

# LIONTRUST MULTI-ASSET GLOBAL SOLUTIONS ICVC

Interim Report &  
Financial Statements (unaudited)

For the period:  
**1 January 2023**  
to  
**30 June 2023**

**Managed in accordance with**  
the Multi-Asset Process

LIONTRUST FUND PARTNERS LLP

**LIONTRUST** 

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\* Collectively these comprise the Authorised Corporate Director's Report (herein referred to as the ACD's Report) along with the Investment objective and policy, Investment review, Portfolio Statement and Material portfolio changes of each Sub-fund.

## Management and Administration

### Management and Administration

The Authorised Corporate Director ("ACD") of Liontrust Multi-Asset Global Solutions ICVC (the "Company") is:

#### Liontrust Fund Partners LLP

The registered office of the ACD and the Company is 2 Savoy Court, London, WC2R 0EZ.

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

### Depository

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA

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

### Independent Auditor

KPMG LLP  
11th Floor  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

### Administrator and Registrar

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London  
EC4V 4LA

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

## Management and Administration (continued)

### Company Information

The Company is an investment company with variable capital under regulation 12 of the Open-Ended Investment Company Regulations 2001, incorporated in England and Wales under registered number IC 000516 and authorised by the Financial Conduct Authority on 28 February 2007. At the year end the Company held ten Sub-funds, the Liontrust MA Explorer 35 Fund, the Liontrust MA Diversified Global Income Fund, the Liontrust Diversified Real Assets Fund, the Liontrust MA Dynamic Passive Adventurous Fund, the Liontrust MA Dynamic Passive Growth Fund, the Liontrust MA Dynamic Passive Intermediate Fund, the Liontrust MA Dynamic Passive Moderate Fund, the Liontrust MA Dynamic Passive Progressive Fund, the Liontrust MA Dynamic Passive Prudent Fund and the Liontrust MA Dynamic Passive Reserve Fund (the "Sub-funds"). The Liontrust Diversified Global Income Fund is closed to investment and will be terminated at a later date once the residual assets and liabilities are settled. As a result the financial statements for this Sub-fund have not been prepared on a going concern basis.

The Company is a Non-UCITS scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("COLL") and is structured as an umbrella company so that different Sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund. Each share class has the same rights on a winding up of the Company. Investment of the assets of each of the Sub-funds must comply with the FCA's COLL and the investment objective and policy of the relevant Sub-fund.

### Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps are required on all reports & accounts published after 13 January 2017. During the period to 30 June 2023 and at the balance sheet date, the Sub-funds did not use SFT's or total return swaps, as such no disclosure is required.

### Assessment of Value

The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. Please note we are changing the reference and publication date of our annual Assessment of Value. Previously, the reference date was the end of August, with a publication date of December. Going forward, from 30 June 2023, the reference date will be 30 June, with a publication deadline of end of October. The assessment of value report can be viewed on the Liontrust website [www.liontrust.co.uk/assessment-of-value](http://www.liontrust.co.uk/assessment-of-value).

### Changes to the Company

The funds in the Liontrust MA fund ranges distribute income as dividend payments with the exception of the Liontrust MA Blended Reserve, MA Explorer Income 45 and Liontrust Explorer 35 funds which distribute it as interest payments. To make these interest payments, these funds are required to hold a minimum of 60% of its assets in qualifying interest paying (or equivalent) investments (the "60% requirement" and "qualifying investments") at all times.

We are removing the 60% requirement for these three funds and change the way in which the funds pay distributions from interest payments to dividends, which means that from 1 April 2023 for the MA Explorer Income 45 and MA Explorer 35 Funds and 1 July 2023 for the MA Blended Reserve Fund, the funds will distribute income as dividends rather than interest. This change is designed to provide greater flexibility for the funds to meet their objectives while seeking to maximise returns.

## Management and Administration (continued)

### Changes to the Company (continued)

From 5 April 2023, the Sub-fund names changed:

- Liontrust MA Active Reserve Fund to Liontrust MA Explorer 35 Fund
- Liontrust MA Passive Moderate Fund to Liontrust MA Dynamic Passive Moderate Fund
- Liontrust MA Passive Intermediate Fund to Liontrust MA Dynamic Passive Intermediate Fund
- Liontrust MA Passive Progressive Fund to Liontrust MA Dynamic Passive Progressive Fund
- Liontrust MA Passive Reserve Fund to Liontrust MA Dynamic Passive Reserve Fund
- Liontrust MA Passive Growth Fund to Liontrust MA Dynamic Passive Growth Fund
- Liontrust MA Passive Dynamic Fund to Liontrust MA Dynamic Passive Adventurous Fund
- Liontrust MA Passive Prudent Fund to Liontrust MA Dynamic Passive Prudent Fund

From 15 June 2023, the Sub-fund name changed:

- Liontrust MA Diversified Real Assets Fund to Liontrust Diversified Real Assets Fund

### Holdings in Other Funds of the Company

As at 30 June 2023, there were no shares in any Sub-fund held by other Sub-funds of the Company.

### Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £29.5 billion in assets under management (AUM) as at 30 June 2023 and that takes pride in having a distinct culture and approach to managing money. What makes Liontrust distinct?

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

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

## Management and Administration (continued)

### **Liontrust Asset Management PLC (continued)**

Russia's invasion of Ukraine, the sanctions imposed on Russia as a result and retaliatory action taken by Russia against foreign investors has caused significant volatility in certain financial markets, currency markets and commodities markets worldwide. Economic sanctions and the fallout from the conflict will likely impact companies worldwide operating in a wide variety of sectors, including energy, financial services and defence, amongst others. As a result, the performance of the Sub-funds may also be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

### **Member's Statement**

In accordance with COLL 4.5.8BR, we hereby certify the Interim Report and the Financial Statements were approved by the management committee of members of the ACD and authorised for issue on 29 August 2023.



**Antony Morrison**

Member

29 August 2023

## Notes applicable to the financial statements of all Sub-funds

for the period from 1 January 2023 to 30 June 2023

### Accounting Policies

#### **Basis of accounting**

The financial statements of the Company comprise the financial statements of each of the Sub-funds and have been prepared on a going concern basis in accordance with UK Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the IMA (now known as the Investment Association) in May 2014 (the "SORP"), updated in June 2017.

The Liontrust MA Diversified Global Income Fund closed on 18 October 2021 and will be terminated at a later date once the residual assets and liabilities are settled. As a result the financial statements for this Sub-fund have not been prepared on a going concern basis. No adjustments were made to the financial statements of this Sub-fund to adjust assets or liabilities to their realisable values or to provide for liabilities arising from the decision to terminate the Sub-fund.

The accounting and distribution policies applied are consistent with those disclosed within the annual report & financial statements for the year ended 31 December 2022.

# MA Explorer 35 Fund (formerly MA Active Reserve Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund aims to achieve capital growth and income over the long term (5 years or more).

## Investment Policy

The Investment Adviser aims to achieve the Sub-fund's objective by investing at least 90% of the Sub-Fund in collective investment schemes ("CIS") including open-ended investment companies, unit trusts, exchange traded funds and closed ended investment companies (including investment trusts and Real Estate Investment Trusts (REITs)).

The Investment Adviser will allocate across asset classes (including shares, bonds, alternatives, property and cash) based upon the expectations of each asset class's future potential return and risk. In normal market conditions, the Sub-fund will hold a minimum of 10%, and up to 35%, of its Net Asset Value in CIS that invest in shares and the Investment Adviser aims to hold a diversified portfolio of such assets.

The Investment Adviser may decide to hold a more concentrated portfolio at certain times (i.e. where market factors dictate or at times of significant subscriptions and redemptions in the Sub-Fund) and it is possible that during these times a substantial portion of the Sub-fund could be invested in bonds, cash or Money Market Instruments directly or indirectly.

The investments will give exposure to a broad range of global assets predominately in developed markets but may have some exposure to Emerging Markets.

The Sub-fund may invest in up to 10% directly in transferable securities (including company shares and bonds), cash or deposits and money market instruments. The Sub-fund may also engage in stock-lending and borrowing.

The Sub-fund may invest in derivatives and forward transactions for efficient portfolio management, including hedging.

Bonds may include, but are not limited to, securities issued by government or corporate issuers, and may be investment or sub investment grade. Alternative assets may include, but are not limited to, liquid alternative asset classes, commodities and property (through investment in Real Estate Investment Trusts (REITs)). Maximum exposure to alternatives will be 20%. Any Tactical allocations to Alternative asset classes will be made when they are considered to offer a compelling risk / return proposition in the context of the total portfolio.

The underlying funds will be a blend of 'active' funds, whose managers aim to beat the performance of a benchmark, and 'passive' funds, which aim to track the performance of an index. The Investment Adviser aims to create an optimal blend of active and passive positions based on their suitability in terms of the overall portfolio mix. It could be that, from time to time, passive outweigh active and at other times the converse is true. The Sub-fund may invest in other funds managed by the ACD and its affiliates where the ACD believes the fund selection is in the best interests of investors.

## Investment Strategy

Underlying funds are selected principally on the basis of our assessment of their consistency of investment returns, the risks related to the investment strategy, the strength of the investment process and the stability of the underlying fund's management team.



## MA Explorer 35 Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Explorer 35 Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Explorer 35 Fund (S Accumulation) returned -0.4%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

The Sub-fund was formerly known as the MA Active Reserve Fund, but during H1 2023, it was renamed the MA Explorer 35 Fund. This was as part of a rebrand that included changing the objective of the funds in the Active range from a focus on staying within certain risk (volatility) bands to prioritising investment returns. This was to differentiate them from the Liontrust Blended and Dynamic Passive fund ranges, which retained the reference to risk in their objectives. These proposed changes were voted upon by our MA Active funds' investors in March and we received resounding support for them in a high participation vote.

Earlier this year we also decided to create our own Strategic Asset Allocations (SAAs) for our Multi-Asset Explorer range following a detailed review of the funds and the successful shareholder ballot in early 2023. Our SAAs will draw, however, on vital inputs from Hymans Robertson, which was appointed after a detailed review in Q1 to provide the SAAs for our multi-asset solutions.

Our new SAAs for the Explorer range reflect the change in objective, investment policy and the addition of the IA Mixed Investments Sectors as comparator benchmarks. The funds' primary objective becomes focused on generating capital growth and income over the long term with the level of risk being a secondary consideration.

To satisfy the Sub-fund's risk profile, the majority of it is invested in fixed income assets, but with the option to invest in equities and property.

Most of the Sub-fund's fixed income holdings delivered positive returns, with the strongest contributions delivered by high yield and corporate bonds. Barings Global High Yield Bond and Man GLG Sterling Corporate Bond Professional were the best contributors in these sectors. However, short-dated gilts weighed, mainly through Lyxor UK Government Bond 0-5 Year.

Regarding equities, the US region performed well through Ossiam Shiller Barclays Cape US Sector Value, AB American Growth and Loomis Sayles US Growth Equity but the UK region detracted the most through JO Hambro UK Dynamic. Other regions delivered relatively flat returns.

Overall, alternatives detracted the most from performance, with Assura, Supermarket Income REIT and Civitas Social housing performing poorly, although Tritax Big Box was a notable positive.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Explorer 35 Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

HSBC Global Aggregate Bond Index Fund  
 Vanguard Global Aggregate Bond UCITS ETF  
 Barings Global High Yield Bond Fund  
 Ossiam Shiller Barclays Cape US Sector Value UCITS ETF  
 Legal & General All Stocks Gilt Index Trust  
 Lyxor UK Government Bond 0-5Y DR UCITS ETF  
 Man GLG Sterling Corporate Bond Fund  
 Liontrust UK Equity Fund +  
 BlackRock Emerging Markets Fund  
 Barings Emerging Markets Sovereign Debt Fund

##### Sales

iShares UK Gilts All Stocks Index Fund (UK)  
 Vanguard UK Government Bond Index Fund  
 iShares Overseas Government Bond Index Fund (UK)  
 Tritax Big Box REIT  
 Legal & General All Stocks Gilt Index Trust  
 Liontrust Sustainable Future Corporate Bond Fund +  
 Primary Health Properties  
 Assura  
 Barings Global High Yield Bond Fund  
 Ossiam Shiller Barclays Cape US Sector Value TR Fund

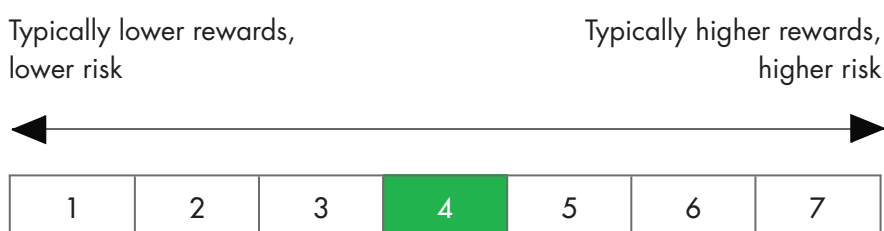
+ Managed by Liontrust Fund Partners LLP.

## MA Explorer 35 Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 4 primarily because of its exposure to a diversified portfolio of funds invested in mainly fixed income with some equities and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: if underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: the performance of any passive funds used may not exactly track that of their indices.

## MA Explorer 35 Fund (continued)

### Investment review (continued)

### Risk and Reward profile (continued)

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk)

## MA Explorer 35 Fund (continued)

### Performance record (unaudited)

as at 30 June 2023

#### Income record

Any distributions payable are paid on a quarterly basis (28 February, 31 May, 31 August and 30 November). The table shows distributions declared over the specified periods.

<b>For the six months ending</b>	<b>30 June 2023 per share (p)</b>	<b>30 June 2022 per share (p)</b>
A Accumulation	1.3911	1.6682
A Income	1.0943	1.3412
R Accumulation	0.7697	0.9120
R Income+	—	0.2155
S Accumulation	1.3148	1.5792
S Income	1.0737	1.3178

+ Closed on 10 June 2022.

#### Net asset value

<b>Period end</b>	<b>Shares in Issue</b>	<b>Net Asset Value (£'000)</b>	<b>Net Asset Value per share (p)</b>
<b>30 June 2023</b>			
A Accumulation	4,632,102	5,220	112.70
A Income	401,720	353	87.81
R Accumulation	6,572,918	4,032	61.34
S Accumulation	12,004,978	12,815	106.75
S Income	500,434	432	86.33
<b>31 December 2022</b>			
A Accumulation	5,591,707	6,335	113.30
A Income	540,529	483	89.37
R Accumulation	6,858,783	4,237	61.77
R Income+	—	—	45.93
S Accumulation	14,725,693	15,799	107.29
S Income	557,581	490	87.84
<b>31 December 2021</b>			
A Accumulation	9,413,293	12,870	136.72
A Income	657,491	725	110.24
R Accumulation	8,507,981	6,368	74.84
R Income	291,139	147	50.46
S Accumulation	19,950,219	25,816	129.41
S Income	753,537	816	108.30

## MA Explorer 35 Fund (continued)

## Performance record (unaudited) (continued)

as at 30 June 2023

## Net asset value (continued)

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>31 December 2020</b>			
A Accumulation	12,369,468	16,852	136.24
A Income	740,681	829	111.94
R Accumulation	11,536,161	8,638	74.88
R Income	199,683	103	51.45
S Accumulation	29,017,700	37,400	128.89
S Income	1,039,351	1,143	109.92

+ Closed on 10 June 2022.

## MA Explorer 35 Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (72.71%)</b>	<b>22,666</b>	<b>99.19</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (0.00%)</b>	<b>989</b>	<b>4.33</b>
170,425	Federated Hermes Asia Ex-Japan Equity Fund	528	2.31
163,965	Fidelity Asia Pacific Opportunities Fund	461	2.02
	<b>COMMODITIES (0.00%)</b>	<b>694</b>	<b>3.04</b>
9,550	iShares Physical Gold ETC	280	1.23
33,391	WisdomTree Enhanced Commodity UCITS ETF†	414	1.81
	<b>EMERGING MARKETS EQUITIES (0.00%)</b>	<b>1,094</b>	<b>4.79</b>
199,487	BlackRock Emerging Markets Fund	1,084	4.74
142	Vontobel Fund - mtX Sustainable Emerging Markets Leaders	10	0.05
	<b>EUROPE EXCLUDING UK EQUITIES (0.00%)</b>	<b>452</b>	<b>1.98</b>
2,670	Barings Europe Select Trust	117	0.51
128,025	BlackRock European Dynamic Fund	335	1.47
	<b>EUROPE INCLUDING UK EQUITIES (0.00%)</b>	<b>374</b>	<b>1.64</b>
113,143	Liontrust European Dynamic Fund+	374	1.64
	<b>GLOBAL BONDS (11.68%)</b>	<b>6,274</b>	<b>27.45</b>
416,432	HSBC Global Aggregate Bond Index Fund	3,764	16.47
108,422	Vanguard Global Aggregate Bond UCITS ETF†	2,510	10.98
	<b>GLOBAL EMERGING DEBT (0.00%)</b>	<b>945</b>	<b>4.14</b>
10,886	Barings Emerging Markets Sovereign Debt Fund	945	4.14
	<b>HIGH YIELD BONDS (2.65%)</b>	<b>1,654</b>	<b>7.24</b>
15,072	Barings Global High Yield Bond Fund	1,654	7.24
	<b>INFRASTRUCTURE (0.00%)</b>	<b>554</b>	<b>2.42</b>
728,667	Legal & General Global Infrastructure Index Fund	554	2.42
	<b>JAPAN EQUITIES (0.00%)</b>	<b>144</b>	<b>0.63</b>
4,765	Baillie Gifford Japanese Fund	86	0.38
25,190	Man GLG Japan Core Alpha Fund	58	0.25



## MA Explorer 35 Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>NORTH AMERICA EQUITIES (0.00%)</b>		<b>2,273</b>	<b>9.95</b>
3,016	AB SICAV I - American Growth Portfolio	514	2.25
3,526	iShares S&P Small Cap 600 UCITS ETF†	225	0.99
2,102	Loomis Sayles US Growth Equity Fund	458	2.00
1,146	Ossiam Shiller Barclays Cape US Sector Value UCITS ETF†	1,076	4.71
<b>PROPERTY (21.21%)</b>		<b>420</b>	<b>1.84</b>
102,122	iShares Global Property Securities Equity Index Fund (UK)	219	0.96
49,328	iShares UK Property UCITS ETF†	201	0.88
<b>UK CORPORATE BONDS (10.40%)</b>		<b>2,755</b>	<b>12.05</b>
1,578,931	Liontrust Sustainable Future Corporate Bond Fund+	1,372	6.00
1,452,523	Man GLG Sterling Corporate Bond Fund	1,383	6.05
<b>UK EQUITIES (0.00%)</b>		<b>2,381</b>	<b>10.41</b>
617	iShares MSCI UK Small Cap UCITS ETF†	122	0.53
534,835	JO Hambro UK Dynamic Fund	917	4.01
70,690	LF Lindsell Train UK Equity Fund	368	1.61
311,147	Liontrust UK Equity Fund	610	2.67
90,707	TB Evenlode Continuing Income Fund	364	1.59
<b>UK GILTS (26.77%)</b>		<b>1,663</b>	<b>7.28</b>
618,039	iShares UK Gilts All Stocks Index Fund (UK)	833	3.65
51,106	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	830	3.63
<b>Portfolio of investments</b>		<b>22,666</b>	<b>99.19</b>
<b>Net other assets</b>		<b>186</b>	<b>0.81</b>
<b>Total net assets</b>		<b>22,852</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

+ Managed by Liontrust Fund Partners LLP.

† Exchange Traded Fund.

## MA Explorer 35 Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital losses		(318)		(5,107)
Revenue	341		526	
Expenses	(89)		(147)	
Interest payable and similar charges	–		–	
Net revenue before taxation	252		379	
Taxation	(31)		(16)	
Net revenue after taxation		221		363
<b>Total return before distributions</b>		<b>(97)</b>		<b>(4,744)</b>
Distributions		(310)		(510)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(407)</b>		<b>(5,254)</b>

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>27,344</b>		<b>46,742</b>
Amounts received on issue of shares	137		837	
Amounts paid on cancellation of shares	(4,512)		(8,258)	
		(4,375)		(7,421)
Dilution adjustment		–		1
Change in net assets attributable to shareholders from investment activities		(407)		(5,254)
Retained distributions on accumulation shares		290		481
<b>Closing net assets attributable to shareholders</b>		<b>22,852</b>		<b>34,549</b>

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

## MA Explorer 35 Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	22,666	19,882
<b>Current assets:</b>		
Debtors	372	45
Cash and bank balances	73	26
Cash equivalents	318	7,568
<b>Total assets</b>	<b>23,429</b>	<b>27,521</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Distribution payable	(3)	(4)
Other creditors	(574)	(173)
<b>Total liabilities</b>	<b>(577)</b>	<b>(177)</b>
<b>Net assets attributable to shareholders</b>	<b>22,852</b>	<b>27,344</b>

# MA Diversified Global Income Fund

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to provide income together with capital growth.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds ("underlying funds") including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds which are managed by the ACD or its associates.

The underlying funds will primarily (meaning at least 70%) invest globally in shares; debt instruments (bonds) issued by companies, governments and other institutions; and alternative assets such as infrastructure and specialist property (examples of which are transport facilities, telecommunication networks and water supplies).

The Sub-fund may also invest directly or indirectly (through underlying funds) in a range of asset classes and financial instruments including shares, bonds including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The Sub-fund may also engage in stock-lending and borrowing.

When investing directly in debt instruments, the Sub-fund will favour investment grade securities (that is, securities with a credit rating of at least BBB- as rated by Standard and Poors, or Baa3 as rated by Moody's), but the Sub-fund may also invest in non-investment grade securities.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

## Investment Strategy

The Sub-fund will invest in a diverse set of equity, fixed income and alternative investment funds to maximize income, while maintaining prospects for capital appreciation. The Sub-fund will employ a global allocation approach to ensure it invests in the most attractive regional income opportunities. When investing in other funds, these underlying funds are selected principally on the basis of the ACD's assessment of the consistency of their income and overall returns, the risks related to their investment strategies, the strength of their investment processes and the stability of their portfolio management teams.

## MA Diversified Global Income Fund (continued)

### **Investment review**

*The Liontrust MA Diversified Global Income Fund closed on 18 October 2021 and will be terminated at a later date once the residual assets and liabilities have been settled.*

July 2023

### **Material portfolio changes by value**

There were no purchases and sales in the current period.

## MA Diversified Global Income Fund (continued)

Report for the period from 1 January 2023 to 30 June 2023

## Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>31 December 2021</b>			
A Accumulation+	—	—	123.21
A Income+	—	—	87.45
S Accumulation+	—	—	124.27
S Income+	—	—	88.19
<b>31 December 2020</b>			
A Accumulation	279,672	326	116.38
A Income	200,161	173	86.47
S Accumulation	1,446,382	1,696	117.28
S Income	7,544,336	6,573	87.13

+ Closed on 18 October 2021.

## MA Diversified Global Income Fund (continued)

### Portfolio Statement (unaudited)

as at 30 June 2023

The Liontrust MA Diversified Global Income Fund closed on 18 October 2021 and there are no holdings to disclose either at 30 June 2023 or the prior year end at 31 December 2022.

## MA Diversified Global Income Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains		–		–
Revenue	–		–	
Expenses	–		–	
Interest payable and similar charges	–		–	
Taxation	–		–	
Distributions		–		(1)
<b>Change in net assets attributable to shareholders from investment activities</b>		–		(1)

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		–		–
Amounts receivable on termination	–		1	
		–		1
Change in net assets attributable to shareholders from investment activities		–		(1)
<b>Closing net assets attributable to shareholders +</b>		–		–

+ The Liontrust Multi-Asset Diversified Global Income Fund closed on the 18 October 2021.

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



## MA Diversified Global Income Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and bank balances	18	18
<b>Total assets</b>	<b>18</b>	<b>18</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Other creditors	(18)	(18)
<b>Total liabilities</b>	<b>(18)</b>	<b>(18)</b>
<b>Net assets attributable to shareholders</b>	<b>-</b>	<b>-</b>

# Diversified Real Assets Fund (formerly MA Diversified Real Assets Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve growth from a combination of income and capital growth.

## Investment Policy

The Sub-fund will invest at least 80% of its net asset value in a diversified portfolio of real assets (including investments in infrastructure, renewables, commodities, inflation linked assets and specialist property). The Fund will gain exposure to these real assets through investment in real estate investment trusts (REITs), investment trusts, equities, debt instruments (bonds), collective investment schemes and exchange traded instruments.

The Sub-fund may also invest directly or indirectly (through other collective investment schemes) into a broader range of asset classes and financial instruments including limited partnership interests, financial contracts that derive their values from those of other investment instruments or indices (derivatives), and deposits. The Fund is limited to investing 10% of its assets in other open-ended collective investment schemes.

The Sub-fund's portfolio will be diversified by geography and sector, however, the Investment Adviser may decide to hold a more concentrated portfolio at certain times (i.e. where market factors dictate or at times of significant subscriptions and redemptions in the Fund) and it is possible that a portion of the Fund could be invested in cash or Money Market Instruments directly or indirectly.

The Sub-fund may use derivatives in a limited capacity to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund may also engage in stock lending and borrowing.

## Investment Strategy

The Fund will invest in a diverse range of assets that tend to exhibit lower levels of correlation with equity and bond markets. The asset classes and their relative weights are primarily selected on the basis of the consistency of investment returns and the risks related to each asset class. Investments within each asset class will be based on the strength and the stability of the issuer as well as the Investment Adviser's expectations of their future prospects.

## Diversified Real Assets Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation, that is the most elevated among developed economies, weighed on both UK stocks and government bonds (gilts). The FTSE 100 was largely flat in the six months to date, not least because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months.

The eurozone economy remained resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter. While Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## Diversified Real Assets Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Diversified Real Assets Fund (A Accumulation) returned -7.7%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

Despite some calming of markets since the volatility of last year, 2023 has continued to be a year of uncertainty. Stubbornly high inflation – matched with steadily increasing interest rates – took a toll on the key building blocks in our portfolio. Cyclical real assets saw a positive return, but diversifiers, core property and core infrastructure all made negative contributions, with the latter delivering the most significant drag on performance through social infrastructure.

From a security and fund selection perspective, our holding in global property equity made the strongest contribution to performance through AXA Global Flexible Property Fund and Digital Realty Trust.

Speciality real estate investment trusts (REITs) continued to bear the pressures of a high interest rate, high inflation environment, with, in particular, Assura and Primary Health Properties recording negative returns. Within social infrastructure, GCP Infrastructure Investments and HICL Infrastructure were poor performers.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## Diversified Real Assets Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

United Kingdom Gilt Inflation Linked 0.125% 22/3/2046  
 United Kingdom Inflation-Linked Gilt 0.125% 22/3/2026  
 Prologis REIT  
 Segro REIT  
 American Tower REIT  
 RWE  
 United Kingdom Gilt 0.875% 31/7/2033  
 Cheniere Energy  
 Digital Realty Trust REIT  
 National Grid Electricity Distribution West Midlands 3.875%  
 17/10/2024

##### Sales

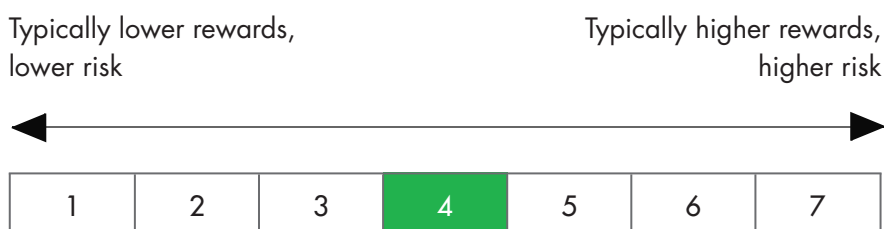
Xtrackers II Global Inflation-Linked Bond UCITS ETF  
 First Sentier Global Listed Infrastructure Fund  
 AXA Global Flexible Property Fund  
 PIMCO GIS Commodity Real Return Fund  
 Legg Mason ClearBridge Infrastructure Value Fund  
 Tritax Big Box REIT  
 iShares Physical Gold ETC  
 International Public Partnerships  
 Real Estate Credit Investments Fund  
 MI TwentyFour - Monument Bond Fund

## Diversified Real Assets Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund is categorised 4 primarily because of its exposure to a diversified portfolio invested in real assets including infrastructure, renewables, commodities, inflation linked assets and specialist property.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- The Sub-fund may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well-regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: if underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: the performance of any passive funds used may not exactly track that of their indices.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## Diversified Real Assets Fund (continued)

**Performance record (unaudited)**

as at 30 June 2023

**Income record**

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

<b>For the six months ending</b>	<b>30 June 2023 per share (p)</b>	<b>30 June 2022 per share (p)</b>
A Accumulation	3.0199	2.2652
A Income	2.3134	1.7971
D Accumulation	2.9241	2.1997
D Income	2.2586	1.7675

**Net asset value**

<b>Period end</b>	<b>Shares in Issue</b>	<b>Net Asset Value (£'000)</b>	<b>Net Asset Value per share (p)</b>
<b>30 June 2023</b>			
A Accumulation	122,573,598	141,020	115.05
A Income	20,366,171	17,480	85.83
D Accumulation	23,431,850	25,988	110.91
D Income	4,948,106	4,128	83.43
<b>31 December 2022</b>			
A Accumulation	177,205,586	220,234	124.28
A Income	32,295,614	30,744	95.19
D Accumulation	29,249,818	35,057	119.85
D Income	5,618,168	5,201	92.57
<b>31 December 2021</b>			
A Accumulation	153,492,834	211,668	137.90
A Income	16,883,942	18,484	109.48
D Accumulation	30,507,064	40,603	133.09
D Income	9,340,757	9,955	106.58
<b>31 December 2020</b>			
A Accumulation	174,391,353	215,083	123.33
A Income	22,903,095	23,132	101.00
D Accumulation	37,839,794	45,075	119.12
D Income	9,394,159	9,246	98.43

## Diversified Real Assets Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (96.08%)</b>	<b>160,756</b>	<b>85.23</b>
	<b>ALTERNATIVES (18.52%)</b>	<b>36,997</b>	<b>19.61</b>
6,175,530	BBI Global Infrastructure*	8,522	4.52
7,522,546	GCP Infrastructure Investments*	5,875	3.11
6,679,314	International Public Partnerships*	8,643	4.58
6,800,414	JLEN Environmental Assets*	7,195	3.81
5,890,537	Renewables Infrastructure*	6,762	3.59
	<b>ASSET BACKED SECURITIES (2.37%)</b>	<b>0</b>	<b>0.00</b>
	<b>COMMODITIES (11.97%)</b>	<b>15,280</b>	<b>8.10</b>
520,540	iShares Physical Gold ETC†	15,280	8.10
	<b>INFLATION (6.00%)</b>	<b>0</b>	<b>0.00</b>
	<b>INFRASTRUCTURE (11.40%)</b>	<b>23,449</b>	<b>12.43</b>
48,268	Cellnex Telecom	1,532	0.81
7,811,664	Cordiant Digital Infrastructure	6,531	3.46
450,000	Cordiant Digital Infrastructure (German listing)	354	0.19
60,191	CSX	1,613	0.86
6,176,617	Hicl Infrastructure	8,277	4.39
4,489,148	Pantheon Infrastructure	3,591	1.90
16,988	Vinci	1,551	0.82
	<b>INFRASTRUCTURE EQUITIES (5.73%)</b>	<b>0</b>	<b>0.00</b>
	<b>INFRASTRUCTURE RENEWABLE ENERGY (4.91%)</b>	<b>18,112</b>	<b>9.61</b>
20,320	Cheniere Energy	2,436	1.29
5,100,158	Greencoat UK Wind*	7,349	3.90
83,266	RWE	2,847	1.51
84,706	SSE	1,559	0.83
4,252,815	VH Global Sustainable Energy Opportunities	3,921	2.08
	<b>PROPERTY (27.28%)</b>	<b>61,794</b>	<b>32.76</b>
19,835	Aegon Property Income Fund§	13	0.01
19,406	American Tower REIT	2,959	1.57
19,731,346	Assura REIT*	8,950	4.74
5,662,865	Civitas Social Housing REIT*	4,525	2.40
24,994	Digital Realty Trust REIT	2,238	1.19
1,741	Equinix REIT	1,073	0.57



## Diversified Real Assets Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (continued)</b>			
7,433,395	Home REIT	2,122	1.12
4,381,003	LXI REIT	3,772	2.00
9,531,673	Primary Health Properties REIT*	9,098	4.82
41,018	Prologis REIT	3,955	2.10
2,619,166	Real Estate Credit Investments Fund	3,300	1.75
530,113	Segro REIT	3,799	2.01
5,304,133	Starwood European Real Estate Finance*	4,700	2.49
9,761,761	Supermarket Income REIT	7,126	3.78
3,333,625	Tritax Big Box REIT	4,164	2.21
<b>SPECIALIST PROPERTY (7.90%)</b>		<b>5,124</b>	<b>2.72</b>
10,027,685	Tritax EuroBox	5,124	2.72
<b>BONDS (0.00%)</b>		<b>20,568</b>	<b>10.90</b>
<b>UNITED KINGDOM GOVERNMENT BONDS (0.00%)</b>			
£ 3,924,122	United Kingdom Gilt 0.875% 31/7/2033	2,811	1.49
£ 6,153,472	United Kingdom Gilt Inflation Linked 0.125% 22/3/2046	7,298	3.87
£ 5,134,077	United Kingdom Inflation-Linked Gilt 0.125% 22/3/2026	7,144	3.78
<b>UK STERLING DEBT SECURITIES (0.00%)</b>		<b>3,315</b>	<b>1.76</b>
£ 2,000,000	National Grid Electricity Distribution West Midlands 3.875% 17/10/2024	1,933	1.03
£ 1,492,000	Transport for London 2.125% 24/4/2025	1,382	0.73
<b>Portfolio of investments</b>		<b>181,324</b>	<b>96.13</b>
<b>Net other assets</b>		<b>7,292</b>	<b>3.87</b>
<b>Total net assets</b>		<b>188,616</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

## Diversified Real Assets Fund (continued)

### Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Stocks shown as REITs represent Real Estate Investment Trust.

\* Investment Trust.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## Diversified Real Assets Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital losses		(20,950)		(14,607)
Revenue	6,255		5,243	
Expenses	(775)		(988)	
Interest payable and similar charges	–		–	
Net revenue before taxation	5,480		4,255	
Taxation	(328)		(157)	
Net revenue after taxation		5,152		4,098
<b>Total return before distributions</b>		<b>(15,798)</b>		<b>(10,509)</b>
Distributions		(5,927)		(5,085)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(21,725)</b>		<b>(15,594)</b>

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>291,236</b>		<b>280,710</b>
Amounts received on issue of shares	2,774		86,404	
Amounts paid on cancellation of shares	(88,056)		(15,532)	
		(85,282)		70,872
Dilution adjustment		–		134
Change in net assets attributable to shareholders from investment activities		(21,725)		(15,594)
Retained distributions on accumulation shares		4,387		5,132
<b>Closing net assets attributable to shareholders</b>		<b>188,616</b>		<b>341,254</b>

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

## Diversified Real Assets Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	<b>30.6.2023</b> <b>(£'000)</b>	<b>31.12.2022</b> <b>(£'000)</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	181,324	279,805
<b>Current assets:</b>		
Debtors	1,006	1,211
Cash and bank balances	2,329	167
Cash equivalents	7,080	12,379
<b>Total assets</b>	<b>191,739</b>	<b>293,562</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Distribution payable	(583)	(687)
Other creditors	(2,540)	(1,639)
<b>Total liabilities</b>	<b>(3,123)</b>	<b>(2,326)</b>
<b>Net assets attributable to shareholders</b>	<b>188,616</b>	<b>291,236</b>

# MA Dynamic Passive Adventurous Fund (formerly MA Passive Dynamic Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a high level of volatility (risk), having a risk profile of 7, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock-lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a high level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 15 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 7, which means it will typically have greater exposure to higher risk assets than other Sub-funds in the Company which have a lower risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.

## MA Dynamic Passive Adventurous Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Adventurous Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Adventurous Fund (S Accumulation) returned 5.1%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is almost exclusively invested in equities, with an extremely small exposure to property.

Equity markets were broadly positive over the six months to end of June 2023, with North American equities standing out as the highest performer, followed by Japanese and UK equities. High performing funds in these regions included the L&G US Index, HSBC American Index, iShares Japan Equity Index and iShares UK Equity Index. Emerging markets equities and developed Asian equities were both marginally negative over the period.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Dynamic Passive Adventurous Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

HSBC Index Tracker Investment Funds - American Index Fund  
 iShares Emerging Markets Equity Index Fund (UK)  
 Legal & General Pacific Index Trust  
 Legal & General US Index Trust  
 HSBC Index Tracker Investment Funds - Pacific Index Fund  
 iShares Continental European Equity Index Fund (UK)  
 Vanguard UK Investment Grade Bond Index Fund  
 iShares Corporate Bond Index Fund (UK)  
 Legal & General UK Index Trust  
 Legal & General Emerging Markets Equity Index Fund

##### Sales

iShares Japan Equity Index Fund (UK)  
 Legal & General Emerging Markets Equity Index Fund  
 Legal & General UK Index Trust  
 iShares UK Equity Index Fund (UK)  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund  
 HSBC Index Tracker Investment Funds - Japan Index Fund  
 HSBC Index Tracker Investment Funds - American Index Fund  
 Legal & General US Index Trust  
 iShares Emerging Markets Equity Index Fund (UK)  
 Aegon Property Income Fund

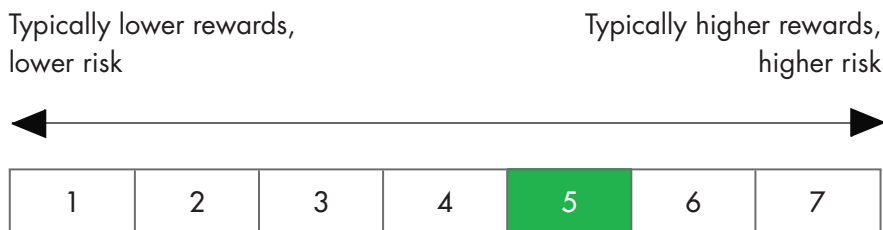


## MA Dynamic Passive Adventurous Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile used by Liontrust to produce the long-term asset allocation differs from the Synthetic Risk and Reward Indicator, shown elsewhere in this document, so the two rankings may not be the same.
- The Sub-fund is categorised 5 primarily for its exposure to a diversified portfolio of funds invested in mainly equities with some fixed income and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: if underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: the performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Adventurous Fund (continued)

### **Investment review (continued)**

### **Risk and Reward profile (continued)**

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Adventurous Fund (continued)

**Performance record (unaudited)**

as at 30 June 2023

**Income record**

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

<b>For the six months ending</b>	<b>30 June 2023 per share (p)</b>	<b>30 June 2022 per share (p)</b>
A Accumulation	1.8197	1.1507
D Accumulation	1.7598	1.1622
R Accumulation	1.1473	0.5037
S Accumulation	1.8636	1.2491
Z Accumulation	2.3524	1.6816

**Net asset value**

<b>Period end</b>	<b>Shares in Issue</b>	<b>Net Asset Value (£'000)</b>	<b>Net Asset Value per share (p)</b>
<b>30 June 2023</b>			
A Accumulation	1,559,601	3,408	218.52
D Accumulation	1,309,563	2,551	194.85
R Accumulation	1,028,377	2,004	194.85
S Accumulation	18,445,015	37,116	201.22
Z Accumulation	3,998,559	9,105	227.70
<b>31 December 2022</b>			
A Accumulation	1,452,186	3,025	208.34
D Accumulation	1,343,205	2,493	185.63
R Accumulation	924,838	1,723	186.26
S Accumulation	18,318,121	35,110	191.67
Z Accumulation	4,416,247	9,568	216.65
<b>31 December 2021</b>			
A Accumulation	1,547,541	3,442	222.39
D Accumulation	1,355,594	2,682	197.86
R Accumulation	808,468	1,616	199.92
S Accumulation	17,251,698	35,225	204.18
Z Accumulation	4,148,448	9,551	230.23
<b>31 December 2020</b>			
A Accumulation	1,178,727	2,304	195.42
D Accumulation	1,446,573	2,511	173.60
R Accumulation	716,336	1,265	176.63
S Accumulation	17,047,085	30,524	179.06
Z Accumulation	4,265,715	8,591	201.40

## MA Dynamic Passive Adventurous Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.61%)</b>	<b>54,586</b>	<b>100.74</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (5.74%)</b>	<b>5,519</b>	<b>10.18</b>
380,951	HSBC Index Tracker Investment Funds - Pacific Index Fund	1,925	3.55
1,653,029	Legal & General Pacific Index Trust	3,594	6.63
	<b>EMERGING MARKETS EQUITIES (20.64%)</b>	<b>10,847</b>	<b>20.02</b>
4,617,306	iShares Emerging Markets Equity Index Fund (UK)	8,242	15.21
2,387,045	Legal & General Emerging Markets Equity Index Fund	2,605	4.81
	<b>EUROPE EXCLUDING UK EQUITIES (9.98%)</b>	<b>6,131</b>	<b>11.31</b>
170,115	HSBC Index Tracker Investment Funds - European Index Fund	2,092	3.86
1,181,989	iShares Continental European Equity Index Fund (UK)	4,039	7.45
	<b>JAPAN EQUITIES (13.90%)</b>	<b>3,418</b>	<b>6.31</b>
623,711	HSBC Index Tracker Investment Funds - Japan Index Fund	936	1.73
922,100	iShares Japan Equity Index Fund (UK)	2,482	4.58
	<b>MONEY MARKET INSTRUMENTS (0.00%)</b>	<b>1,291</b>	<b>2.38</b>
645,610	HSBC Sterling Liquidity Fund	645	1.19
645,610	JP Morgan Liquidity Fund	646	1.19
	<b>NORTH AMERICA EQUITIES (25.44%)</b>	<b>19,227</b>	<b>35.49</b>
979,566	HSBC Index Tracker Investment Funds - American Index Fund	9,552	17.63
1,038,441	Legal & General US Index Trust	9,675	17.86
	<b>PROPERTY (0.00%)</b>	<b>1</b>	<b>0.00</b>
2,102	Aegon Property Income Fund§	1	0.00
	<b>UK CORPORATE BONDS (0.00%)</b>	<b>846</b>	<b>1.56</b>
298,910	iShares Corporate Bond Index Fund (UK)	424	0.78
8,870	Vanguard UK Investment Grade Bond Index Fund	422	0.78
	<b>UK EQUITIES (21.91%)</b>	<b>7,306</b>	<b>13.49</b>
197,229	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	1,396	2.58

## MA Dynamic Passive Adventurous Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>UK EQUITIES (continued)</b>			
1,039,344	iShares UK Equity Index Fund (UK)	2,812	5.19
840,660	Legal & General UK Index Trust	3,098	5.72
<b>Portfolio of investments</b>		<b>54,586</b>	<b>100.74</b>
<b>Net other liabilities</b>		<b>(402)</b>	<b>(0.74)</b>
<b>Total net assets</b>		<b>54,184</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

## MA Dynamic Passive Adventurous Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		2,069		(5,285)
Revenue	589		416	
Expenses	(83)		(82)	
Interest payable and similar charges	(1)		–	
Net revenue before taxation	505		334	
Taxation	–		–	
Net revenue after taxation		505		334
<b>Total return before distributions</b>		<b>2,574</b>		<b>(4,951)</b>
Distributions		(505)		(334)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>2,069</b>		<b>(5,285)</b>

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>51,919</b>		<b>52,516</b>
Amounts received on issue of shares	4,514		5,458	
Amounts paid on cancellation of shares	(4,819)		(4,044)	
		(305)		1,414
Change in net assets attributable to shareholders from investment activities		2,069		(5,285)
Retained distributions on accumulation shares		501		332
<b>Closing net assets attributable to shareholders</b>		<b>54,184</b>		<b>48,977</b>

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

## MA Dynamic Passive Adventurous Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	54,586	50,677
<b>Current assets:</b>		
Debtors	28	33
Cash and bank balances	52	10
Cash equivalents	–	1,229
<b>Total assets</b>	<b>54,666</b>	<b>51,949</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Other creditors	(482)	(30)
<b>Total liabilities</b>	<b>(482)</b>	<b>(30)</b>
<b>Net assets attributable to shareholders</b>	<b>54,184</b>	<b>51,919</b>

# MA Dynamic Passive Growth Fund (formerly MA Passive Growth Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a moderately high level of volatility (risk), having a risk profile of 6, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a moderately high level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 15 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 6, which means it will typically have greater exposure to higher risk assets than other Sub-funds in the Company which have a lower risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.



## MA Dynamic Passive Growth Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 1.5 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Growth Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Growth Fund (S Accumulation) returned 5.0%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is largely invested in equities, with a relatively small exposure to property.

Equity markets were broadly positive over the six months to end of June 2023, with North American equities standing out as the highest performer, followed by UK equities. The best performing funds in these regions included L&G US Index, HSBC American Index, iShares UK Equity Index and L&G UK Index.

However, emerging markets equities and developed Asian equities were both marginally negative over the period, with the weak performance of iShares Emerging Markets Equity weighing down on performance. Our allocation in corporate bonds was also a detractor from overall performance.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Dynamic Passive Growth Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

iShares Emerging Markets Equity Index Fund (UK)  
 iShares Global High Yield Corporate Bond ETF  
 Vanguard UK Investment Grade Bond Index Fund  
 Legal & General Pacific Index Trust  
 Legal & General US Index Trust  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 HSBC Index Tracker Investment Funds - American Index Fund  
 iShares Corporate Bond Index Fund (UK)  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 iShares USD High Yield Corporate Bond ESG UCITS ETF

##### Sales

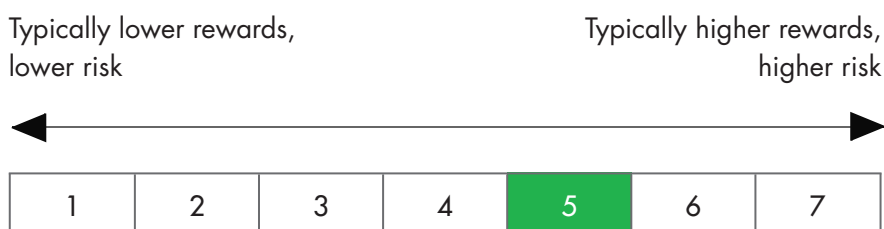
iShares UK Equity Index Fund (UK)  
 Legal & General UK Index Trust  
 iShares Japan Equity Index Fund (UK)  
 iShares Global High Yield Corporate Bond ETF  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund  
 iShares Environment & Low Carbon Tilt Real Estate Index Index Fund (UK)  
 Legal & General Emerging Markets Equity Index Fund  
 HSBC Index Tracker Investment Funds - Japan Index Fund  
 Legal & General Pacific Index Trust  
 Legal & General UK Property Fund

## MA Dynamic Passive Growth Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 5 primarily for its exposure to a diversified portfolio of funds invested in mainly equities with some fixed income and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Growth Fund (continued)

### Investment review (continued)

### Risk and Reward profile (continued)

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Growth Fund (continued)

### Performance record (unaudited)

as at 30 June 2023

#### Income record

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
A Accumulation	2.5154	1.4612
D Accumulation	2.3004	1.4067
R Accumulation	1.9529	0.7952
S Accumulation	2.4132	1.5089
Z Accumulation	2.8960	2.0152

#### Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>30 June 2023</b>			
A Accumulation	2,148,456	4,816	224.14
D Accumulation	7,385,811	14,380	194.70
R Accumulation	2,728,641	5,684	208.31
S Accumulation	54,007,905	109,039	201.90
Z Accumulation	9,630,012	22,514	233.79
<b>31 December 2022</b>			
A Accumulation	2,291,381	4,900	213.87
D Accumulation	7,218,979	13,403	185.66
R Accumulation	2,631,570	5,240	199.13
S Accumulation	54,528,466	104,965	192.49
Z Accumulation	10,092,787	22,487	222.80
<b>31 December 2021</b>			
A Accumulation	2,640,350	6,027	228.26
D Accumulation	7,910,954	15,653	197.86
R Accumulation	3,187,966	6,812	213.69
S Accumulation	50,899,523	104,364	205.04
Z Accumulation	9,965,452	23,593	236.75
<b>31 December 2020</b>			
A Accumulation	2,611,812	5,255	201.22
D Accumulation	8,604,144	14,985	174.16
R Accumulation	3,792,639	7,183	189.40
S Accumulation	49,317,360	88,963	180.39
Z Accumulation	9,544,389	19,834	207.80

## MA Dynamic Passive Growth Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.13%)</b>	<b>154,480</b>	<b>98.75</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (5.83%)</b>	<b>14,922</b>	<b>9.54</b>
1,012,628	HSBC Index Tracker Investment Funds - Pacific Index Fund	5,117	3.27
4,509,844	Legal & General Pacific Index Trust	9,805	6.27
	<b>EMERGING MARKETS EQUITIES (12.20%)</b>	<b>27,416</b>	<b>17.53</b>
11,600,087	iShares Emerging Markets Equity Index Fund (UK)	20,705	13.24
6,150,866	Legal & General Emerging Markets Equity Index Fund	6,711	4.29
	<b>EUROPE EXCLUDING UK EQUITIES (7.76%)</b>	<b>15,066</b>	<b>9.63</b>
521,323	HSBC Index Tracker Investment Funds - European Index Fund	6,412	4.10
2,532,418	iShares Continental European Equity Index Fund (UK)	8,654	5.53
	<b>GLOBAL BONDS (0.96%)</b>	<b>0</b>	<b>0.00</b>
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>11,060</b>	<b>7.06</b>
26,014	BlackRock Global High Yield ESG and Credit Screened Fund	2,745	1.75
625,086	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	3,183	2.03
513,486	iShares Fallen Angels High Yield Bond UCITS ETF†	2,406	1.54
664,683	iShares USD High Yield Corporate Bond ESG UCITS ETF†	2,726	1.74
	<b>JAPAN EQUITIES (12.38%)</b>	<b>8,764</b>	<b>5.60</b>
1,546,702	HSBC Index Tracker Investment Funds - Japan Index Fund	2,322	1.48
2,393,571	iShares Japan Equity Index Fund (UK)	6,442	4.12
	<b>NORTH AMERICA EQUITIES (23.34%)</b>	<b>48,592</b>	<b>31.07</b>
2,003,027	HSBC Index Tracker Investment Funds - American Index Fund	19,532	12.49
3,119,064	Legal & General US Index Trust	29,060	18.58
	<b>PROPERTY (3.36%)</b>	<b>147</b>	<b>0.09</b>
221,688	Aegon Property Income Fund§	147	0.09
	<b>UK CORPORATE BONDS (0.98%)</b>	<b>10,735</b>	<b>6.86</b>
3,526,301	iShares Corporate Bond Index Fund (UK)	5,003	3.20
120,380	Vanguard UK Investment Grade Bond Index Fund	5,732	3.66

## MA Dynamic Passive Growth Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>UK EQUITIES (30.32%)</b>		<b>17,778</b>	<b>11.37</b>
500,741	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	3,545	2.27
2,638,911	iShares UK Equity Index Fund (UK)	7,139	4.56
1,925,053	Legal & General UK Index Trust	7,094	4.54
<b>Portfolio of investments</b>		<b>154,480</b>	<b>98.75</b>
<b>Net other assets</b>		<b>1,953</b>	<b>1.25</b>
<b>Total net assets</b>		<b>156,433</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.



## MA Dynamic Passive Growth Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		5,448		(15,596)
Revenue	2,128		1,416	
Expenses	(244)		(254)	
Interest payable and similar charges	(1)		–	
Net revenue before taxation	1,883		1,162	
Taxation	–		–	
Net revenue after taxation		1,883		1,162
<b>Total return before distributions</b>		<b>7,331</b>		<b>(14,434)</b>
Distributions		(1,883)		(1,162)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>5,448</b>		<b>(15,596)</b>

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>150,995</b>		<b>156,449</b>
Amounts received on issue of shares	8,474		10,040	
Amounts paid on cancellation of shares	(10,343)		(6,755)	
		(1,869)		3,285
Change in net assets attributable to shareholders from investment activities		5,448		(15,596)
Retained distributions on accumulation shares		1,859		1,172
<b>Closing net assets attributable to shareholders</b>		<b>156,433</b>		<b>145,310</b>

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

## MA Dynamic Passive Growth Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	154,480	146,660
<b>Current assets:</b>		
Debtors	179	1,014
Cash and bank balances	14	17
Cash equivalents	2,104	3,677
<b>Total assets</b>	<b>156,777</b>	<b>151,368</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Other creditors	(344)	(373)
<b>Total liabilities</b>	<b>(344)</b>	<b>(373)</b>
<b>Net assets attributable to shareholders</b>	<b>156,433</b>	<b>150,995</b>

# MA Dynamic Passive Intermediate Fund (formerly MA Passive Intermediate Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a median level of volatility (risk), having a risk profile of 4, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a median level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 1.5 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 4, which means it will typically have a balanced exposure to higher risk assets and lower risk assets than other Sub-funds in the Company which have a higher or lower risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of asset.

## MA Dynamic Passive Intermediate Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Intermediate Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Intermediate Fund (S Accumulation) returned 2.3%\*.

\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is heavily invested in both equities and fixed income, with a smaller allocation to property.

Our allocation to equity markets saw largely positive returns in the six months to the end of June 2023. North American equities led the way in terms of performance, driven by our selection of L&G US Index and HSBC American Index. UK equities also recorded positive returns due to the selection of iShares UK Equity Index and L&G UK Index. While Japan equities had a positive return, the emerging markets equities and developed Asia equities detracted from overall performance.

Similarly, corporate bonds and government gilts weighed on performance, although global ex-UK fixed income saw a very marginal positive return.

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Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Dynamic Passive Intermediate Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

Vanguard UK Investment Grade Bond Index Fund  
 iShares Global High Yield Corporate Bond ETF  
 iShares Emerging Markets Equity Index Fund (UK)  
 Legal & General US Index Trust  
 iShares Corporate Bond Index Fund (UK)  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 HSBC Global Aggregate Bond Index Fund  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 Legal & General Pacific Index Trust  
 iShares USD High Yield Corporate Bond ESG UCITS ETF

##### Sales

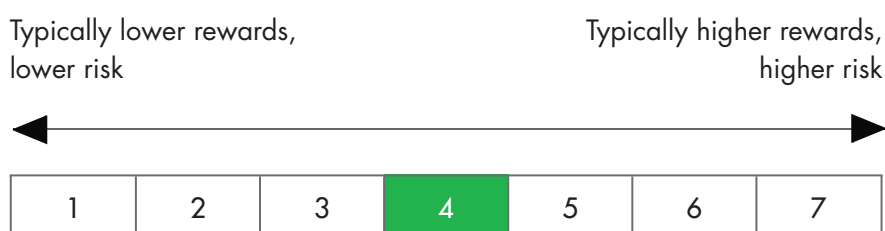
iShares Overseas Government Bond Index Fund (UK)  
 iShares UK Equity Index Fund (UK)  
 Legal & General UK Index Trust  
 iShares Global High Yield Corporate Bond ETF  
 iShares Japan Equity Index Fund (UK)  
 iShares Corporate Bond Index Fund (UK)  
 HSBC Index Tracker Investment Funds - Sterling Corporate Bond  
 Index Fund  
 Vanguard UK Government Bond Index Fund  
 Legal & General All Stocks Gilt Index Trust  
 iShares UK Gilts All Stocks Index Fund (UK)

## MA Dynamic Passive Intermediate Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile used by Liontrust to produce the long-term asset allocation differs from the Synthetic Risk and Reward indicator shown elsewhere in this document, so the two rankings may not be the same.
- The Sub-fund is categorised 4 primarily for its exposure to a diversified portfolio of funds invested in equities, fixed income and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Intermediate Fund (continued)

### **Investment review (continued)**

### **Risk and Reward profile (continued)**

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).



## MA Dynamic Passive Intermediate Fund (continued)

**Performance record (unaudited)**

as at 30 June 2023

**Income record**

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

<b>For the six months ending</b>	<b>30 June 2023 per share (p)</b>	<b>30 June 2022 per share (p)</b>
A Accumulation	1.6401	1.0201
D Accumulation	1.5526	1.0034
R Accumulation	1.6323	0.8064
S Accumulation	1.6497	1.0786
Z Accumulation	2.0301	1.3942

**Net asset value**

<b>Period end</b>	<b>Shares in Issue</b>	<b>Net Asset Value (£'000)</b>	<b>Net Asset Value per share (p)</b>
<b>30 June 2023</b>			
A Accumulation	8,704,537	15,227	174.93
D Accumulation	20,550,063	32,003	155.73
R Accumulation	15,499,544	35,157	226.83
S Accumulation	340,187,288	551,537	162.13
Z Accumulation	32,492,480	59,070	181.80
<b>31 December 2022</b>			
A Accumulation	10,137,036	17,392	171.57
D Accumulation	23,931,751	36,532	152.65
R Accumulation	15,947,251	35,555	222.95
S Accumulation	370,592,454	588,819	158.89
Z Accumulation	36,037,402	64,141	177.98
<b>31 December 2021</b>			
A Accumulation	9,998,767	19,225	192.28
D Accumulation	27,863,746	47,612	170.87
R Accumulation	17,420,696	43,721	250.97
S Accumulation	374,991,091	666,654	177.78
Z Accumulation	37,475,329	74,484	198.75
<b>31 December 2020</b>			
A Accumulation	10,342,921	18,503	178.90
D Accumulation	32,678,205	51,891	158.79
R Accumulation	18,484,360	43,352	234.53
S Accumulation	381,925,063	630,715	165.14
Z Accumulation	32,644,612	60,149	184.25

## MA Dynamic Passive Intermediate Fund (continued)

### Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.49%)</b>	<b>684,221</b>	<b>98.73</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (3.85%)</b>	<b>43,112</b>	<b>6.22</b>
2,268,410	HSBC Index Tracker Investment Funds - Pacific Index Fund	11,462	1.65
14,558,519	Legal & General Pacific Index Trust	31,650	4.57
	<b>COMMODITIES (0.00%)</b>	<b>5,788</b>	<b>0.83</b>
100,512	iShares Physical Gold ETC†	2,950	0.42
228,912	WisdomTree Enhanced Commodity UCITS ETF†	2,838	0.41
	<b>EMERGING MARKETS EQUITIES (6.17%)</b>	<b>78,489</b>	<b>11.33</b>
32,795,064	iShares Emerging Markets Equity Index Fund (UK)	58,537	8.45
18,285,724	Legal & General Emerging Markets Equity Index Fund	19,952	2.88
	<b>EUROPE EXCLUDING UK EQUITIES (4.03%)</b>	<b>41,531</b>	<b>5.99</b>
1,036,371	HSBC Index Tracker Investment Funds - European Index Fund	12,747	1.84
8,423,130	iShares Continental European Equity Index Fund (UK)	28,784	4.15
	<b>GLOBAL BONDS (10.35%)</b>	<b>14,070</b>	<b>2.03</b>
1,556,543	HSBC Global Aggregate Bond Index Fund	14,070	2.03
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>56,445</b>	<b>8.14</b>
105,156	BlackRock Global High Yield ESG and Credit Screened Fund	11,097	1.60
3,297,083	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	16,789	2.42
3,067,793	iShares Fallen Angels High Yield Bond UCITS ETF†	14,376	2.07
3,458,467	iShares USD High Yield Corporate Bond ESG UCITS ETF†	14,183	2.05
	<b>INFRASTRUCTURE (0.00%)</b>	<b>4,246</b>	<b>0.61</b>
5,585,773	Legal & General Global Infrastructure Index Fund	4,246	0.61
	<b>JAPAN EQUITIES (8.01%)</b>	<b>22,294</b>	<b>3.22</b>
4,199,476	HSBC Index Tracker Investment Funds - Japan Index Fund	6,303	0.91
5,941,193	iShares Japan Equity Index Fund (UK)	15,991	2.31
	<b>NORTH AMERICA EQUITIES (14.50%)</b>	<b>131,044</b>	<b>18.91</b>
5,185,898	HSBC Index Tracker Investment Funds - American Index Fund	50,568	7.30
8,637,552	Legal & General US Index Trust	80,476	11.61

## MA Dynamic Passive Intermediate Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (3.03%)</b>		<b>5,058</b>	<b>0.73</b>
1,329,344	Aegon Property Income Fund§	883	0.13
1,041,931	iShares Global Property Securities Equity Index Fund (UK)	2,230	0.32
477,909	iShares UK Property UCITS ETF†	1,945	0.28
<b>UK CORPORATE BONDS (17.69%)</b>		<b>210,704</b>	<b>30.41</b>
72,120,947	iShares Corporate Bond Index Fund (UK)	102,326	14.77
2,276,088	Vanguard UK Investment Grade Bond Index Fund	108,378	15.64
<b>UK EQUITIES (19.48%)</b>		<b>51,389</b>	<b>7.42</b>
1,489,601	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	10,545	1.52
7,316,132	iShares UK Equity Index Fund (UK)	19,791	2.86
5,713,265	Legal & General UK Index Trust	21,053	3.04
<b>UK GILTS (10.38%)</b>		<b>20,051</b>	<b>2.89</b>
4,386,610	iShares UK Gilts All Stocks Index Fund (UK)	5,911	0.85
1,327,528	Legal & General All Stocks Gilt Index Trust	2,384	0.34
454,738	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	7,389	1.07
42,562	SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF†	1,984	0.29
18,765	Vanguard UK Government Bond Index Fund	2,383	0.34
<b>Portfolio of investments</b>		<b>684,221</b>	<b>98.73</b>
<b>Net other assets</b>		<b>8,773</b>	<b>1.27</b>
<b>Total net assets</b>		<b>692,994</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## MA Dynamic Passive Intermediate Fund (continued)

## Statement of Total Return (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		7,844		(89,632)
Revenue	9,388		6,499	
Expenses	(1,216)		(1,380)	
Interest payable and similar charges	(5)		(5)	
Net revenue before taxation	8,167		5,114	
Taxation	(804)		(26)	
Net revenue after taxation		7,363		5,088
<b>Total return before distributions</b>		<b>15,207</b>		<b>(84,544)</b>
Distributions		(7,363)		(5,089)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>7,844</b>		<b>(89,633)</b>

## Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>742,439</b>		<b>851,696</b>
Amounts received on issue of shares	6,157		24,120	
Amounts paid on cancellation of shares	(70,432)		(29,516)	
		(64,275)		(5,396)
Change in net assets attributable to shareholders from investment activities		7,844		(89,633)
Retained distributions on accumulation shares		6,986		5,060
<b>Closing net assets attributable to shareholders</b>		<b>692,994</b>		<b>761,727</b>

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

## MA Dynamic Passive Intermediate Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	<b>30.6.2023</b> <b>(£'000)</b>	<b>31.12.2022</b> <b>(£'000)</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	684,221	723,823
<b>Current assets:</b>		
Debtors	459	495
Cash and bank balances	–	60
Cash equivalents	12,070	18,980
<b>Total assets</b>	<b>696,750</b>	<b>743,358</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Bank overdrafts	(499)	–
Other creditors	(3,257)	(919)
<b>Total liabilities</b>	<b>(3,756)</b>	<b>(919)</b>
<b>Net assets attributable to shareholders</b>	<b>692,994</b>	<b>742,439</b>

# MA Dynamic Passive Moderate Fund (formerly MA Passive Moderate Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a below median level of volatility (risk), having a risk profile of 3, in a range from 1 to 7, where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock-lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a below median level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 15 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 3, which means it will typically have a lower exposure to higher risk assets, and a greater exposure to lower risk assets than other Sub-funds in the Company which have a higher risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.

## MA Dynamic Passive Moderate Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Moderate Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 Jun 2023, the Liontrust MA Dynamic Passive Moderate Fund (S Accumulation) returned 1.3%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is heavily invested in both equities and fixed income, with a smaller allocation to property.

Equity markets were largely positive in the first six months of this year, driven by growth in North American equities in particular, followed by UK equities. Within these regions, L&G US Index and HSBC American Index were stronger performers, along with iShares UK Equity Index and L&G UK Index.

Our corporate bond allocation weighed on performance somewhat, due to Vanguard UK Investment Grade Bond Index and iShares Corporate Bond Index both lagging. Short and medium gilts also saw marginally negative returns.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

**Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.**



## MA Dynamic Passive Moderate Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

Vanguard UK Investment Grade Bond Index Fund  
 iShares Global High Yield Corporate Bond ETF  
 iShares Corporate Bond Index Fund (UK)  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 iShares USD High Yield Corporate Bond ESG UCITS ETF  
 HSBC Global Aggregate Bond Index Fund  
 BlackRock Global High Yield ESG and Credit Screened Fund  
 Lyxor UK Government Bond 0-5Y DR UCITS ETF  
 iShares Emerging Markets Equity Index Fund (UK)

##### Sales

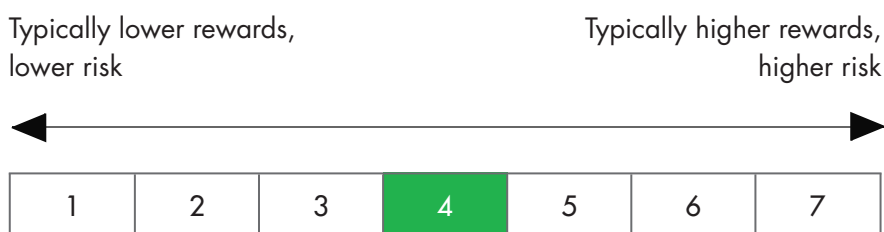
iShares Overseas Government Bond Index Fund (UK)  
 Vanguard UK Government Bond Index Fund  
 iShares Global High Yield Corporate Bond ETF  
 iShares UK Gilts All Stocks Index Fund (UK)  
 Legal & General All Stocks Gilt Index Trust  
 iShares UK Equity Index Fund (UK)  
 Legal & General UK Index Trust  
 iShares Japan Equity Index Fund (UK)  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund  
 HSBC Index Tracker Investment Funds - Sterling Corporate Bond Index Fund

## MA Dynamic Passive Moderate Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 4 primarily because of its exposure to a diversified portfolio of funds invested in mainly fixed income with some equities and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Moderate Fund (continued)

### **Investment review (continued)**

### **Risk and Reward profile (continued)**

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Moderate Fund (continued)

### Performance record (unaudited)

as at 30 June 2023

#### Income record

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
A Accumulation	1.4991	0.8169
D Accumulation	1.4461	0.8312
D Income	1.1918	0.6945
R Accumulation	1.4702	0.5725
R Income+	—	0.0000
S Accumulation	1.5436	0.9012
S Income	1.2157	0.7203
Z Accumulation	1.8537	1.1596

+ Closed on 10 June 2022.

#### Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>30 June 2023</b>			
A Accumulation	9,318,808	14,582	156.48
D Accumulation	16,737,861	23,754	141.92
D Income	1,255,029	1,452	115.74
R Accumulation	11,376,647	22,649	199.08
S Accumulation	257,421,075	382,248	148.49
S Income	9,298,729	10,762	115.74
Z Accumulation	22,758,528	37,028	162.70
<b>31 December 2022</b>			
A Accumulation	11,543,991	17,897	155.03
D Accumulation	19,552,765	27,476	140.52
D Income	1,510,405	1,749	115.78
R Accumulation	12,725,722	25,156	197.68
R Income+	—	—	174.12
S Accumulation	288,086,972	423,499	147.00
S Income	9,788,114	11,333	115.78
Z Accumulation	27,079,371	43,573	160.91

## MA Dynamic Passive Moderate Fund (continued)

## Performance record (unaudited) (continued)

as at 30 June 2023

## Net asset value (continued)

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>31 December 2021</b>			
A Accumulation	13,796,160	24,681	178.90
D Accumulation	22,490,930	36,426	161.96
D Income	1,656,400	2,241	135.28
R Accumulation	14,311,054	32,788	229.11
R Income	175,178	332	189.24
S Accumulation	312,544,980	529,329	169.36
S Income	10,962,986	14,832	135.29
Z Accumulation	29,747,113	55,035	185.01
<b>31 December 2020</b>			
A Accumulation	13,846,865	23,672	170.95
D Accumulation	26,756,206	41,361	154.58
D Income	1,789,016	2,343	130.95
R Accumulation	15,191,564	33,406	219.90
R Income	201,714	369	183.17
S Accumulation	334,657,048	540,743	161.58
S Income	8,566,234	11,218	130.96
Z Accumulation	27,406,113	48,278	176.16

+ Closed on 10 June 2022.

## MA Dynamic Passive Moderate Fund (continued)

### Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.11%)</b>	<b>480,651</b>	<b>97.60</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (3.50%)</b>	<b>21,303</b>	<b>4.33</b>
1,401,136	HSBC Index Tracker Investment Funds - Pacific Index Fund	7,080	1.44
6,542,489	Legal & General Pacific Index Trust	14,223	2.89
	<b>COMMODITIES (0.00%)</b>	<b>9,778</b>	<b>1.98</b>
144,738	iShares Physical Gold ETC	4,249	0.86
446,097	WisdomTree Enhanced Commodity UCITS ETF†	5,529	1.12
	<b>EMERGING MARKETS EQUITIES (5.02%)</b>	<b>36,579</b>	<b>7.43</b>
14,675,547	iShares Emerging Markets Equity Index Fund (UK)	26,195	5.32
9,517,190	Legal & General Emerging Markets Equity Index Fund	10,384	2.11
	<b>EUROPE EXCLUDING UK EQUITIES (3.06%)</b>	<b>19,907</b>	<b>4.04</b>
483,136	HSBC Index Tracker Investment Funds - European Index Fund	5,943	1.21
4,086,291	iShares Continental European Equity Index Fund (UK)	13,964	2.83
	<b>GLOBAL BONDS (10.60%)</b>	<b>9,980</b>	<b>2.03</b>
1,104,021	HSBC Global Aggregate Bond Index Fund	9,980	2.03
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>64,789</b>	<b>13.16</b>
123,829	BlackRock Global High Yield ESG and Credit Screened Fund	13,068	2.66
3,785,172	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	19,274	3.91
3,434,873	iShares Fallen Angels High Yield Bond UCITS ETF†	16,096	3.27
3,987,034	iShares USD High Yield Corporate Bond ESG UCITS ETF†	16,351	3.32
	<b>INFRASTRUCTURE (0.00%)</b>	<b>6,175</b>	<b>1.25</b>
8,122,617	Legal & General Global Infrastructure Index Fund	6,175	1.25
	<b>JAPAN EQUITIES (6.07%)</b>	<b>10,879</b>	<b>2.21</b>
1,991,212	HSBC Index Tracker Investment Funds - Japan Index Fund	2,989	0.61
2,931,451	iShares Japan Equity Index Fund (UK)	7,890	1.60
	<b>NORTH AMERICA EQUITIES (11.39%)</b>	<b>66,840</b>	<b>13.57</b>
2,634,786	HSBC Index Tracker Investment Funds - American Index Fund	25,692	5.22
4,416,427	Legal & General US Index Trust	41,148	8.35

## MA Dynamic Passive Moderate Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (2.88%)</b>		<b>6,565</b>	<b>1.34</b>
1,158,469	Aegon Property Income Fund§	769	0.16
1,399,153	iShares Global Property Securities Equity Index Fund (UK)	2,994	0.61
688,482	iShares UK Property UCITS ETF†	2,802	0.57
<b>UK CORPORATE BONDS (9.00%)</b>		<b>146,965</b>	<b>29.84</b>
49,892,192	iShares Corporate Bond Index Fund (UK)	70,787	14.37
1,599,858	Vanguard UK Investment Grade Bond Index Fund	76,178	15.47
<b>UK EQUITIES (16.62%)</b>		<b>26,647</b>	<b>5.41</b>
808,967	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	5,727	1.16
3,872,049	iShares UK Equity Index Fund (UK)	10,474	2.13
2,834,819	Legal & General UK Index Trust	10,446	2.12
<b>UK GILTS (28.97%)</b>		<b>54,244</b>	<b>11.01</b>
7,128,714	iShares UK Gilts All Stocks Index Fund (UK)	9,605	1.95
4,882,831	Legal & General All Stocks Gilt Index Trust	8,770	1.78
923,282	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	15,003	3.05
258,347	SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF†	12,042	2.44
69,494	Vanguard UK Government Bond Index Fund	8,824	1.79
<b>Portfolio of investments</b>		<b>480,651</b>	<b>97.60</b>
<b>Net other assets</b>		<b>11,824</b>	<b>2.40</b>
<b>Total net assets</b>		<b>492,475</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## MA Dynamic Passive Moderate Fund (continued)

**Statement of Total Return (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		802		(75,510)
Revenue	6,975		4,784	
Expenses	(886)		(1,112)	
Interest payable and similar charges	(2)		(3)	
Net revenue before taxation	6,087		3,669	
Taxation	(716)		(111)	
Net revenue after taxation		5,371		3,558
<b>Total return before distributions</b>		<b>6,173</b>		<b>(71,952)</b>
Distributions		(5,372)		(3,558)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>801</b>		<b>(75,510)</b>

**Statement of Change in Net Assets Attributable to Shareholders (unaudited)**

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>550,683</b>		<b>695,664</b>
Amounts received on issue of shares	1,878		10,548	
Amounts paid on cancellation of shares	(65,832)		(37,663)	
		(63,954)		(27,115)
Change in net assets attributable to shareholders from investment activities		801		(75,510)
Retained distributions on accumulation shares		4,945		3,396
<b>Closing net assets attributable to shareholders</b>		<b>492,475</b>		<b>596,435</b>

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



## MA Dynamic Passive Moderate Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	<b>30.6.2023</b> <b>(£'000)</b>	<b>31.12.2022</b> <b>(£'000)</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	480,651	534,791
<b>Current assets:</b>		
Debtors	309	3,042
Cash and bank balances	–	17
Cash equivalents	14,808	14,492
<b>Total assets</b>	<b>495,768</b>	<b>552,342</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Bank overdrafts	(881)	–
Distribution payable	(128)	(107)
Other creditors	(2,284)	(1,552)
<b>Total liabilities</b>	<b>(3,293)</b>	<b>(1,659)</b>
<b>Net assets attributable to shareholders</b>	<b>492,475</b>	<b>550,683</b>

# MA Dynamic Passive Progressive Fund (formerly MA Passive Progressive Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with an above median level of volatility (risk), having a risk profile of 5, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock-lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take an above median level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 15 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 5, which means it will typically have greater exposure to higher risk assets than other Sub-funds in the Company which have a lower risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.

## MA Dynamic Passive Progressive Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Progressive Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Progressive Fund (S Accumulation) returned 3.3%\*.

\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is predominantly invested in equities but has significant exposure to fixed income and a relatively small exposure to property.

Our exposure to equity markets produced largely positive returns in the six months to the end of June 2023. North American equities dominated, followed by UK equities. Strong performers in the regions contributing to growth included L&G US Index, HSBC American Index, iShares UK Equity Index and L&G UK Index. However, both emerging market equities and developed Asia equities weighed down slightly.

Corporate bonds saw a slight negative return over the period, with Vanguard UK Investment Grade Bond proving a drag on performance. Meanwhile our global ex-UK fixed income holdings were very marginally down, as were high yield, medium and short gilts. While our fixed income holdings produced negative returns this reflects continued interest rate increases and we believe we are now near the peak of that cycle.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Dynamic Passive Progressive Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

Vanguard UK Investment Grade Bond Index Fund  
 iShares Emerging Markets Equity Index Fund (UK)  
 iShares Global High Yield Corporate Bond ETF  
 Legal & General US Index Trust  
 Legal & General Pacific Index Trust  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 iShares USD High Yield Corporate Bond ESG UCITS ETF  
 HSBC Global Aggregate Bond Index Fund  
 iShares Continental European Equity Index Fund (UK)

##### Sales

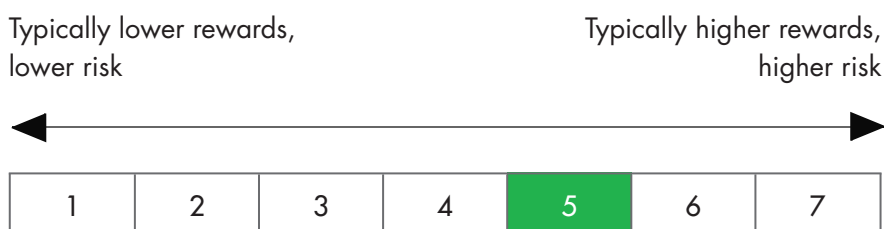
iShares Overseas Government Bond Index Fund (UK)  
 Legal & General UK Index Trust  
 iShares UK Equity Index Fund (UK)  
 iShares Global High Yield Corporate Bond ETF  
 iShares Japan Equity Index Fund (UK)  
 iShares Corporate Bond Index Fund (UK)  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund  
 HSBC Index Tracker Investment Funds - Sterling Corporate Bond Index Fund  
 HSBC Index Tracker Investment Funds - Japan Index Fund  
 Legal & General UK Property Fund

## MA Dynamic Passive Progressive Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 5 primarily because of its exposure to a diversified portfolio of funds invested in equities, fixed income and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Progressive Fund (continued)

### **Investment review (continued)**

### **Risk and Reward profile (continued)**

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Progressive Fund (continued)

### Performance record (unaudited)

as at 30 June 2023

#### Income record

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
A Accumulation	2.0235	1.1481
D Accumulation	1.8776	1.1328
R Accumulation	2.0607	0.7983
S Accumulation	1.9883	1.2214
Z Accumulation	2.4751	1.6101

#### Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>30 June 2023</b>			
A Accumulation	4,639,248	9,224	198.82
D Accumulation	10,596,081	18,458	174.19
R Accumulation	5,558,515	14,284	256.98
S Accumulation	160,721,523	291,071	181.10
Z Accumulation	14,504,748	30,008	206.88
<b>31 December 2022</b>			
A Accumulation	5,171,251	9,980	193.00
D Accumulation	10,546,789	17,823	168.99
R Accumulation	5,626,153	14,065	250.00
S Accumulation	160,757,485	282,388	175.66
Z Accumulation	15,015,960	30,102	200.47
<b>31 December 2021</b>			
A Accumulation	5,204,174	10,965	210.69
D Accumulation	10,938,075	20,155	184.27
R Accumulation	5,820,880	15,957	274.13
S Accumulation	154,319,022	295,461	191.46
Z Accumulation	15,480,050	33,756	218.06
<b>31 December 2020</b>			
A Accumulation	5,933,185	11,332	190.99
D Accumulation	12,391,128	20,672	166.83
R Accumulation	6,412,090	16,005	249.60
S Accumulation	156,847,789	271,775	173.27
Z Accumulation	13,944,240	27,464	196.95



## MA Dynamic Passive Progressive Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.44%)</b>	<b>357,356</b>	<b>98.43</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (4.51%)</b>	<b>26,718</b>	<b>7.36</b>
1,385,663	HSBC Index Tracker Investment Funds - Pacific Index Fund	7,002	1.93
9,068,871	Legal & General Pacific Index Trust	19,716	5.43
	<b>COMMODITIES (0.00%)</b>	<b>1,408</b>	<b>0.39</b>
24,458	iShares Physical Gold ETC†	718	0.20
55,720	WisdomTree Enhanced Commodity UCITS ETF†	690	0.19
	<b>EMERGING MARKETS EQUITIES (8.19%)</b>	<b>48,740</b>	<b>13.43</b>
20,432,150	iShares Emerging Markets Equity Index Fund (UK)	36,470	10.05
11,245,949	Legal & General Emerging Markets Equity Index Fund	12,270	3.38
	<b>EUROPE EXCLUDING UK EQUITIES (4.98%)</b>	<b>26,099</b>	<b>7.19</b>
578,183	HSBC Index Tracker Investment Funds - European Index Fund	7,112	1.96
5,556,117	iShares Continental European Equity Index Fund (UK)	18,987	5.23
	<b>GLOBAL BONDS (7.58%)</b>	<b>7,467</b>	<b>2.06</b>
826,039	HSBC Global Aggregate Bond Index Fund	7,467	2.06
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>25,750</b>	<b>7.09</b>
60,492	BlackRock Global High Yield ESG and Credit Screened Fund	6,384	1.76
1,255,807	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	6,395	1.76
1,674,201	iShares Fallen Angels High Yield Bond UCITS ETF†	7,845	2.16
1,249,937	iShares USD High Yield Corporate Bond ESG UCITS ETF†	5,126	1.41
	<b>INFRASTRUCTURE (0.00%)</b>	<b>1,072</b>	<b>0.29</b>
1,410,765	Legal & General Global Infrastructure Index Fund	1,072	0.29
	<b>JAPAN EQUITIES (9.41%)</b>	<b>15,650</b>	<b>4.31</b>
2,582,147	HSBC Index Tracker Investment Funds - Japan Index Fund	3,876	1.07
4,374,462	iShares Japan Equity Index Fund (UK)	11,774	3.24
	<b>NORTH AMERICA EQUITIES (17.52%)</b>	<b>83,158</b>	<b>22.90</b>
3,462,594	HSBC Index Tracker Investment Funds - American Index Fund	33,764	9.30
5,301,440	Legal & General US Index Trust	49,394	13.60

## MA Dynamic Passive Progressive Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (3.34%)</b>		<b>1,347</b>	<b>0.37</b>
455,034	Aegon Property Income Fund§	302	0.08
266,629	iShares Global Property Securities Equity Index Fund (UK)	571	0.16
116,561	iShares UK Property UCITS ETF†	474	0.13
<b>UK CORPORATE BONDS (15.55%)</b>		<b>76,596</b>	<b>21.10</b>
25,303,813	iShares Corporate Bond Index Fund (UK)	35,901	9.89
854,663	Vanguard UK Investment Grade Bond Index Fund	40,695	11.21
<b>UK EQUITIES (25.15%)</b>		<b>32,543</b>	<b>8.96</b>
928,705	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	6,574	1.81
4,792,689	iShares UK Equity Index Fund (UK)	12,965	3.57
3,528,780	Legal & General UK Index Trust	13,004	3.58
<b>UK GILTS (1.21%)</b>		<b>10,808</b>	<b>2.98</b>
1,941,486	iShares UK Gilts All Stocks Index Fund (UK)	2,616	0.72
1,072,263	Legal & General All Stocks Gilt Index Trust	1,926	0.53
221,377	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	3,597	0.99
37,222	SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF†	1,735	0.48
7,359	Vanguard UK Government Bond Index Fund	934	0.26
<b>Portfolio of investments</b>		<b>357,356</b>	<b>98.43</b>
<b>Net other assets</b>		<b>5,689</b>	<b>1.57</b>
<b>Total net assets</b>		<b>363,045</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## MA Dynamic Passive Progressive Fund (continued)

## Statement of Total Return (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		7,100		(37,501)
Revenue	4,911		2,993	
Expenses	(596)		(608)	
Interest payable and similar charges	(3)		(1)	
Net revenue before taxation	4,312		2,384	
Taxation	(325)		–	
Net revenue after taxation		3,987		2,384
<b>Total return before distributions</b>		<b>11,087</b>		<b>(35,117)</b>
Distributions		(3,987)		(2,384)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>7,100</b>		<b>(37,501)</b>

## Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>354,358</b>		<b>376,294</b>
Amounts received on issue of shares	21,154		21,605	
Amounts paid on cancellation of shares	(23,529)		(14,843)	
		(2,375)		6,762
Change in net assets attributable to shareholders from investment activities		7,100		(37,501)
Retained distributions on accumulation shares		3,962		2,411
<b>Closing net assets attributable to shareholders</b>		<b>363,045</b>		<b>347,966</b>

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

## MA Dynamic Passive Progressive Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	357,356	345,286
<b>Current assets:</b>		
Debtors	1,152	521
Cash and bank balances	–	32
Cash equivalents	5,822	8,919
<b>Total assets</b>	<b>364,330</b>	<b>354,758</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Bank overdrafts	(434)	–
Other creditors	(851)	(400)
<b>Total liabilities</b>	<b>(1,285)</b>	<b>(400)</b>
<b>Net assets attributable to shareholders</b>	<b>363,045</b>	<b>354,358</b>

# MA Dynamic Passive Prudent Fund (formerly MA Passive Prudent Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a low level of volatility (risk), having a risk profile of 2, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock-lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, Sub-fund's may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a low level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 7 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 2, which means it will typically have a lower exposure to higher risk assets, and a greater exposure to lower risk assets than other Sub-funds in the Company which have a higher risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.

## MA Dynamic Passive Prudent Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Prudent Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Prudent Fund (S Accumulation) returned 0.9%\*.

\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the Sub-fund is heavily invested in money market instruments, with significant allocations to equities and fixed income assets and a smaller allocation to property.

Our allocation to equity markets helped drive a small positive return in the six months to the end of June 2023. North American equities had the strongest market return in equities, with L&G US Index and HSBC American Index contributing to positive performance. UK equities were not far behind, while Japan equities and developed Asia equities all recorded small positive returns. Emerging markets equities weighed very slightly on performance.

A positive return on our cash holdings helped to grow performance within the fund, while high yield also saw slight positive returns. However, short gilts and medium gilts were both a drag on overall performance.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## MA Dynamic Passive Prudent Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

Vanguard UK Investment Grade Bond Index Fund  
 iShares Global High Yield Corporate Bond ETF  
 iShares Corporate Bond Index Fund (UK)  
 Lyxor UK Government Bond 0-5Y DR UCITS ETF  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 iShares USD High Yield Corporate Bond ESG UCITS ETF  
 BlackRock Global High Yield ESG and Credit Screened Fund  
 HSBC Global Aggregate Bond Index Fund  
 Legal & General Global Infrastructure Index Fund

##### Sales

iShares Global High Yield Corporate Bond ETF  
 Vanguard UK Government Bond Index Fund  
 iShares Overseas Government Bond Index Fund (UK)  
 iShares UK Gilts All Stocks Index Fund (UK)  
 Legal & General All Stocks Gilt Index Trust  
 iShares UK Equity Index Fund (UK)  
 Legal & General UK Index Trust  
 Legal & General US Index Trust  
 iShares Japan Equity Index Fund (UK)  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund

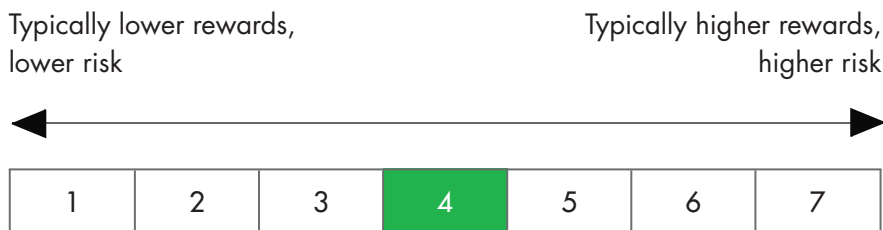


## MA Dynamic Passive Prudent Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 4 primarily because of its exposure to a diversified portfolio of funds invested in mainly fixed income with some equities and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Prudent Fund (continued)

### **Investment review (continued)**

### **Risk and Reward profile (continued)**

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Prudent Fund (continued)

### Performance record (unaudited)

as at 30 June 2023

#### Income record

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
A Accumulation	0.9413	0.3321
D Accumulation	0.9657	0.4011
R Accumulation	0.6175	0.0000
R Income+	0.0000	0.0000
S Accumulation	1.0252	0.4434
Z Accumulation	1.2416	0.6237

+ Closed on 10 June 2022.

#### Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>30 June 2023</b>			
A Accumulation	1,453,400	2,047	140.81
D Accumulation	1,656,941	2,196	132.53
R Accumulation	711,162	961	135.18
S Accumulation	15,793,039	21,632	136.97
Z Accumulation	1,728,916	2,528	146.22
<b>31 December 2022</b>			
A Accumulation	1,661,838	2,326	139.98
D Accumulation	1,665,316	2,193	131.67
R Accumulation	576,028	776	134.68
R Income+	—	—	134.85
S Accumulation	18,253,787	24,834	136.05
Z Accumulation	2,041,266	2,962	145.10
<b>31 December 2021</b>			
A Accumulation	2,140,139	3,331	155.63
D Accumulation	1,929,837	2,822	146.22
R Accumulation	575,696	866	150.39
R Income	12,121	17	143.05
S Accumulation	17,542,159	26,493	151.02
Z Accumulation	2,196,456	3,530	160.75

## MA Dynamic Passive Prudent Fund (continued)

## Performance record (unaudited) (continued)

as at 30 June 2023

## Net asset value (continued)

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>31 December 2020</b>			
A Accumulation	1,760,422	2,634	149.61
D Accumulation	1,165,917	1,637	140.40
R Accumulation	590,550	858	145.24
R Income	14,281	20	138.43
S Accumulation	17,417,814	25,247	144.95
Z Accumulation	1,512,265	2,328	153.97

+ Closed on 10 June 2022.

## MA Dynamic Passive Prudent Fund (continued)

## Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (65.59%)</b>	<b>22,826</b>	<b>77.73</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (2.76%)</b>	<b>688</b>	<b>2.34</b>
52,352	HSBC Index Tracker Investment Funds - Pacific Index Fund	265	0.90
194,380	Legal & General Pacific Index Trust	423	1.44
	<b>COMMODITIES (0.00%)</b>	<b>1,098</b>	<b>3.74</b>
17,047	iShares Physical Gold ETC	500	1.70
48,201	WisdomTree Enhanced Commodity UCITS ETF†	598	2.04
	<b>EMERGING MARKETS EQUITIES (2.60%)</b>	<b>1,140</b>	<b>3.89</b>
425,513	iShares Emerging Markets Equity Index Fund (UK)	760	2.59
348,720	Legal & General Emerging Markets Equity Index Fund	380	1.30
	<b>EUROPE EXCLUDING UK EQUITIES (1.12%)</b>	<b>500</b>	<b>1.70</b>
11,464	HSBC Index Tracker Investment Funds - European Index Fund	141	0.48
105,189	iShares Continental European Equity Index Fund (UK)	359	1.22
	<b>GLOBAL BONDS (5.66%)</b>	<b>603</b>	<b>2.05</b>
66,730	HSBC Global Aggregate Bond Index Fund	603	2.05
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>4,135</b>	<b>14.07</b>
7,725	BlackRock Global High Yield ESG and Credit Screened Fund	815	2.77
261,973	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	1,334	4.54
188,143	iShares Fallen Angels High Yield Bond UCITS ETF†	882	3.00
269,287	iShares USD High Yield Corporate Bond ESG UCITS ETF†	1,104	3.76
	<b>INFRASTRUCTURE (0.00%)</b>	<b>834</b>	<b>2.84</b>
1,097,485	Legal & General Global Infrastructure Index Fund	834	2.84
	<b>JAPAN EQUITIES (4.08%)</b>	<b>319</b>	<b>1.09</b>
53,287	HSBC Index Tracker Investment Funds - Japan Index Fund	80	0.27
88,636	iShares Japan Equity Index Fund (UK)	239	0.82
	<b>NORTH AMERICA EQUITIES (9.04%)</b>	<b>1,791</b>	<b>6.10</b>
72,629	HSBC Index Tracker Investment Funds - American Index Fund	708	2.41
116,190	Legal & General US Index Trust	1,083	3.69

## MA Dynamic Passive Prudent Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (4.08%)</b>		<b>720</b>	<b>2.45</b>
53,056	Aegon Property Income Fund§	35	0.12
165,879	iShares Global Property Securities Equity Index Fund (UK)	355	1.21
81,136	iShares UK Property UCITS ETF†	330	1.12
<b>UK CORPORATE BONDS (0.00%)</b>		<b>5,466</b>	<b>18.62</b>
1,824,607	iShares Corporate Bond Index Fund (UK)	2,589	8.82
60,422	Vanguard UK Investment Grade Bond Index Fund	2,877	9.80
<b>UK EQUITIES (12.21%)</b>		<b>792</b>	<b>2.70</b>
22,514	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	159	0.54
117,768	iShares UK Equity Index Fund (UK)	319	1.09
85,261	Legal & General UK Index Trust	314	1.07
<b>UK GILTS (24.04%)</b>		<b>4,740</b>	<b>16.14</b>
896,439	iShares UK Gilts All Stocks Index Fund (UK)	1,208	4.11
346,157	Legal & General All Stocks Gilt Index Trust	622	2.12
90,892	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	1,477	5.03
18,642	SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF†	869	2.96
4,446	Vanguard UK Government Bond Index Fund	564	1.92
<b>Portfolio of investments</b>		<b>22,826</b>	<b>77.73</b>
<b>Net other assets</b>		<b>6,538</b>	<b>22.27</b>
<b>Total net assets</b>		<b>29,364</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## MA Dynamic Passive Prudent Fund (continued)

## Statement of Total Return (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		29		(2,971)
Revenue	325		174	
Expenses	(53)		(63)	
Interest payable and similar charges	–		–	
Net revenue before taxation	272		111	
Taxation	(42)		(1)	
Net revenue after taxation		230		110
<b>Total return before distributions</b>		<b>259</b>		<b>(2,861)</b>
Distributions		(230)		(110)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>29</b>		<b>(2,971)</b>

## Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>33,091</b>		<b>37,059</b>
Amounts received on issue of shares	1,329		5,396	
Amounts paid on cancellation of shares	(5,302)		(2,943)	
		(3,973)		2,453
Change in net assets attributable to shareholders from investment activities		29		(2,971)
Retained distributions on accumulation shares		217		114
<b>Closing net assets attributable to shareholders</b>		<b>29,364</b>		<b>36,655</b>

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

## MA Dynamic Passive Prudent Fund (continued)

## Balance Sheet (unaudited)

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	22,826	21,706
<b>Current assets:</b>		
Debtors	175	37
Cash and bank balances	–	2
Cash equivalents	6,739	11,589
<b>Total assets</b>	<b>29,740</b>	<b>33,334</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Bank overdrafts	(79)	–
Other creditors	(297)	(243)
<b>Total liabilities</b>	<b>(376)</b>	<b>(243)</b>
<b>Net assets attributable to shareholders</b>	<b>29,364</b>	<b>33,091</b>



# MA Dynamic Passive Reserve Fund (formerly MA Passive Reserve Fund)

Report for the period from 1 January 2023 to 30 June 2023

## Investment Objective

The Sub-fund seeks to achieve capital growth and income with a low level of volatility (risk), having a risk profile of 2, in a range from 1 to 7 where 1 is the lowest risk and 7 the highest.

## Investment Policy

The Sub-fund is an actively managed fund of funds.

The Sub-fund invests at least 70% of its assets in other funds (underlying funds), including funds which are traded on stock exchanges (investment trusts and exchange traded funds), other closed-ended funds and funds managed by the ACD or its associates.

The underlying funds will invest globally (including in emerging markets) in a range of asset classes and financial instruments including shares, debt instruments (bonds) including those which can easily be converted into cash (money market instruments), freely transferable rights to buy other investments at a future date (warrants), financial contracts that derive their values from those of other investment instruments or indices (derivatives) and deposits.

The underlying funds will where practicably possible be passive funds, meaning they seek to track investment indices.

The Sub-fund may also invest directly in the above asset classes and financial instruments when there are specific benefits in doing so.

Further, the Sub-fund may also obtain indirect exposure to property through investment in Real Estate Investment Trusts (REITs) and shares in property investment companies, and may engage in stock-lending and borrowing.

When required to manage liquidity, or the Sub-fund's risk, the Sub-fund may hold its assets in cash or deposits and money market instruments.

The Sub-fund may use derivatives to help achieve the investment objective (investment purposes) as well as to reduce risk or to manage the Sub-fund more efficiently (often referred to as "efficient portfolio management").

The Sub-fund aims to take a low level of risk in achieving its investment objective. The Sub-fund's investments are combined together in different proportions as determined by the ACD based on asset risk profiles set by an external risk modelling company. The riskiness of different combinations and proportions of types of investment are measured by predicting how they might behave over a 15 year period. The risk modelling company assigns each combination of assets to one of seven risk profiles, ranging from 1, which reflects the risk of holding cash in bank accounts, to 7, which is the riskiest profile. The Sub-fund has a risk profile of 2, which means it will typically have a lower exposure to higher risk assets, and a greater exposure to lower risk assets than other Sub-funds in the Company which have a higher risk profile. Typically shares, certain types of bonds, or exposure to property/commodities will be classified as higher risk assets, whilst certain other bonds, cash and near cash (money market instruments, deposits and money market funds) will be classified as lower risk assets.

The actual investments of the Sub-fund are not chosen by the risk modelling company and the ACD retains the discretion to select the Sub-fund's investments.

There is no guarantee that the Sub-fund's performance will reflect the behaviour of the assets used to create the risk profile.

## Investment Strategy

Underlying funds are selected on the basis of their efficiency at tracking the performance of certain investment indices which relate to particular types of assets.

## MA Dynamic Passive Reserve Fund (continued)

### Investment review

#### Sub-fund Review

The first half of 2023 saw a brighter outlook for financial markets overall, despite investor sentiment worsening slightly towards the end of June.

Global equities and bonds were moderately positive over the first quarter of 2023, marking a second quarter of recovery. However, the collapse of technology bank Silicon Valley Bank in March, followed by the forced takeover of Credit Suisse, Switzerland's second largest bank, by its larger rival, UBS, sparked nervousness about the financial sector. A rapid response by the Biden administration and the Swiss National Bank helped to calm volatility and reduce fears of a systemic banking crisis, although the mini crisis saw a substantial flow of assets from banks to money market funds.

How far monetary tightening would go to tackle inflation continued to be a key factor for markets. Bonds, especially US treasuries, weakened following a meeting of the world's top central bankers in Sintra, Portugal in June, where they warned that stiffer action on interest rates could be needed.

Overall central banks continued to push rates steadily higher in the first six months of the year, with the European Central Bank increasing rates for the eighth consecutive month in June. The US Federal Reserve paused hiking rates in June after it saw inflation fall to 4%. However, in the UK rates rose to their highest level in 15 years to 5% – an increase of 50 basis points.

Meanwhile weakening oil prices and the Bank of England's aggressive rate hiking to quell inflation – in common with other central banks – weighed on both UK stocks and government bonds (gilts). The FTSE100 was largely flat in the six months to date, in part because the UK is dominated by energy multinationals and cash-generative stocks but lacks the technology-centric growth stocks that have benefited from the AI rally in recent months. However, we believe UK stocks remain undervalued.

The eurozone economy remained relatively resilient, with GDP rising slightly in the second quarter, although manufacturing was substantially weaker than the services sector. European equities performed positively over the quarter and while Europe is most at risk from the Ukraine, we believe the region's equities have, arguably, been impacted disproportionately now.

The US stock market saw a strong rally fuelled by the strong performance of technology stocks, notably giants such as Apple, Microsoft, Amazon and Nvidia, with many driven higher due to widespread excitement around the prospects for AI and its potential impact.

Japan has also seen strong stock market performance over the period, due in part to its continued loose monetary policy amid tightening by other developed economies. The sell off in yen against other major currencies saw Japan's exports become more competitive, with the Nikkei reaching a 33-year high. However, New Bank of Japan governor Kazuo Ueda said at Sintra that economic growth and wages were picking up at home after decades of near stagnation, raising the possibility that the Bank of Japan could relent on its so-far ultra-loose economic policy.

In contrast, China has been a surprise underperformer with its post-Covid recovery appearing to be losing steam. Latest data showed manufacturing activity contracted for the third consecutive month and the country cut its benchmark lending rates in a move to ease monetary policy. Six months after reopening after Covid, China still faces issues, including declining trade activity and a weak property sector.

Overall, market sentiment is on a tightrope, thanks to inflation remaining stubbornly high, but the general situation is not so dire. The key issue for markets continues to be whether interest rate hikes will surprise on the upside and threaten economic growth as central banks address inflation. Fears of a recession persist, but we believe the chances of one are much lower than those reported in the media. We continue to believe that a mild downturn is more likely in 2023 than a deep recession because central banks will strive to avoid it, and the global economy remains on a solid footing. The uncertainty weighing on markets means that financial asset prices still offer reasonable value. Now is an opportune time to identify the positive potential in markets and put in place investments for the long term.

## MA Dynamic Passive Reserve Fund (continued)

### Investment review (continued)

#### Performance

In the six months to 30 June 2023, the Liontrust MA Dynamic Passive Reserve Fund (S Accumulation) returned 0.5%\*.

*\*Source of discrete performance data: Financial Express, as at 30 June 2023. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Sub-fund performance

Earlier this year, we appointed Hymans Robertson (Hymans) to calculate the Strategic Asset Allocations (SAAs) for all our multi-asset solutions following a detailed review. As the previous SAAs for our funds were also based on 15-year expectations and followed a similar bespoke risk-profile approach, there is not a dramatic change in the approach to the creation of the SAAs. However, the new SAAs do contain several enhancements over their predecessors, including access to a greater suite of asset classes and more choice within them overall.

To satisfy the Sub-fund's risk profile, the majority of the Sub-fund is invested in fixed income assets, but with a significant allocation to equities and a smaller allocation to property.

It was a difficult six months for fixed income and our allocation to corporate bonds weighed on the overall fund performance, with Vanguard UK Investment Grade Bond one of the main detractors. Short gilts and medium gilts also saw negative returns over the period. However, high yield bonds benefited from a small positive return, driven in part by iShares Fallen Angels High Yield, as did global ex-UK fixed income.

Equity markets saw positive returns for the most part, led by North American equities and UK equities. Top performing funds in these regions included L&G US Index, HSBC American Index, L&G UK Index and iShares UK Equity Index. The only equity market to weigh slightly on performance was emerging markets equities.

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 Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

**Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.**

## MA Dynamic Passive Reserve Fund (continued)

### Investment review (continued)

#### Material portfolio changes by value

##### Purchases

Vanguard UK Investment Grade Bond Index Fund  
 iShares Global High Yield Corporate Bond ETF  
 Lyxor UK Government Bond 0-5Y DR UCITS ETF  
 iShares Corporate Bond Index Fund (UK)  
 iShares Euro High Yield Corporate Bond ESG UCITS ETF  
 iShares Fallen Angels High Yield Bond UCITS ETF  
 iShares USD High Yield Corporate Bond ESG UCITS ETF  
 BlackRock Global High Yield ESG and Credit Screened Fund  
 HSBC Global Aggregate Bond Index Fund  
 Legal & General Global Infrastructure Index Fund

##### Sales

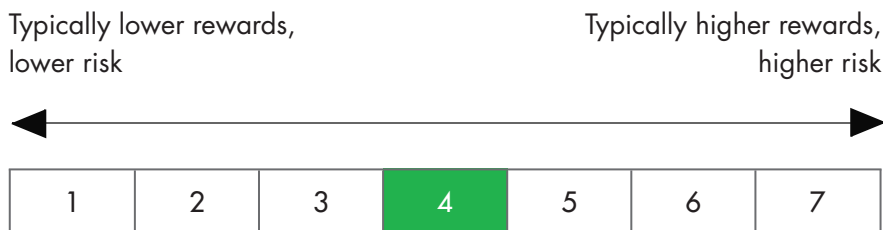
iShares Overseas Government Bond Index Fund (UK)  
 Vanguard UK Government Bond Index Fund  
 iShares UK Gilts All Stocks Index Fund (UK)  
 Legal & General All Stocks Gilt Index Trust  
 iShares Global High Yield Corporate Bond ETF  
 Legal & General UK Index Trust  
 iShares UK Equity Index Fund (UK)  
 iShares Japan Equity Index Fund (UK)  
 HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund  
 SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF

## MA Dynamic Passive Reserve Fund (continued)

### Investment review (continued)

#### Risk and Reward profile

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



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The risk profile per the investment objective used by Liontrust to produce the long term asset allocation differs from Synthetic Risk and Reward Indicator, so the two rankings may not be the same.
- The Sub-fund is categorised 4 primarily because of its exposure to a diversified portfolio of funds invested in mainly fixed income with some equities and other asset classes.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Sub-fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- Some of the underlying funds may invest in derivatives, which can, in certain circumstances, create wider fluctuations in their prices over time.
- Investments in emerging markets may involve a higher element of risk due to less well regulated markets and political and economic instability. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Sub-fund's ability to meet redemption requests may also be affected.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Index Tracking Risk: The performance of any passive funds used may not exactly track that of their indices.

## MA Dynamic Passive Reserve Fund (continued)

### Investment review (continued)

### Risk and Reward profile (continued)

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).

## MA Dynamic Passive Reserve Fund (continued)

## Performance record (unaudited)

as at 30 June 2023

## Income record

Any distributions payable are paid on a semi-annual basis (28 February and 31 August). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
A Accumulation	1.2685	0.6161
D Accumulation	1.2564	0.6596
R Accumulation	0.9591	0.2717
S Accumulation	1.3411	0.7192
Z Accumulation	1.5886	0.9334

## Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
<b>30 June 2023</b>			
A Accumulation	3,207,638	4,600	143.40
D Accumulation	4,892,249	6,508	133.02
R Accumulation	2,858,383	4,141	144.89
S Accumulation	84,493,355	117,564	139.14
Z Accumulation	10,046,995	14,984	149.14
<b>31 December 2022</b>			
A Accumulation	3,715,017	5,321	143.22
D Accumulation	5,964,921	7,920	132.78
R Accumulation	3,445,997	4,998	145.03
S Accumulation	96,434,247	133,906	138.86
Z Accumulation	10,968,853	16,309	148.69
<b>31 December 2021</b>			
A Accumulation	3,959,679	6,672	168.50
D Accumulation	7,352,852	11,472	156.02
R Accumulation	4,023,084	6,894	171.37
S Accumulation	113,231,912	184,684	163.10
Z Accumulation	11,580,884	20,186	174.30
<b>31 December 2020</b>			
A Accumulation	4,686,783	7,688	164.04
D Accumulation	9,259,577	14,048	151.71
R Accumulation	4,654,886	7,800	167.57
S Accumulation	117,138,148	185,703	158.53
Z Accumulation	10,913,096	18,452	169.08

## MA Dynamic Passive Reserve Fund (continued)

### Portfolio Statement (unaudited)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>COLLECTIVE INVESTMENT SCHEMES (97.44%)</b>	<b>131,765</b>	<b>89.15</b>
	<b>ASIA PACIFIC EXCLUDING JAPAN EQUITIES (2.51%)</b>	<b>4,076</b>	<b>2.76</b>
271,971	HSBC Index Tracker Investment Funds - Pacific Index Fund	1,374	0.93
1,242,891	Legal & General Pacific Index Trust	2,702	1.83
	<b>COMMODITIES (0.00%)</b>	<b>5,568</b>	<b>3.77</b>
105,359	iShares Physical Gold ETC	3,093	2.09
199,654	WisdomTree Enhanced Commodity UCITS ETF†	2,475	1.68
	<b>EMERGING MARKETS EQUITIES (4.03%)</b>	<b>7,206</b>	<b>4.87</b>
2,610,690	iShares Emerging Markets Equity Index Fund (UK)	4,660	3.15
2,333,723	Legal & General Emerging Markets Equity Index Fund	2,546	1.72
	<b>EUROPE EXCLUDING UK EQUITIES (2.00%)</b>	<b>4,075</b>	<b>2.76</b>
125,106	HSBC Index Tracker Investment Funds - European Index Fund	1,539	1.04
742,148	iShares Continental European Equity Index Fund (UK)	2,536	1.72
	<b>GLOBAL BONDS (13.79%)</b>	<b>3,006</b>	<b>2.03</b>
332,499	HSBC Global Aggregate Bond Index Fund	3,006	2.03
	<b>HIGH YIELD BONDS (0.00%)</b>	<b>20,981</b>	<b>14.19</b>
43,621	BlackRock Global High Yield ESG and Credit Screened Fund	4,603	3.11
1,241,256	iShares Euro High Yield Corporate Bond ESG UCITS ETF†	6,321	4.28
1,120,004	iShares Fallen Angels High Yield Bond UCITS ETF†	5,248	3.55
1,172,564	iShares USD High Yield Corporate Bond ESG UCITS ETF†	4,809	3.25
	<b>INFRASTRUCTURE (0.00%)</b>	<b>3,773</b>	<b>2.55</b>
4,963,443	Legal & General Global Infrastructure Index Fund	3,773	2.55
	<b>JAPAN EQUITIES (3.91%)</b>	<b>2,103</b>	<b>1.43</b>
811,133	HSBC Index Tracker Investment Funds - Japan Index Fund	1,218	0.83
328,904	iShares Japan Equity Index Fund (UK)	885	0.60
	<b>NORTH AMERICA EQUITIES (8.61%)</b>	<b>13,666</b>	<b>9.25</b>
549,836	HSBC Index Tracker Investment Funds - American Index Fund	5,361	3.63
891,419	Legal & General US Index Trust	8,305	5.62



## MA Dynamic Passive Reserve Fund (continued)

## Portfolio Statement (unaudited) (continued)

as at 30 June 2023

Holding/Nominal Value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>COLLECTIVE INVESTMENT SCHEMES (continued)</b>			
<b>PROPERTY (3.67%)</b>		<b>3,768</b>	<b>2.55</b>
374,527	Aegon Property Income Fund§	249	0.17
851,416	iShares Global Property Securities Equity Index Fund (UK)	1,822	1.23
416,825	iShares UK Property UCITS ETF†	1,697	1.15
<b>UK CORPORATE BONDS (8.05%)</b>		<b>33,657</b>	<b>22.77</b>
12,417,173	iShares Corporate Bond Index Fund (UK)	17,618	11.92
336,834	Vanguard UK Investment Grade Bond Index Fund	16,039	10.85
<b>UK EQUITIES (12.10%)</b>		<b>5,504</b>	<b>3.73</b>
148,505	HSBC Index Tracker Investment Funds - FTSE All-Share Index Fund	1,051	0.71
829,254	iShares UK Equity Index Fund (UK)	2,243	1.52
599,788	Legal & General UK Index Trust	2,210	1.50
<b>UK GILTS (38.77%)</b>		<b>24,382</b>	<b>16.49</b>
4,145,578	iShares UK Gilts All Stocks Index Fund (UK)	5,586	3.78
1,796,441	Legal & General All Stocks Gilt Index Trust	3,226	2.18
495,769	Lyxor UK Government Bond 0-5Y DR UCITS ETF†	8,056	5.45
94,176	SPDR Bloomberg Barclays 1-5 Year Gilt UCITS ETF†	4,390	2.97
24,606	Vanguard UK Government Bond Index Fund	3,124	2.11
<b>Portfolio of investments</b>		<b>131,765</b>	<b>89.15</b>
<b>Net other assets</b>		<b>16,032</b>	<b>10.85</b>
<b>Total net assets</b>		<b>147,797</b>	<b>100.00</b>

Each holding listed above is either accumulation units of a Unit Trust or accumulation shares of an Open Ended Investment Company unless otherwise indicated.

Comparative figures shown in brackets relate to 31 December 2022.

§ The Aegon Property Income Fund closed on the 9th August 2021 and will return capital to shareholders as soon as practical.

† Exchange Traded Fund.

## MA Dynamic Passive Reserve Fund (continued)

## Statement of Total Return (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital losses		(895)		(25,169)
Revenue	2,027		1,369	
Expenses	(256)		(352)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	1,771		1,016	
Taxation	(254)		(53)	
Net revenue after taxation		1,517		963
<b>Total return before distributions</b>		<b>622</b>		<b>(24,206)</b>
Distributions		(1,517)		(963)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(895)</b>		<b>(25,169)</b>

## Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
<b>Opening net assets attributable to shareholders</b>		<b>168,454</b>		<b>229,908</b>
Amounts received on issue of shares	1,241		4,276	
Amounts paid on cancellation of shares	(22,425)		(19,890)	
		(21,184)		(15,614)
Change in net assets attributable to shareholders from investment activities		(895)		(25,169)
Retained distributions on accumulation shares		1,422		934
<b>Closing net assets attributable to shareholders</b>		<b>147,797</b>		<b>190,059</b>

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

## MA Dynamic Passive Reserve Fund (continued)

**Balance Sheet (unaudited)**

as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	131,765	164,140
<b>Current assets:</b>		
Debtors	73	968
Cash and bank balances	6,818	6
Cash equivalents	10,358	3,611
<b>Total assets</b>	<b>149,014</b>	<b>168,725</b>
<b>Liabilities</b>		
<b>Creditors:</b>		
Other creditors	(1,217)	(271)
<b>Total liabilities</b>	<b>(1,217)</b>	<b>(271)</b>
<b>Net assets attributable to shareholders</b>	<b>147,797</b>	<b>168,454</b>

### Additional Information

#### **Important information**

Past performance is not a guide to future performance. The value of an investment and the income generated may fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of shares may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. The annual management fee of the Liontrust MA Explorer 35 Fund, Liontrust MA Diversified Global Income Fund and Liontrust Diversified Real Assets Fund is deducted from capital. Whilst this results in the dividend paid to investors being higher than would be the case were the annual management fee charged to income, the potential for capital growth may be reduced.



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