/12/2023	US Treasury Bill 0.00% 02/08/2018
US Treasury 2.75% 15/02/2028	Italy Buoni Poliennali Del Tesoro 1.25% 01/12/2026
US Treasury 3.13% 15/11/2028	Italy Buoni Poliennali Del Tesoro 0.95% 15/03/2023
Deutsche Bundesrepublik Inflation Linked Bond 0.10% 15/04/2026	UK Treasury 1.50% 22/07/2047

**Synthetic Risk and Reward Indicator**

The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- Bond values are affected by changes in interest rates, and the bond issuer's creditworthiness. Bonds that produce a higher level of income usually have a greater risk of default.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

## INVESTMENT PERFORMANCE

## Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 2	31.07.16	98,397	90,517,628	108.70
	31.07.17	202,514	191,708,815	105.64
	31.07.18	185,341	180,880,055	102.47
	31.01.19	175,137	173,944,294	100.69

\* Valued at bid market prices.

## Share Price Record – Income Shares

Share class	Financial year	Highest price* (p)	Lowest price* (p)
Class 2	2016	109.41	105.42
	2017	109.51	104.79
	2018	106.90	102.51
	2019**	102.37	99.27

\* Valued at mid market prices.

\*\* Up to 31 January 2019.

## Ongoing Charges Figure\*

Share class	31.01.19	31.07.18
Class 2	0.82%	0.82%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as “synthetic charges” or the “synthetic” part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

## Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 31 July 2015.

Share class	Financial year	Net revenue per share (p)	Per £1,000 invested (£)
Class 2	2016	1.6819	15.65
	2017	2.1472	19.98
	2018	2.7406	25.50
	2019*	1.3479	12.54

\* Up to 31 March 2019 (the interim distribution payment date).



## PORTFOLIO STATEMENT

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Government Bonds 53.31% (47.69%)</b>				
<b>Argentina 0.81% (1.40%)</b>				
Argentina Government Bond 6.88% 26/01/2027	USD	600,000	385	0.22
Argentina Government Bond 5.25% 15/01/2028	EUR	700,000	481	0.28
Argentina Government Bond, FRN 5.91% 31/12/2033	ARS	535,000	106	0.06
Provincia de Buenos Aires 9.13% 16/03/2024	USD	325,000	223	0.13
Provincia de Buenos Aires, FRN 26.08% 31/05/2022	ARS	10,000,000	216	0.12
			1,411	0.81
<b>Australia 1.25% (1.25%)</b>				
Australia Government Bond 1.75% 21/11/2020	AUD	3,950,000	2,187	1.25
			2,187	1.25
<b>Canada 1.16% (0.86%)</b>				
Canada Government Bond 3.50% 01/12/2045	CAD	1,200,000	885	0.51
Canada Government Real Return Bond 0.51% 01/12/2050	CAD	1,250,000	706	0.40
Province of Ontario Canada 2.65% 05/02/2025	CAD	750,000	440	0.25
			2,031	1.16
<b>Chile 0.51% (0.50%)</b>				
Bonos de la Tesoreria de la Republica en pesos 4.50% 01/03/2021	CLP	750,000,000	902	0.51
			902	0.51
<b>Colombia 0.61% (0.00%)</b>				
Colombia Government Bond 4.00% 26/02/2024	USD	750,000	578	0.33
Colombia Government Bond 4.50% 15/03/2029	USD	625,000	485	0.28
			1,063	0.61
<b>Cyprus 0.53% (0.00%)</b>				
Cyprus Government Bond 2.38% 25/09/2028	EUR	1,025,000	925	0.53
			925	0.53
<b>France 1.69% (1.29%)</b>				
France Government Bond OAT 2.00% 25/05/2048	EUR	3,050,000	2,966	1.69
			2,966	1.69
<b>Germany 2.76% (0.00%)</b>				
Deutsche Bundesrepublik Inflation Linked Bond 0.10% 15/04/2026	EUR	4,825,000	4,827	2.76
			4,827	2.76
<b>Ghana 0.25% (0.41%)</b>				
Ghana Government Bond 7.63% 16/05/2029	USD	600,000	434	0.25
			434	0.25
<b>Greece 0.18% (0.00%)</b>				
Greece Government Bond 3.45% 02/04/2024	EUR	350,000	309	0.18
			309	0.18
<b>Hungary 0.52% (0.00%)</b>				
Hungary Government Bond 1.25% 22/10/2025	EUR	1,025,000	903	0.52
			903	0.52
<b>Indonesia 0.54% (0.00%)</b>				
Indonesia Government Bond 3.75% 14/06/2028	EUR	475,000	469	0.27
Indonesia Government Bond 4.35% 11/01/2048	USD	650,000	474	0.27
			943	0.54
<b>Ireland 0.91% (0.90%)</b>				
Ireland Government Bond 1.00% 15/05/2026	EUR	1,745,000	1,591	0.91
			1,591	0.91
<b>Israel 0.11% (0.00%)</b>				
Israel Government Bond 1.50% 16/01/2029	EUR	210,000	188	0.11
			188	0.11

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Italy 2.13% (0.00%)</b>				
Italy Buoni Poliennali Del Tesoro 0.95% 15/03/2023	EUR	3,075,000	2,657	1.52
Italy Buoni Poliennali Del Tesoro 4.00% 01/02/2037	EUR	1,100,000	1,080	0.61
			<u>3,737</u>	<u>2.13</u>
<b>Ivory Coast 0.35% (0.47%)</b>				
Ivory Coast Government Bond 10.50% 22/03/2030	EUR	760,000	617	0.35
			<u>617</u>	<u>0.35</u>
<b>Japan 13.92% (12.28%)</b>				
Japan Government CPI Linked Bond 0.10% 10/03/2025	JPY	514,212,709	3,776	2.16
Japan Government CPI Linked Bond 0.10% 10/03/2026	JPY	531,500,000	3,916	2.24
Japan Government CPI Linked Bond 0.10% 10/03/2027	JPY	592,600,000	4,387	2.50
Japan Government CPI Linked Bond 0.10% 10/03/2028	JPY	524,900,000	3,840	2.19
Japan Government Thirty Year Bond 0.70% 20/06/2048	JPY	310,000,000	2,207	1.26
Japan Government Thirty Year Bond 0.70% 20/12/2048	JPY	275,000,000	1,954	1.11
Japan Government Twenty Year Bond 0.40% 20/03/2036	JPY	607,550,000	4,306	2.46
			<u>24,386</u>	<u>13.92</u>
<b>Kazakhstan 0.29% (0.00%)</b>				
Kazakhstan Government Bond 1.55% 09/11/2023	EUR	575,000	512	0.29
			<u>512</u>	<u>0.29</u>
<b>Kenya 0.26% (0.49%)</b>				
Kenya Government Bond 7.25% 28/02/2028	USD	625,000	464	0.26
			<u>464</u>	<u>0.26</u>
<b>Mexico 0.51% (1.06%)</b>				
Mexican Bonos 7.50% 03/06/2027	MXN	120,000	455	0.26
Mexico Government Bond 4.50% 22/04/2029	USD	575,000	440	0.25
			<u>895</u>	<u>0.51</u>
<b>Netherlands 0.00% (1.02%)</b>				
<b>New Zealand 3.45% (3.27%)</b>				
New Zealand Government Inflation Linked Bond 2.15% 20/09/2025	NZD	10,050,000	6,041	3.45
			<u>6,041</u>	<u>3.45</u>
<b>Nigeria 0.25% (0.55%)</b>				
Nigeria Government Bond 6.50% 28/11/2027	USD	350,000	254	0.15
Nigeria Government Bond 7.14% 23/02/2030	USD	250,000	182	0.10
			<u>436</u>	<u>0.25</u>
<b>Panama 0.26% (0.00%)</b>				
Panama Government Bond 4.00% 22/09/2024	USD	575,000	450	0.26
			<u>450</u>	<u>0.26</u>
<b>Peru 0.19% (0.00%)</b>				
Peru Government Bond 5.94% 12/02/2029	PEN	1,465,000	340	0.19
			<u>340</u>	<u>0.19</u>
<b>Philippines 0.18% (0.00%)</b>				
Philippine Government Bond 3.75% 14/01/2029	USD	400,000	308	0.18
			<u>308</u>	<u>0.18</u>
<b>Portugal 1.72% (0.00%)</b>				
Portugal Obrigacoes do Tesouro OT 1.95% 15/06/2029	EUR	3,350,000	3,020	1.72
			<u>3,020</u>	<u>1.72</u>
<b>Qatar 0.00% (0.56%)</b>				

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Romania 0.50% (0.50%)</b>				
Romania Government Bond 2.50% 08/02/2030	EUR	1,075,000	875	0.50
			875	0.50
<b>Russia 0.52% (1.47%)</b>				
Russian Federal Bond – OFZ 7.05% 19/01/2028	RUB	82,000,000	903	0.52
			903	0.52
<b>Saudi Arabia 0.27% (0.83%)</b>				
Saudi Government Bond 4.38% 16/04/2029	USD	600,000	465	0.27
			465	0.27
<b>Senegal 0.51% (0.75%)</b>				
Senegal Government Bond 4.75% 13/03/2028	EUR	1,075,000	900	0.51
			900	0.51
<b>Slovenia 0.61% (0.00%)</b>				
Slovenia Government Bond 1.19% 14/03/2029	EUR	1,200,000	1,064	0.61
			1,064	0.61
<b>South Africa 0.55% (0.00%)</b>				
South Africa Government Bond 10.50% 21/12/2026	ZAR	15,000,000	957	0.55
			957	0.55
<b>Spain 0.94% (4.13%)</b>				
Spain Government Bond 2.90% 31/10/2046	EUR	1,690,000	1,650	0.94
			1,650	0.94
<b>Sri Lanka 0.00% (0.24%)</b>				
<b>Sweden 0.91% (0.96%)</b>				
Sweden Government Bond 5.00% 01/12/2020	SEK	17,260,000	1,603	0.91
			1,603	0.91
<b>Thailand 0.40% (0.35%)</b>				
Thailand Government Bond 2.13% 17/12/2026	THB	29,090,000	700	0.40
			700	0.40
<b>Turkey 0.37% (0.26%)</b>				
Turkey Government Bond 7.50% 07/11/2019	USD	575,000	447	0.26
Turkey Government Bond 4.63% 31/03/2025	EUR	225,000	197	0.11
			644	0.37
<b>Ukraine 0.00% (0.50%)</b>				
<b>United Kingdom 2.22% (4.21%)</b>				
UK Treasury 3.25% 22/01/2044	GBP	2,650,000	3,471	1.98
UK Treasury 1.50% 22/07/2047	GBP	445,000	423	0.24
			3,894	2.22
<b>United States of America 10.17% (6.68%)</b>				
FHLMC, Series KC02 'A2' 3.37% 25/07/2025	USD	450,000	345	0.20
FHLMC, FRN, Series KL3W 'AFLW' 2.95% 25/08/2025	USD	285,000	218	0.12
US Treasury 5.75% 30/11/2023	USD	1,475,000	1,145	0.65
US Treasury 3.13% 15/11/2028	USD	2,665,000	2,111	1.20
US Treasury 3.38% 15/11/2048	USD	7,905,000	6,445	3.68
US Treasury Bill 0.00% 13/06/2019	USD	3,520,000	2,660	1.52
US Treasury, FRN 2.40% 31/01/2020	USD	6,425,000	4,896	2.80
			17,820	10.17
<b>Uruguay 0.00% (0.50%)</b>				
<b>Government Bonds total</b>			<b>93,361</b>	<b>53.31</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Corporate Bonds 41.46% (45.58%)</b>				
<b>Australia 1.25% (1.05%)</b>				
CNH Industrial Capital Australia Receivables Trust, FRN, Series 2018-1 'A2' 3.04% 16/08/2025	AUD	1,000,000	554	0.32
Driver Australia Five Trust, FRN, Series 5 'A' 2.94% 21/07/2026	AUD	1,459,160	808	0.46
Driver Australia Four Trust, FRN, Series 4 'A' 2.97% 21/08/2025	AUD	92,429	51	0.03
Driver Australia Three Trust, FRN, Series 3 'A' 3.71% 21/05/2024	AUD	213,807	119	0.07
FBG Finance 3.25% 06/09/2022	AUD	1,180,000	654	0.37
			2,186	1.25
<b>Austria 0.18% (0.00%)</b>				
Suzano Austria 7.00% 16/03/2047	USD	375,000	309	0.18
			309	0.18
<b>Brazil 0.00% (0.17%)</b>				
<b>Canada 1.28% (0.66%)</b>				
BMW Canada Auto Trust, Series 2016-1 'A3' 3.73% 20/04/2021	CAD	452,165	262	0.15
Ford Auto Securitization Trust, Series 2017-R5A 'A3' 2.38% 15/03/2023	CAD	385,000	221	0.13
Golden Credit Card Trust, Series 2018-4X 'A' 3.44% 15/10/2025	USD	600,000	463	0.26
Master Credit Card Trust II, FRN, Series 2018-1A 'A' 3.00% 21/07/2024	USD	725,000	551	0.31
Teck Resources 6.25% 15/07/2041	USD	175,000	137	0.08
Trillium Credit Card Trust II, FRN, Series 2018-2X 'A' 2.85% 26/09/2023	USD	800,000	609	0.35
			2,243	1.28
<b>Cayman Islands 0.68% (0.27%)</b>				
Alibaba Group Holding 3.40% 06/12/2027	USD	375,000	273	0.16
CK Hutchison Europe Finance 18 1.25% 13/04/2025	EUR	200,000	173	0.10
CK Hutchison Finance 16 II 0.88% 03/10/2024	EUR	325,000	280	0.16
Sands China 4.60% 08/08/2023	USD	600,000	458	0.26
			1,184	0.68
<b>Chile 0.17% (0.00%)</b>				
Corp. Nacional del Cobre de Chile 4.38% 05/02/2049	USD	400,000	290	0.17
			290	0.17
<b>China 0.66% (0.64%)</b>				
China Development Bank 0.38% 16/11/2021	EUR	1,325,000	1,159	0.66
			1,159	0.66
<b>Colombia 0.24% (0.56%)</b>				
Ecopetrol 5.88% 28/05/2045	USD	575,000	429	0.24
			429	0.24
<b>France 1.77% (1.71%)</b>				
AXA, FRN 5.25% 16/04/2040	EUR	200,000	185	0.11
BNP Paribas 1.13% 10/10/2023	EUR	600,000	525	0.30
Bumper FCT, FRN, Series 10 'A' 0.03% 27/02/2028	EUR	1,600,000	1,401	0.80
Credit Agricole 2.63% 17/03/2027	EUR	600,000	548	0.31
Societe Generale 1.00% 01/04/2022	EUR	500,000	441	0.25
			3,100	1.77
<b>Germany 0.82% (1.12%)</b>				
Allianz, FRN 5.63% 17/10/2042	EUR	400,000	406	0.23
Allianz, FRN 3.38% Perpetual	EUR	300,000	278	0.16
Red & Black Auto Germany UG haftungsbeschränkt, FRN, Series 5 'A' 0.13% 15/01/2027	EUR	856,816	752	0.43
			1,436	0.82
<b>India 0.10% (0.00%)</b>				
Indian Oil 4.75% 16/01/2024	USD	225,000	175	0.10
			175	0.10
<b>Indonesia 0.11% (0.00%)</b>				
Indonesia Asahan Aluminium 5.23% 15/11/2021	USD	250,000	197	0.11
			197	0.11

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Ireland 0.36% (0.24%)</b>				
AerCap Ireland Capital 4.50% 15/05/2021	USD	575,000	442	0.25
Shire Acquisitions Investments Ireland 2.40% 23/09/2021	USD	250,000	186	0.11
			628	0.36
<b>Israel 0.00% (0.33%)</b>				
<b>Italy 0.39% (0.90%)</b>				
Assicurazioni Generali, FRN 5.50% 27/10/2047	EUR	550,000	518	0.30
SME Grecale, FRN, Series 2017-1 'A' 0.02% 22/03/2056	EUR	185,779	162	0.09
			680	0.39
<b>Japan 1.65% (0.75%)</b>				
Development Bank of Japan 3.13% 06/09/2023	USD	730,000	562	0.32
Japan Bank for International Cooperation 3.38% 31/10/2023	USD	1,470,000	1,143	0.65
OSCAR US Funding Trust VII, Series 2017-2A 'A4' 2.76% 10/12/2024	USD	530,000	398	0.23
OSCAR US Funding Trust VII, Series 2017-2X 'A3' 2.45% 10/12/2021	USD	330,000	249	0.14
OSCAR US Funding Trust VIII, Series 2018-1X 'A4' 3.50% 12/05/2025	USD	700,000	536	0.31
			2,888	1.65
<b>Kazakhstan 0.27% (0.00%)</b>				
KazMunayGas National 6.38% 24/10/2048	USD	575,000	466	0.27
			466	0.27
<b>Luxembourg 1.55% (0.55%)</b>				
Altice Financing 7.50% 15/05/2026	USD	200,000	143	0.08
ARD Finance 7.09% 15/09/2023	USD	200,000	147	0.08
Driver Multi-Compartment, FRN, Series 15 'A' 0.03% 21/08/2026	EUR	648,466	569	0.33
E-Carat SA-Compartment 9, FRN, Series 2016-1 'A' 0.08% 18/10/2024	EUR	108,123	95	0.05
FACT Master, FRN, Series 2018-1 'A' 0.13% 20/11/2025	EUR	575,961	504	0.29
Gazprom 2.50% 21/03/2026	EUR	625,000	526	0.30
Silver Arrow Compartment Silver Arrow UK, FRN, Series 2018-1UK 'A' 1.21% 20/06/2024	GBP	741,187	740	0.42
			2,724	1.55
<b>Mexico 0.41% (0.13%)</b>				
Nemak 3.25% 15/03/2024	EUR	325,000	284	0.16
Petroleos Mexicanos 5.50% 21/01/2021	USD	575,000	441	0.25
			725	0.41
<b>Morocco 0.30% (0.29%)</b>				
OCP 6.88% 25/04/2044	USD	650,000	524	0.30
			524	0.30
<b>Netherlands 2.72% (3.45%)</b>				
ABN AMRO Bank 4.75% 28/07/2025	USD	1,040,000	805	0.46
ABN AMRO Bank, FRN 2.87% 18/01/2028	EUR	200,000	184	0.10
Cooperatieve Rabobank, FRN 2.50% 26/05/2026	EUR	590,000	535	0.31
Equate Petrochemical 3.00% 03/03/2022	USD	200,000	149	0.08
Globaldrive Auto Receivables, FRN, Series 2016-B 'A' 0.13% 20/08/2024	EUR	149,850	132	0.08
ING Groep, FRN 3.00% 11/04/2028	EUR	200,000	183	0.10
Petrobras Global Finance 7.25% 17/03/2044	USD	610,000	486	0.28
SABIC Capital II 4.00% 10/10/2023	USD	725,000	558	0.32
Volkswagen International Finance 1.88% 30/03/2027	EUR	1,200,000	1,001	0.57
Vonovia Finance 1.63% 15/12/2020	EUR	300,000	269	0.15
WPC Eurobond, REIT 2.25% 19/07/2024	EUR	525,000	467	0.27
			4,769	2.72
<b>Spain 0.91% (0.96%)</b>				
Banco Bilbao Vizcaya Argentaria, FRN 3.50% 11/04/2024	EUR	800,000	704	0.40
Driver Espana Five FDT, FRN, Series 5 'A' 0.03% 21/12/2028	EUR	618,185	541	0.31
Telefonica Emisiones 1.53% 17/01/2025	EUR	400,000	358	0.20
			1,603	0.91

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Switzerland 0.31% (0.29%)</b>				
Credit Suisse Group 4.28% 09/01/2028	USD	725,000	542	0.31
			542	0.31
<b>United Arab Emirates 0.44% (0.82%)</b>				
Abu Dhabi Crude Oil Pipeline 9.20% 02/11/2047	USD	325,000	250	0.14
DP World 6.85% 02/07/2037	USD	590,000	524	0.30
			774	0.44
<b>United Kingdom 2.49% (2.82%)</b>				
BAT International Finance 2.25% 16/01/2030	EUR	425,000	349	0.20
Globaldrive Auto Receivables UK, FRN, Series 2018-UKA 'A' 1.23% 20/06/2026	GBP	600,000	598	0.34
Lloyds Banking Group 3.10% 06/07/2021	USD	400,000	301	0.17
Lloyds Banking Group 3.75% 11/01/2027	USD	700,000	508	0.29
Penarth Master Issuer, FRN, Series 2018-2X 'A1' 2.96% 18/09/2022	USD	550,000	418	0.24
Rolls-Royce 0.88% 09/05/2024	EUR	900,000	774	0.44
Royal Bank of Scotland Group 3.88% 12/09/2023	USD	1,300,000	971	0.55
Santander UK Group Holdings 3.57% 10/01/2023	USD	600,000	446	0.26
			4,365	2.49
<b>United States of America 22.40% (27.50%)</b>				
21st Century Fox America 3.70% 15/10/2025	USD	200,000	155	0.09
Abbott Laboratories 3.75% 30/11/2026	USD	85,000	66	0.04
AbbVie 1.38% 17/05/2024	EUR	400,000	358	0.20
Amazon.com 3.15% 22/08/2027	USD	1,200,000	902	0.51
American Homes 4 Rent Trust, Series 2014-SFR3 'A' 3.68% 17/12/2036	USD	347,659	266	0.15
American International Group 4.20% 01/04/2028	USD	525,000	398	0.23
Americredit Automobile Receivables Trust, Series 2016-4 'D' 2.74% 08/12/2022	USD	275,000	207	0.12
Americredit Automobile Receivables Trust, Series 2018-1 'C' 3.50% 18/01/2024	USD	650,000	497	0.28
Amgen 3.88% 15/11/2021	USD	250,000	194	0.11
Anheuser-Busch 3.65% 01/02/2026	USD	185,000	138	0.08
Anheuser-Busch InBev Finance 2.65% 01/02/2021	USD	250,000	189	0.11
Anheuser-Busch InBev Worldwide 4.00% 13/04/2028	USD	415,000	313	0.18
Apple 3.25% 23/02/2026	USD	1,040,000	791	0.45
Aventura Mall Trust, FRN, Series 2013-AVM 'A' 3.74% 05/12/2032	USD	330,000	255	0.15
BANK, FRN, Series 2018-BN13 'A5' 4.22% 15/08/2061	USD	250,000	199	0.11
Bank of America, FRN 1.66% 25/04/2028	EUR	775,000	685	0.39
BAT Capital 2.30% 14/08/2020	USD	250,000	188	0.11
BBCMS Trust, Series 2013-TYSN 'A2' 3.76% 05/09/2032	USD	100,000	77	0.04
Becton Dickinson 2.40% 05/06/2020	USD	250,000	188	0.11
Branch Banking & Trust 3.63% 16/09/2025	USD	675,000	513	0.29
Camb 2019 Life A Regs 7.30% 15/12/2037	USD	480,000	366	0.21
CarMax Auto Owner Trust, Series 2018-1 'D' 3.37% 15/07/2024	USD	125,000	94	0.05
CCUBS Commercial Mortgage Trust, Series 2017-C1 'A4' 3.54% 15/11/2050	USD	625,000	471	0.27
Celgene 2.88% 15/08/2020	USD	250,000	190	0.11
Cigna 3.40% 17/09/2021	USD	250,000	191	0.11
Citigroup 4.40% 10/06/2025	USD	1,085,000	839	0.48
Citizens Bank 2.25% 02/03/2020	USD	775,000	585	0.33
CNH Equipment Trust, Series 2018-A 'A4' 3.30% 15/04/2025	USD	325,000	250	0.14
Colony Starwood Homes Trust, FRN, Series 2016-2X 'A' 3.76% 17/12/2033	USD	297,184	227	0.13
Comcast 3.70% 15/04/2024	USD	500,000	388	0.22
Conagra Brands 3.80% 22/10/2021	USD	250,000	191	0.11
Cox Communications 3.35% 15/09/2026	USD	150,000	107	0.06
Crown Castle International, REIT 3.15% 15/07/2023	USD	300,000	223	0.13
CVS Health 4.30% 25/03/2028	USD	1,000,000	769	0.44
Daimler Finance North America 1.50% 05/07/2019	USD	450,000	341	0.19
Dell Equipment Finance Trust, Series 2017-2 'B' 2.47% 24/10/2022	USD	225,000	170	0.10
Dell Equipment Finance Trust, Series 2018-2X 'B' 3.55% 22/10/2023	USD	275,000	211	0.12
Dell Equipment Finance Trust, Series 2018-2X 'C' 3.72% 22/10/2023	USD	300,000	232	0.13
Digital Euro Finco, REIT 2.63% 15/04/2024	EUR	375,000	343	0.20
Drive Auto Receivables Trust, Series 2016-AA 'C' 3.91% 17/05/2021	USD	196,104	150	0.09
Drive Auto Receivables Trust, Series 2016-CX 'C' 3.02% 15/11/2021	USD	273,661	209	0.12
Drive Auto Receivables Trust, Series 2016-CX 'D' 4.18% 15/03/2024	USD	400,000	307	0.18

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>United States of America 22.40% (27.50%) (continued)</b>				
Drive Auto Receivables Trust, Series 2018-2 'C' 3.63% 15/08/2024	USD	675,000	516	0.29
Duke Energy 2.65% 01/09/2026	USD	125,000	88	0.05
Energy Transfer Operating 4.50% 15/04/2024	USD	165,000	128	0.07
Energy Transfer Operating 5.25% 15/04/2029	USD	200,000	156	0.09
Energy Transfer Partners 4.20% 15/04/2027	USD	125,000	91	0.05
Enterprise Fleet Financing, Series 2017-3 'A2' 2.13% 22/05/2023	USD	531,407	401	0.23
EQT 3.90% 01/10/2027	USD	520,000	357	0.20
Exeter Automobile Receivables Trust, Series 2018-3A 'B' 3.46% 17/10/2022	USD	700,000	535	0.31
FHLMC, FRN, Series K159 'A2' 3.95% 25/11/2030	USD	350,000	277	0.16
FNMA 4.00% 01/09/2042	USD	588,234	461	0.26
FNMA 4.00% 01/01/2057	USD	555,263	435	0.25
General Electric, FRN 5.00% Perpetual	USD	1,978,000	1,269	0.72
General Motors Financial 2.35% 04/10/2019	USD	1,275,000	967	0.55
Genesis Energy 6.75% 01/08/2022	USD	70,000	53	0.03
GM Financial Automobile Leasing Trust, Series 2018-2 'C' 3.50% 20/04/2022	USD	425,000	325	0.19
GM Financial Automobile Leasing Trust, Series 2018-3 'B' 3.48% 20/07/2022	USD	320,000	245	0.14
GM Financial Automobile Leasing Trust, Series 2018-3 'C' 3.70% 20/07/2022	USD	550,000	421	0.24
GM Financial Consumer Automobile Receivables Trust, Series 2018-1 'B' 2.57% 17/07/2023	USD	775,000	586	0.33
Goldman Sachs Group 4.25% 21/10/2025	USD	550,000	422	0.24
Goldman Sachs Group 3.50% 16/11/2026	USD	355,000	260	0.15
HCA 6.50% 15/02/2020	USD	167,000	131	0.07
HCA 5.88% 01/02/2029	USD	125,000	99	0.06
InTown Hotel Portfolio Trust, FRN, Series 2018-STYX 'A' 3.16% 15/01/2033	USD	375,000	282	0.16
InTown Hotel Portfolio Trust, FRN, Series 2018-STYX 'B' 3.51% 15/01/2033	USD	250,000	188	0.11
Invitation Homes Trust, FRN, Series 2017-SF2X 'A' 3.31% 17/12/2036	USD	487,918	368	0.21
Invitation Homes Trust, FRN, Series 2018-SF3X 'A' 3.46% 17/07/2037	USD	496,837	377	0.21
Jackson National Life Global Funding 3.30% 01/02/2022	USD	440,000	336	0.19
JPMorgan Chase 3.30% 01/04/2026	USD	875,000	649	0.37
Keurig Dr Pepper 3.55% 25/05/2021	USD	250,000	191	0.11
Keurig Dr Pepper 4.06% 25/05/2023	USD	200,000	154	0.09
Kinder Morgan 4.30% 01/06/2025	USD	125,000	97	0.06
Kraft Heinz Foods 2.25% 25/05/2028	EUR	525,000	457	0.26
Kubota Credit Owner Trust, Series 2016-1X 'A3' 1.50% 15/07/2020	USD	112,691	85	0.05
Kubota Credit Owner Trust, Series 2018-1X 'A4' 3.21% 15/01/2025	USD	1,400,000	1,071	0.61
McDonald's 2.20% 26/05/2020	USD	250,000	189	0.11
Metropolitan Life Global Funding I 3.00% 19/09/2027	USD	1,275,000	921	0.53
MGM Growth Properties Operating Partnership, REIT 5.75% 01/02/2027	USD	310,000	237	0.14
Morgan Stanley 4.00% 23/07/2025	USD	330,000	256	0.15
NYT Mortgage Trust, FRN, Series 2019-NYTX 'A' 3.70% 15/11/2035	USD	550,000	419	0.24
Occidental Petroleum 3.00% 15/02/2027	USD	575,000	425	0.24
OneMain Financial Issuance Trust, Series 2015-1A 'B' 3.85% 18/03/2026	USD	580,000	443	0.25
Oscar US Funding Trust, Series 2017-1X 'A2A' 2.30% 11/05/2020	USD	21,375	16	0.01
Oscar US Funding Trust, Series 2017-1X 'A4' 3.30% 10/05/2024	USD	230,000	175	0.10
Prime Security Services Borrower 9.25% 15/05/2023	USD	122,000	98	0.06
Progress Residential Trust, Series 2017-SF1X 'A' 2.77% 17/08/2034	USD	946,958	699	0.40
Prudential Financial 5.38% 21/06/2020	USD	280,000	220	0.13
Reynolds Group Issuer 7.00% 15/07/2024	USD	175,000	135	0.08
Santander Drive Auto Receivables Trust, Series 2018-2 'C' 3.35% 17/07/2023	USD	475,000	362	0.21
Santander Drive Auto Receivables Trust, Series 2018-3 'C' 3.51% 15/08/2023	USD	625,000	477	0.27
Seasoned Credit Risk Transfer Trust, Series 2017-4 'M45T' 4.50% 25/06/2057	USD	460,650	363	0.21
Seasoned Loans Structured Transaction, Series 2018-2 'A1' 3.50% 25/11/2028	USD	610,660	466	0.27
Southern 3.25% 01/07/2026	USD	1,125,000	817	0.47
Springleaf Funding Trust, Series 2015-AA 'A' 3.16% 15/11/2024	USD	204,985	156	0.09
Springleaf Funding Trust, Series 2016-AX 'A' 2.90% 15/11/2029	USD	582,123	442	0.25
Sprint Spectrum 4.74% 20/09/2029	USD	825,000	627	0.36
Starwood Waypoint Homes Trust, FRN, Series 2017-1X 'A' 3.46% 17/01/2035	USD	1,400,960	1,064	0.61
Tenet Healthcare 6.25% 01/02/2027	USD	125,000	96	0.05
Tesla Auto Lease Trust, Series 2018-BX 'A' 3.71% 20/08/2021	USD	485,273	372	0.21
Tricon American Homes Trust, Series 2016-SFR1 'A' 2.59% 17/11/2033	USD	570,889	423	0.24
Tricon American Homes Trust, Series 2017-SF2X 'A' 2.93% 17/01/2036	USD	698,244	514	0.29
United Technologies 2.15% 18/05/2030	EUR	250,000	221	0.13



## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>United States of America 22.40% (27.50%) (continued)</b>				
Visa 2.20% 14/12/2020	USD	1,100,000	831	0.47
Vistra Operations 5.63% 15/02/2027	USD	435,000	332	0.19
Wells Fargo 3.00% 22/04/2026	USD	390,000	284	0.16
Wells Fargo 4.30% 22/07/2027	USD	245,000	189	0.11
Westlake Automobile Receivables Trust, Series 2018-1X 'C' 2.92% 15/05/2023	USD	675,000	511	0.29
Westlake Automobile Receivables Trust, Series 2018-2X 'C' 3.50% 16/01/2024	USD	700,000	534	0.30
			39,225	22.40
<b>Virgin Islands, British 0.00% (0.37%)</b>				
<b>Corporate Bonds total</b>			<b>72,621</b>	<b>41.46</b>
<b>Suprationals 3.56% (2.82%)</b>				
Arab Petroleum Investments 4.13% 18/09/2023	USD	650,000	502	0.29
Asian Development Bank 3.50% 30/05/2024	NZD	1,175,000	648	0.37
Banque Ouest Africaine de Developpement 5.00% 27/07/2027	USD	850,000	632	0.36
European Investment Bank 1.25% 05/11/2020	CAD	1,702,000	975	0.56
European Investment Bank 2.70% 12/01/2023	AUD	1,600,000	900	0.51
International Bank for Reconstruction & Development 3.50% 22/01/2021	NZD	3,550,000	1,921	1.10
International Finance 6.30% 25/11/2024	INR	63,970,000	653	0.37
<b>Suprationals total</b>			<b>6,231</b>	<b>3.56</b>
<b>Swaps (0.22)% (0.14%)</b>				
Credit Default Swap Morgan Stanley CDX.NA.HY.31-V 20/12/2023	USD	23,000	1	–
Interest Rate Swap Goldman Sachs Pay fixed 3.21% Receive floating BBR 3 month 19/03/2028	NZD	5,190,000	(169)	(0.10)
Interest Rate Swap Goldman Sachs Pay fixed 3.21% Receive floating BBR 3 month 20/03/2028	NZD	6,930,000	(226)	(0.13)
Interest Rate Swap JPMorgan Pay fixed 2.47% Receive floating BBR 6 month 14/01/2029	HUF	350,000,000	11	0.01
<b>Swaps total</b>			<b>(383)</b>	<b>(0.22)</b>
<b>Options 0.07% (0.10%)</b>				
Foreign Exchange CLP/USD, Call, 701, 15/04/2019	USD	(580,000)	(2)	–
Foreign Exchange CLP/USD, Put, 650, 15/04/2019	USD	580,000	3	–
Foreign Exchange COP/USD, Call, 3,350, 12/04/2019	USD	(580,000)	(3)	–
Foreign Exchange COP/USD, Put, 3,050, 12/04/2019	USD	580,000	3	–
Foreign Exchange GBP/EUR, Call, 0.94, 23/05/2019	EUR	(510,000)	(2)	–
Foreign Exchange GBP/EUR, Put, 0.865, 23/05/2019	EUR	510,000	6	–
Foreign Exchange IDR/USD, Put, 14,750, 21/02/2019	USD	1,160,000	43	0.02
Foreign Exchange INR/USD, Put, 71.85, 22/02/2019	USD	1,150,000	12	0.01
Foreign Exchange NZD/AUD, Call, 1.08, 24/05/2019	AUD	800,000	2	–
Foreign Exchange NZD/AUD, Put, 1.05, 24/05/2019	AUD	(800,000)	(6)	–
Foreign Exchange RUB/USD, Call, 71, 12/04/2019	USD	(580,000)	(2)	–
Foreign Exchange RUB/USD, Put, 66, 12/04/2019	USD	580,000	9	–
Foreign Exchange USD/AUD, Call, 0.721, 01/02/2019	AUD	3,300,000	16	0.01
Foreign Exchange USD/GBP, Call, 1.323, 07/02/2019	GBP	1,800,000	5	–
Foreign Exchange USD/GBP, Call, 1.298, 15/02/2019	GBP	1,800,000	30	0.02
Foreign Exchange ZAR/USD, Call, 14.75, 15/04/2019	USD	(580,000)	(3)	–
Foreign Exchange ZAR/USD, Put, 13.4, 15/04/2019	USD	580,000	11	0.01
<b>Options total</b>			<b>122</b>	<b>0.07</b>



## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Forward Currency Contracts (0.68)% ((0.08)%)</b>				
Buy ARS 50,895,000 sell USD 1,285,222 dated 08/02/2019			68	0.04
Buy ARS 2,000,000 sell USD 49,518 dated 10/04/2019			1	–
Buy AUD 180,000 sell GBP 98,277 dated 28/02/2019			1	–
Buy BRL 2,150,000 sell USD 549,964 dated 04/02/2019			29	0.02
Buy BRL 2,150,000 sell USD 569,016 dated 02/04/2019			13	0.01
Buy CLP 405,000,000 sell USD 587,472 dated 25/02/2019			22	0.01
Buy COP 1,111,640,000 sell USD 339,132 dated 25/02/2019			13	0.01
Buy CZK 87,610,000 sell GBP 3,020,830 dated 25/02/2019			(43)	(0.02)
Buy EUR 347,599 sell GBP 303,782 dated 05/02/2019			1	–
Buy EUR 1,320,000 sell GBP 1,149,106 dated 28/02/2019			8	–
Buy GBP 4,826,197 sell AUD 8,855,000 dated 28/02/2019			(81)	(0.05)
Buy GBP 3,247,021 sell CAD 5,680,000 dated 28/02/2019			(44)	(0.03)
Buy GBP 1,246,448 sell CZK 35,750,000 dated 25/02/2019			31	0.02
Buy GBP 876,527 sell EUR 1,009,445 dated 01/02/2019			(8)	–
Buy GBP 45,936,209 sell EUR 52,955,000 dated 28/02/2019			(499)	(0.28)
Buy GBP 23,892,177 sell JPY 3,410,075,000 dated 28/02/2019			(67)	(0.04)
Buy GBP 451,761 sell MXN 11,300,000 dated 25/02/2019			1	–
Buy GBP 892,864 sell MXN 23,780,000 dated 25/02/2019			(56)	(0.03)
Buy GBP 8,876,653 sell NZD 17,105,000 dated 28/02/2019			(145)	(0.08)
Buy GBP 305,374 sell SEK 3,640,000 dated 28/02/2019			(2)	–
Buy GBP 1,721,227 sell USD 2,265,724 dated 01/02/2019			(6)	–
Buy GBP 102,860 sell USD 135,435 dated 05/02/2019			–	–
Buy GBP 335,981 sell USD 440,000 dated 28/02/2019			1	–
Buy GBP 88,452,062 sell USD 116,585,000 dated 28/02/2019			(320)	(0.18)
Buy GBP 921,353 sell ZAR 16,570,000 dated 25/02/2019			(29)	(0.02)
Buy HKD 3,880,000 sell USD 495,924 dated 10/04/2019			–	–
Buy HUF 433,950,000 sell USD 1,537,194 dated 25/02/2019			34	0.02
Buy IDR 18,357,130,000 sell USD 1,248,614 dated 25/02/2019			53	0.03
Buy INR 14,480,000 sell USD 202,815 dated 25/02/2019			–	–
Buy JPY 131,370,000 sell GBP 918,921 dated 28/02/2019			4	–
Buy KRW 3,738,910,000 sell USD 3,330,493 dated 25/02/2019			28	0.02
Buy NOK 26,235,000 sell GBP 2,339,550 dated 28/02/2019			38	0.02
Buy NZD 480,000 sell GBP 250,385 dated 28/02/2019			3	–
Buy RON 5,580,000 sell USD 1,353,535 dated 25/02/2019			3	–
Buy RUB 43,920,000 sell USD 653,547 dated 25/02/2019			13	0.01
Buy SEK 890,000 sell GBP 75,102 dated 28/02/2019			–	–
Buy SGD 1,650,000 sell GBP 944,811 dated 25/02/2019			(10)	(0.01)
Buy TWD 18,000,000 sell USD 584,985 dated 25/02/2019			2	–
Buy USD 569,264 sell ARS 23,000,000 dated 08/02/2019			(40)	(0.02)
Buy USD 571,201 sell BRL 2,150,000 dated 04/02/2019			(13)	(0.01)
Buy USD 568,605 sell CLP 381,460,000 dated 25/02/2019			(9)	(0.01)
Buy USD 550,169 sell EUR 480,000 dated 28/02/2019			(2)	–
Buy USD 435,000 sell GBP 332,668 dated 06/02/2019			(1)	–
Buy USD 480,000 sell GBP 364,293 dated 08/02/2019			1	–
Buy USD 2,740,000 sell GBP 2,079,528 dated 28/02/2019			7	–
Buy USD 730,000 sell GBP 557,329 dated 28/02/2019			(2)	–
Buy USD 2,887,060 sell HKD 22,500,000 dated 10/04/2019			9	0.01
Buy USD 3,262,973 sell HUF 920,680,000 dated 25/02/2019			(70)	(0.04)
Buy USD 4,779,780 sell KRW 5,375,460,000 dated 25/02/2019			(47)	(0.03)
Buy USD 598,117 sell MYR 2,510,000 dated 25/02/2019			(11)	(0.01)
Buy USD 1,182,243 sell PEN 4,000,000 dated 14/02/2019			(8)	–
Buy USD 1,126,982 sell PHP 59,570,000 dated 26/02/2019			(12)	(0.01)
Buy USD 1,361,778 sell RON 5,580,000 dated 25/02/2019			3	–
Buy USD 1,235,898 sell RUB 82,000,000 dated 25/02/2019			(12)	(0.01)
Buy USD 1,007,475 sell THB 33,100,000 dated 25/02/2019			(40)	(0.02)
<b>Forward Currency Contracts total</b>			<b>(1,190)</b>	<b>(0.68)</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 January 2019 (unaudited)

Investment	Currency	Holding	Market Value	
			£000	% of Net Assets
<b>Futures 0.07% (0.01%)</b>				
Australia 3 Year Bond 15/03/2019	AUD	241	(3)	–
Australia 10 Year Bond 15/03/2019	AUD	(61)	17	0.01
Canada 10 Year Bond 20/03/2019	CAD	(5)	(15)	(0.01)
Euro-Bobl 07/03/2019	EUR	(103)	(64)	(0.04)
Euro-BTP 07/03/2019	EUR	51	168	0.10
Euro-Bund 07/03/2019	EUR	(73)	(181)	(0.10)
Euro-Buxl 07/03/2019	EUR	21	154	0.09
Euro-OAT 07/03/2019	EUR	36	54	0.03
Euro-Schatz 07/03/2019	EUR	(141)	3	–
Japan 10 Year Bond 13/03/2019	JPY	(3)	(2)	–
Long Gilt 27/03/2019	GBP	(20)	(8)	–
US 2 Year Note 29/03/2019	USD	(25)	(15)	(0.01)
US 10 Year Note 20/03/2019	USD	8	3	–
US 10 Year Ultra Bond 20/03/2019	USD	8	6	–
US Long Bond 20/03/2019	USD	5	–	–
US Ultra Bond 20/03/2019	USD	(2)	2	–
<b>Futures total</b>			<b>119</b>	<b>0.07</b>
Investment assets			170,881	97.57
Net other assets			4,256	2.43
<b>Net assets</b>			<b>175,137</b>	<b>100.00</b>

All holdings are debt securities and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2018.

## Debt Security Credit Analysis

	Market Value	
	£000	% of Net Assets
<b>Bonds</b>		
– Investment Grade*	154,858	88.40
– Below Investment Grade	16,160	9.24
– Unrated	1,195	0.69
<b>Debt securities total</b>	<b>172,213</b>	<b>98.33</b>

\* Investment grade refers to the quality of a company's credit. A rating of 'BBB' or higher is considered an investment grade issue.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
Income				
Net capital losses		(2,485)		(370)
Revenue	2,445		2,548	
Expenses	(759)		(845)	
Net revenue before taxation	1,686		1,703	
Taxation	–		–	
Net revenue after taxation		1,686		1,703
<b>Total return before distributions</b>		<b>(799)</b>		<b>1,333</b>
Distributions		(2,439)		(2,490)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(3,238)</b>		<b>(1,157)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 January 2019 (unaudited)

	£000	Six months ended 31.01.19 £000	£000	Six months ended 31.01.18 £000
<b>Opening net assets attributable to shareholders</b>		<b>185,341</b>		<b>202,514</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	1,196		20,424	
Amounts payable on cancellation of shares	(8,171)		(1,071)	
		(6,975)		19,353
Dilution adjustment		9		20
Change in net assets attributable to shareholders from investment activities (see above)		(3,238)		(1,157)
<b>Closing net assets attributable to shareholders</b>		<b>175,137</b>		<b>220,730</b>

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 31 July 2018 was £185,341,036.

## BALANCE SHEET

As at 31 January 2019 (unaudited)

	As at 31.01.19 £000	As at 31.07.18 £000
<b>Assets:</b>		
Investments	173,159	179,688
<b>Current assets:</b>		
Debtors	6,852	4,806
Cash and bank balances	10,182	5,191
<b>Total assets</b>	<b>190,193</b>	<b>189,685</b>
<b>Liabilities:</b>		
Investment liabilities	(2,278)	(1,279)
<b>Creditors:</b>		
Bank overdrafts	(123)	(1,086)
Distribution payable	(1,094)	(1,452)
Other creditors	(11,561)	(527)
<b>Total liabilities</b>	<b>(15,056)</b>	<b>(4,344)</b>
<b>Net assets attributable to shareholders</b>	<b>175,137</b>	<b>185,341</b>

**Accounting policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 July 2018 and are described in those annual financial statements.

## STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial positions of the Company at the period end and of the net revenue or expense and net gains or losses on the scheme property of the Company for the period then ended.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the Instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Manager of Manager ICVC (ICVC 2) for the six months ended 31 January 2019 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

I Buckle  
Director

S Ebenston  
Director  
29 March 2019

## GENERAL INFORMATION

Investments in Aviva Investors Manager of Manager ICVC (ICVC 2) are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of an investment in the Funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where Funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Prospectus (which is available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request) for a full description of the risks involved when investing in the Funds.

Any future returns and opinions expressed should not be relied upon as indicating any guarantee of return from investment in the Funds.

The performance figure given for each fund is based on midday values for the Aviva Investors UK Listed Equity High Alpha Fund and at 2pm for all other Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

### **Publication of Prices**

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at [www.avivainvestors.com](http://www.avivainvestors.com). Calls may be recorded for training or monitoring purposes and to comply with applicable law and regulations. Calls are free from UK landlines and mobiles.

