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¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

SUTL Cazenove GBP Balanced Fund (the 'Fund') aims to provide capital growth and income of inflation (as measured by the UK Consumer Price Index) plus 3.25% (after fees have been deducted) over a five to seven year period by investing in a diversified range of assets and markets worldwide. This cannot be guaranteed and your capital is at risk.

The Fund is actively managed invests directly, or indirectly through collective investment schemes, exchange traded funds, real estate investment trusts and closed ended funds, in equity and equity related securities, fixed and floating rate securities and alternative assets worldwide. Alternative assets may include funds that use absolute return strategies or funds that invest directly in real estate or indirectly in commodities. As the Fund is index-unconstrained it is managed without reference to an index.

The Fund invests at least 50% of its assets in collective investment schemes (including Schroder funds).

The Fund will seek to increase returns and reduce downside risk by making tactical adjustments to its holdings based on market conditions. The Fund will invest within the following ranges:

Cash: 0% - 20%

Bonds: 20% - 50%

Equities: 25% - 60%

Alternative Investments 0% - 35%

The Fund may also invest in warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 5 of Appendix I of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark of the UK Consumer Price Index plus 3.25%, and compared against the Asset Risk Consultants (ARC) Sterling Balanced Asset Private Client Index. The benchmark has been selected because the target return of the Fund is to deliver or exceed the return of that benchmark as stated in the investment objective. The comparator benchmark has been selected because the Manager and the Investment Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Total purchases and sales

	For the period to 29.2.24 £000's	For the year to 31.8.23 £000's
Total purchases	295,901	788,598
Total sales	239,168	493,888

Fund Performance

	Number of units in issue 29.2.24	Net asset value per unit 29.2.24	Net asset value per unit 31.8.23
S Accumulation units	1,105,914,999	61.89p	58.57p
S Income units	1,848,689,778	58.79p	56.06p
Z Accumulation units	2,000	60.91p	57.74p
Z Income units	2,000	58.20p	55.51p

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Review of Investment Activities

From 31 August 2023 to 29 February 2024, the price of Z Accumulation units on a dealing price increased by 5.25%. In the same period, the Consumer Price Index plus 3.25% increased by 2.32%¹.

The period under review began with investors in a more cautious frame of mind owing to two factors. The first was the narrative from central banks across developed markets that interest rates would likely remain “higher for longer” due to fears that core inflation may remain “sticky”. The second was the attack by Hamas on Israel in October, which saw oil prices spike back up towards their highs for the year and the yield on the US 10-year Treasury bond go temporarily above 5% intraday late in the month for the first time since 2007.

However, caution turned to a more optimistic outlook from November onwards particularly in the US. The downward trend in US inflation data closer to the Federal Reserve’s target of 2%, accompanied by more dovish comments from Chairman Jerome Powell and other Fed governors, led markets to aggressively revise up their expectations for the number of rate cuts in the coming two years. Despite these expectations being reigned in somewhat in the first two months of 2024 as monthly inflation prints surprised marginally to the upside, the prevailing sentiment of a soft landing remained intact with the yearly inflation trend still downwards and growth indicators remaining resilient.

Elsewhere globally the picture was a bit more nuanced. In Europe, concerns around deflation resurfaced as a combination of weak German manufacturing and concerns over Chinese growth weighed on sentiment. China’s economy continued to be affected by the issues in the property sector and Beijing’s clampdowns on local government spending, although hopes of stabilisation were more apparent post the PBOC’s reduction of the reserve requirement rate and global trade activity looked to be picking up. In the UK, inflation proved to be more stubborn and growth slower to recover back to pre-pandemic levels than other G7 countries, although resilience of consumer and retail spending proved to be a relative bright spot.

Equity markets were higher during the period, with North America leading the charge and Japan also outperforming. Asian and Chinese markets lagged due to the aforementioned weakness in the Chinese economy, whilst UK stocks also lagged. Markets continued to be led by those stocks seen as plays on the AI theme and as a consequence there was a significant dispersion in performance between those names and the rest of the market. The equity exposure of the Fund was underweight the largest technology stocks during the period and as a consequence lagged the broader benchmarks

Government bond yields fell over the six months overall after spiking initially in October. UK bond yields fell across the curve but more so at the shorter end, benefiting the Fund’s positioning that was more concentrated in this area. The Fund’s credit positioning also produced good absolute returns as spreads in general narrowed, with exposure to global high yield and Emerging Market Debt in particular performing well. The Fund’s exposure to alternatives detracted from performance during the period driven by two factors, namely weakness in the broader commodity markets (energy, metals and agricultural) and a weakness in real assets driven by the rise in yields during the period. These two factors were partially offset by the strong performance of our absolute return exposure.

There was a fair amount of trading activity over the period. In light of the increasingly positive sentiment surrounding a soft landing in the US, the exposure to equities was increased whilst the magnitude of our underweight to US equities was decreased closer to its weighting in the global benchmark. This was implemented predominantly through a combination of a reduction in our global equity exposure as well as cash. The duration of our government bond allocation was also slightly reduced after the rally in longer duration bonds towards the end of 2023 and a broad global bond exposure introduced through a holding in a passive Global Government bond fund. This trade helped diversify our exposure across global government bonds away from the UK given over our concerns around future Gilt issuance and higher UK inflation levels.

The magnitude of our underweight to US equities was decreased closer to its weighting in the global benchmark. This was implemented predominantly through a combination of a reduction in our global equity exposure as well as cash.

**Fund Manager:
Caspar Rock**



Caspar joined in September 2016 and is the Chief Investment Officer Of Cazenove Capital and Schroder Wealth Management and has overall responsibility for the investment strategy and selection in the Wealth management division of Schroders PLC

He joined from Architas Multi-Manager Ltd, a part of the AXA group, where he was Chief Investment Officer. He previously headed up the multi manager business at AXA Framlington from 2006 to 2008. Prior to that, he managed a range of directly invested equity and bond portfolios, and was Head of European Equities at Framlington as well as a member of the Healthcare team

He has 37 years’ investment experience

¹ Source: Refinitiv Eikon Datastream.

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Risk Profile

Risk and reward indicator



The risk category was calculated using simulated performance data and may not be a reliable indicator of the Fund's future risk profile. The Fund's risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment.

For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com.

Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and the net capital gains on the property of the Fund for the period.

In preparing the accounts the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

A. Donoghue

Directors

25 April 2024

P. Truscott

Portfolio Statement

	Holding at 29.2.24	Market Value £000's	% of net assets
Collective Investment Schemes 84.94% (82.10%)			
Absolute Return Funds 1.73% (1.66%)			
Brevan Howard Absolute Return Government Bond Fund A1 GBP Dis	263,451	28,987	1.64
Brevan Howard Absolute Return Government Bond Fund A2 GBP Dis	15,167	1,544	0.09
		30,531	1.73
Asia Pacific ex Japan Equity Funds 2.87% (3.06%)			
Schroder Asian Alpha Plus Fund - Class S Income GBP	46,918,440	50,854	2.87
		50,854	2.87
Cash Funds 3.71% (4.02%)			
JPM GBP Liquidity LVNAV Fund - E (dist.) ¹	65,734,418	65,734	3.71
		65,734	3.71
Chinese Equity Funds 0.00% (1.17%)			
Commodity Funds 5.95% (6.51%)			
L&G Multi- Strategy Enhanced Commodities Fund - Share Class USD Accumulating	5,456,222	57,170	3.23
WisdomTree Physical Gold Fund - GBP Daily Hedged	4,506,136	48,125	2.72
		105,295	5.95
Emerging Markets Equity Funds 2.74% (2.92%)			
Fidelity Emerging Markets Fund - R Accumulation Shares	27,907,548	31,201	1.76
Redwheel Global Emerging Markets Fund Class S GBP DIST	195,112	17,293	0.98
		48,494	2.74
Europe ex UK Equity Funds 1.57% (0.00%)			
BlackRock European Dynamic Fund - Class FD Income GBP	9,435,210	27,833	1.57
		27,833	1.57
Global Emerging Markets Fixed Interest Funds 2.36% (2.49%)			
M&G Emerging Markets Bond Fund Sterling Class PP-H - Income shares	52,077,179	41,729	2.36
		41,729	2.36

	Holding at 29.2.24	Market Value £000's	% of net assets
Global Equity Funds 11.62% (15.77%)			
HSBC Index Tracker FTSE All-World Index Fund - Class S Income	33,916,920	81,129	4.58
Ninety One Global Environment Fund - Class K Income shares in sterling	25,473,846	39,352	2.22
Robeco Capital Growth BP Global Premium Equities Fund - KE GBP	381,566	45,014	2.54
Wellington Global Health Care Equity Fund - GBP Class UN Distributing Unhedged	3,805,233	40,403	2.28
		205,898	11.62
Global Fixed Interest Funds 5.88% (2.90%)			
HSBC Global Government Bond Index Fund Class:S2QHGBP	5,763,884	53,035	2.99
Morgan Stanley Global Asset Backed Securities Fund - SHX (GBP)	2,237,934	51,226	2.89
		104,261	5.88
Hedge Funds 2.82% (2.81%)			
AQR Alternative Trends Fund IDG3 GBP Dis	258,646	29,920	1.69
Coremont Investment Landseeram European Equity Focus Long/Short Fund - F1 USD	176,008	20,107	1.13
		50,027	2.82
Infrastructure and Renewable Energy Funds 1.02% (1.06%)			
ATLAS Global Infrastructure Fund - Series B GBP Unhedged Share Class Inc	135,126	18,050	1.02
		18,050	1.02
Japanese Equity Funds 3.35% (2.03%)			
M&G Japan Fund Sterling Class PP - Income shares	41,146,359	59,296	3.35
		59,296	3.35
Multi Asset Funds 3.54% (4.05%)			
Schroder SSF Diversified Alternative Assets Fund Class S Distribution GBP	722,593	62,772	3.54
		62,772	3.54

Portfolio Statement (continued)

	Holding at 29.2.24	Market Value £000's	% of net assets
UK Equity Funds 1.08% (2.19%)			
Polar Capital UK Value Opportunities Fund - Class S GBP Distribution	1,639,352	19,131	1.08
		19,131	1.08
UK Fixed Interest Funds 6.19% (6.11%)			
Federated Hermes Unconstrained Credit Fund Class M3 GBP Dist. Hedged Shares	26,510,243	22,823	1.29
Vontobel TwentyFour Absolute Return Credit Fund AQNG GBP	884,677	86,814	4.90
		109,637	6.19
US Equity Funds 26.43% (20.01%)			
Findlay Park American Fund - Class I GBP Distribution	208,920	34,662	1.96
JPM America Equity Fund - I2 (dist) - USD	1,519,308	141,211	7.97
Neuberger Berman US Equity Index Putwrite Fund - GBP I3 Distributing Class - Hedged	4,623,232	50,902	2.87
Neuberger Berman US Large Cap Value Fund - GBP I4 Distributing Class - Unhedged	0	0	0.00
SPDR S&P 500 Fund	205,275	82,502	4.66
Vanguard S&P 500 Fund - (USD) Distributing	1,720,454	131,193	7.41
William Blair U.S. Small-Mid Cap Growth Fund - JX USD	237,179	27,615	1.56
		468,085	26.43

	Holding at 29.2.24	Market Value £000's	% of net assets
US Fixed Interest Funds 2.08% (3.34%)			
Lyxor Core US TIPS DR Fund - GBP Hedged (Dist) Share Class	359,706	36,830	2.08
		36,830	2.08
Collective Investment Schemes total		1,504,457	84.94
Government Bonds 9.78% (11.90%)			
United Kingdom 9.78% (11.90%)			
UK Treasury Inflation Indexed 1.25% 22/11/2027	15,685,569	31,606	1.79
UK Treasury 0.125% 31/01/2028	74,756,643	64,179	3.62
UK Treasury 1.125% 31/01/2039	119,936,295	77,431	4.37
		173,216	9.78
Government Bonds total		173,216	9.78
Corporate Bonds 2.03% (2.06%)			
Luxembourg 1.05% (1.20%)			
Citigroup Global Markets Funding Luxembourg 0% 02/07/2029	5,480,000	5,480	0.31
Citigroup Global Markets Funding Luxembourg 0% 23/08/2029	5,650,000	5,650	0.32
Citigroup Global Markets Funding 0% 01/03/2030	7,439,000	7,439	0.42
		18,569	1.05
United Kingdom 0.98% (0.86%)			
HSBC Bank 0% 31/07/2025	1,900,000	2,464	0.14
Barclays Bank 0% 09/03/2029	4,790,000	4,790	0.27
Barclays Bank 0% 03/04/2029	4,718,000	4,718	0.26
Barclays Bank 0% 16/10/2029	5,457,000	5,457	0.31
		17,429	0.98
Corporate Bonds total		35,998	2.03
Portfolio of investments		1,713,671	96.75
Net other assets		57,582	3.25
Net assets attributable to unitholders		1,771,253	100.00

The comparative percentage figures in brackets are as at 31 August 2023.

Unless otherwise stated, all securities are admitted to official stock exchange listings or are permitted collective investment schemes.

1 Cash equivalents.

Statement of Total Return (unaudited)

For the six months ended 29 February 2024

	29.2.24		28.2.23	
	£000's	£000's	£000's	£000's
Income				
Net capital gains/(losses)		81,406		(27,298)
Revenue	18,443		13,778	
Expenses	(3,360)		(2,865)	
Net revenue before taxation	15,083		10,913	
Taxation	(1,923)		(926)	
Net revenue after taxation		13,160		9,987
Total return before distributions		94,566		(17,311)
Distributions		(13,163)		(10,037)
Change in net assets attributable to unitholders from investment activities		81,403		(27,348)

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

For the six months ended 29 February 2024

	29.2.24		28.2.23	
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		1,637,237 [^]		1,413,109
Amounts receivable on issue of units	105,949		181,709	
Amounts payable on cancellation of units	(58,480)		(47,518)	
		47,469		134,191
Dilution adjustment		(1)		-
Change in net assets attributable to unitholders from investment activities		81,403		(27,348)
Retained distribution on Accumulation units		5,145		4,098
Closing net assets attributable to unitholders		1,771,253		1,524,050[^]

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

Balance Sheet (unaudited)

As at 29 February 2024

	29.2.24	31.8.23
	£000's	£000's
Assets		
Investments	1,647,937	1,506,919
Current assets		
Debtors	4,491	6,711
Cash and bank balances	73,039	68,824
Cash equivalents	65,734	65,734
Total assets	1,791,201	1,648,188
Liabilities		
Creditors		
Distributions payable	(8,232)	(9,043)
Other creditors	(11,716)	(1,908)
Total liabilities	(19,948)	(10,951)
Net assets attributable to unitholders	1,771,253	1,637,237

Notes to the Accounts (unaudited)

Accounting policies

Basis of preparation

The accounts have been produced as at 29 February 2024, being the final day of February for 2024. The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014 and in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)).

The Manager has undertaken a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

The accounting policies applied are consistent with those of the annual accounts for the year ended 31 August 2023 and are described in those annual accounts.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroders & Co. Ltd
1 London Wall Place
London EC2Y 5AU
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority
The Manager is responsible for maintaining the register for each Fund. It has delegated certain registrar functions to HSBC Bank Plc, 8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

Ernst & Young LLP
1 More London Place
London, SE1 2AF

Authorisation

The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a Trust. The Fund is a non-UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

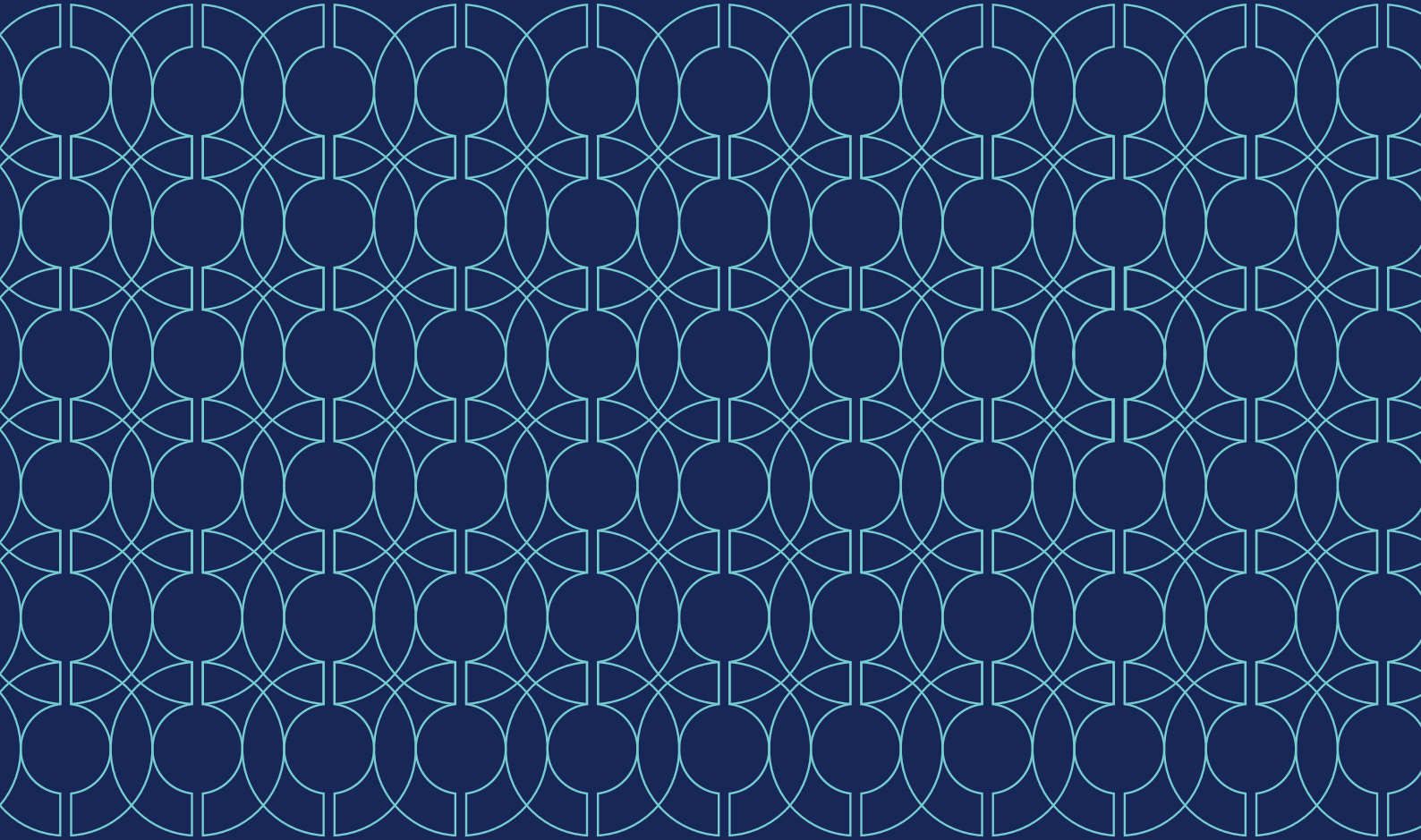
A statement on the Assessment of Value is published on the Global Fund Centre in the Fund Literature section at www.Schroders.com within 4 months of the annual 'reference date' 30 June.

Task Force on Climate-Related Financial Disclosures

A statement on the climate related financial disclosures is published at www.schroders.com/en/global/individual/corporate-transparency/tcf-entity-and-product-reports/.

Other information

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.com.



EST. 1804

For further literature please contact Schroder Investor Services on 0800 182 2399 or schrodersinvestor@HSBC.com for Retail Clients, or 0345 030 7277 or schrodersinstitutional@HSBC.com for Institutional Clients, or visit our website at www.schroders.com.

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