Interim report

BlackRock Continental European Income Fund

For the six months ended 31 August 2019

Contents

General Information

Manager & Registrar
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL

Member of The Investment Association and authorised and regulated by the Financial Conduct Authority ("FCA").

Directors of the Manager
G D Bamping* C L Carter (resigned 17 May 2019) M B Cook W I Cullen* R A R Hayes A M Lawrence L E Watkins (resigned 1 March 2019) M T Zemek*

Trustee & Custodian
The Bank of New York Mellon (International) Limited
One Canada Square, London E14 5AL

Authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

Investment Manager
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA.

Securities Lending Agent
BlackRock Advisors (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA

Auditor
Ernst & Young LLP
25 Churchill Place, Canary Wharf, London E14 5EY

BlackRock's proxy voting agent is ISS (Institutional Shareholder Services).

This Report relates to the packaged products of and is issued by:
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock Continental European Income Fund (the “Fund”) is a UCITS scheme under the COLL Sourcebook. The Fund was established on 6 May 2011. The Fund’s FCA product reference number is 542061.

Fund Manager

As at 31 August 2019, the Fund Manager of the Fund is Andreas Zoellinger.

Significant Events

Changes in the Directors of the Manager

L E Watkins resigned as a Director effective 1 March 2019. C L Carter resigned as a Director effective 17 May 2019.

Risk and Reward Profile

Unit Class	Lower risk Typically lower rewards						Higher risk Typically higher rewards
A Income	1	2	3	4	**5**	6	7
A Accumulation	1	2	3	4	**5**	6	7
X Income	1	2	3	4	**5**	6	7
X Accumulation	1	2	3	4	**5**	6	7
D Income	1	2	3	4	**5**	6	7
D Accumulation	1	2	3	4	**5**	6	7
A Income Hedged	1	2	3	4	**5**	6	7
A Accumulation Hedged	1	2	3	4	**5**	6	7
D Income Hedged	1	2	3	4	**5**	6	7
D Accumulation Hedged	1	2	3	4	**5**	6	7

- The risk indicator was calculated incorporating simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.
- The use of derivatives will impact the value of the Fund and may expose the Fund to a higher degree of risk. Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains, resulting in greater fluctuations in the value of the Fund. The impact to the Fund can be greater where derivatives are used in an extensive or complex way.

For more information on this, please see the Fund's Key Investor Information Documents ("KIIDs"), which are available at **www.blackrock.com**.

Investment Report

for the period ended 31 August 2019

Investment Objective

The aim of the Fund is to provide an above average income return (gross of fees) from its equity investments (i.e. shares), compared to the income produced by European equity markets (excluding the UK) as represented by FTSE World Europe Ex UK Index (i.e. a level of income which exceeds that produced by the constituents of the index), without sacrificing capital growth (i.e. the value of the assets held by the Fund) over the long term (5 or more consecutive years beginning at the point of investment).

Target benchmark	Investment management approach
FTSE All World Developed Europe Ex UK Index	Active

Performance Summary

The following table compares the realised Fund performance against the performance of the relevant performance measure during the financial period ended 31 August 2019.

The returns disclosed are the performance returns for the primary unit class for the Fund, net of fees, which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.

	Fund return %	Comparator benchmark %
Class D Accumulation Units	16.09	12.00

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and the return of your initial investment amount cannot be guaranteed. Changes in exchange rates may cause the value of an investment to fluctuate. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index ("ACWI"), posted a return of 2.73% for the six months ended 31 August 2019. During the reporting period, stocks oscillated between rising prices and low volatility to periodic bouts of declining prices and elevated volatility. Hopes that the decade-long U.S. economic expansion would continue ultimately drove equities higher, as the chief uncertainties—strained trade relations in many parts of the world and slowing economic growth—were quelled by the resumption of U.S./China trade talks and signs of accommodative monetary policy from the world's most influential central banks. Intermittent volatility meant developed markets led emerging markets for the reporting period as investors sought out less risky assets. For example, the MSCI Europe ex-UK returned approximately 12%, as expectations of further stimulus by the European Central Bank ("ECB") buoyed equity performance in Continental Europe.

In the global bond markets, low inflation, risk aversion, and demand for yield led to higher bond prices despite yields near historic lows. Long-term interest rates declined sharply due to low inflation in most developed countries, while short-term interest rates decreased due to expectations of additional stimulus by central banks. As a result, a portion of the U.S. yield curve (a graphic representation of bond yields at different maturities) inverted for the first time since 2005. Investors took this as a sign that recession could be imminent, exacerbating concerns about the economy and corporate profits.

Government bonds generally outperformed corporate bonds across the globe, as modest corporate profits and slowing growth drove demand for less volatile investments. Nevertheless, corporate bonds still posted a solid return, as European spreads—the yield premium of corporate bonds relative to government bonds—declined slightly, and demand for credit remained robust. In Europe, investor demand for the relative stability of fixed-income securities was strong despite negative short-term interest rate policy by the ECB, excess liquidity, and institutional demand for bonds, all of which led to negative yields for approximately 60% of the government bond market and for 40% of the corporate bond market. Emerging market bonds generally performed in line with other international bonds.

In the commodities market, gold prices rose more than 15% amid geopolitical tensions, as central banks and exchange-traded funds increased their gold purchases. Negative yields in the bond market also contributed to rising gold prices, as investors looked to gold as a store of value. In contrast, the price of Brent Crude oil fell approximately 10% due to slower growth and concerns about oversupply.

Looking at currencies, the U.S. dollar generally outperformed other currencies due to relatively stronger economic growth, higher interest rates, and declining inflation. Expectations that the ECB would lower interest rates and resume monetary stimulus weighed on the euro. The British pound also depreciated against the U.S. dollar, hindered by slower growth and uncertainty surrounding the U.K.'s possible departure from the European Union ("E.U."). In contrast, the Japanese yen, which tends to benefit from global economic uncertainty, advanced against the U.S. dollar. The stronger U.S. dollar generally helped the performance of international investors in U.S. securities.

In economic news, although the U.S. economy continued to grow at an annualised rate of approximately 2.5%, most developed countries experienced weak growth. Growth in Europe remained sluggish at under 1%, with quarterly contractions in Germany and the U.K., the two largest European economies. Despite rising consumer spending, economic growth in Japan was tepid, as exports declined for nine straight months. China, the world's second largest economy, saw growth slow to a pace of approximately 6%, as exports fell and industrial output hit a 17-year low. Relatively restrictive monetary policy by the U.S. Federal Reserve (the "Fed") for most of the reporting period and the ongoing trade dispute between the U.S. and China both had a cooling effect on global growth.

In response to the economic slowdown and benign inflation, central banks dramatically shifted monetary policy away from restrictive conditions toward more accommodative policies. Notably, emerging market central banks were the first to cut short-term interest rates in anticipation of a rate cut by the Fed, which lowered rates in July 2019, the first rate cut since the financial crisis in 2008. The ECB also changed its outlook by signaling a high likelihood of future rate cuts and the return of its bond purchase program, while the Bank of Japan renewed its commitment to future economic stimulus. The sea change in central bank policy raised investors' optimism that a deepening downturn could be averted, which generally helped the performance of riskier assets.

Geopolitical risks remained elevated during the reporting period, which dampened returns for riskier assets, as the trade dispute between China and the U.S. alternated between retaliatory tariffs and the resumption of trade talks. Geopolitical strains in the Middle East, including tensions between the U.S. and Iran, civil war in Yemen, drone attacks throughout the region, and an ongoing Saudi-led trade embargo of Qatar further contributed to volatility in markets. Uncertainty surrounding Brexit also dampened market sentiment, as the European Union granted the U.K. an extension to its deadline for leaving the E.U., but political turmoil related to disentangling their economies and the timing of the U.K.'s withdrawal highlighted a relatively fluid range of possible outcomes.

Fund Performance Review and Activity

Over the six-month period to 31 August 2019, the Fund's active return was 4.09%, outperforming its target benchmark (active return is the difference between the Fund's return and the target benchmark return).

The Fund's primary investment objective is to seek an above-average income from its share-market investments without sacrificing long-term capital growth. At of the 28th February 2019 (Year end period), the fund's net trailing distributed yield to investors was 4.5%, while gross trailing yield of its benchmark was 3.5%.

Europe ex UK markets rose over the period partially due to a reversal of a challenging Q4 2018. However, geopolitical issues dominated the headlines with trade disputes between the US and China entering into a strategic competition and driving global economy and markets.

The relative outperformance was driven by strong stock selection while sector allocation slightly detracted.

The financials sector was the largest contributor to relative returns. The underweight allocation to the banking sector proved successful as the sector sector saw downwards earnings revisions based not only on the cyclical pressure of low rates, but harsh competitive dynamics. With increasing regulation and falling customer loyalty in a digital age, we believe the banks will suffer yet further competition from nimbler fintech players and thus continue to see key measures of profitability fall. Avoiding Banco Santander, ING and BBVAwas particularly rewarding.

During the period the following positions were the largest contributors to and detractors from the Fund's return relative to its respective benchmark:

Largest Contributors		Largest Detractors	
Stock	**Effect on Fund return**	**Stock**	**Effect on Fund return**
Deutsche Boerse	+0.46%	Integral Logista	-0.61%
Vinci	+0.46%	Sampo	-0.56%
Engie	+0.37%	Scor	-0.46%
Lonza	+0.34%	NN	-0.32%
Banco Santander	+0.33%	Nestle	-0.26%

Top performer was a position in Deutsche Boerse**.** Securities Exchanges have re-rated this year as investors have re-valued the long-term growth and competitive advantages held around the business. On a less positive note, positions in insurer groups Sampo, Scor and NN were amongst the bottom performers.

The utilities sector did well generally as bond yields moved lower and investors continued to flock to safety. Engie rebounded from being an underperformer earlier in the year, whileIberdrola was also amongst the top performers.

In the same vein, a position in French toll road, Vinci posted good results, beating on cashflow. Falling interest rates were equally beneficial for the shares given Vinci classifies as a defensive, long-term infrastructure asset.

Elsewhere, a position in biotech company, Lonza, performed strongly; a business that has developed into one of the largest beneficiaries of big pharma outsourcing, specifically in the production of drugs. Lonza has non-cyclical structural growth from biopharma production contracts and its acquisition of Capsugel a couple of years ago. Mix improvements from higher growth in higher margin areas should give margin upside.

Investment Report continued

Relative returns were dented from being underweight food conglomerate, Nestle. Nestle realised strong returns over the period, in part fuelled by its 'bond like' characteristics which put the shares in high demand as both equity and fixed income markets exhibited a higher level of volatility.

Integral Logista, one of the largest distribution businesses in Southern Europe was the largest detractor from active returns although there was no specific news and the company posted strong numbers. The stock de-rated alongside other tobacco companies given declining volumes. However, we still like the resilience of the business model with solid Free Cash Flow generation and a dividend yield above 6%.

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the benchmark) and underweight (holds less exposure than the benchmark), at 31 August 2019 and 28 February 2019:

Top overweight positions			
31 August 2019		28 February 2019	
Stock	Active position	Stock	Active position
Tele2	+4.3%	Sampo	+3.8%
Bouygues	+4.1%	LEG Immobilien	+3.7%
Scor	+3.9%	Vinci	+3.6%

Top underweight positions			
31 August 2019		28 February 2019	
Stock	Active position	Stock	Active position
Novartis	-3.1%	SAP	-1.6%
Nestle	-2.0%	Siemens	-1.3%
SAP	-1.8%	Banco Santander	-1.2%

Where the Fund is underweight an active position, the return from such position, relative to the benchmark, will have an opposite effect on the Fund's active return. This may result in an active position being listed as a contributor/detractor but not listed on the Fund's Portfolio Statement.

Performance Record

Net Asset Value

At 31 August 2019	Units in Issue	Net Asset Value £000's	Net Asset Value per Unit p
A Income	102,497,909	153,111	149.4
A Accumulation	27,749,282	59,100	213.0
X Income	8,205,254	8,201	100.0
X Accumulation	708,936	1,056	149.0
D Income	726,056,924	1,152,659	158.8
D Accumulation	125,533,526	284,805	226.9
A Income Hedged	349,400	374	107.1
A Accumulation Hedged	5,041	6	125.5
D Income Hedged	43,512,263	47,619	109.4
D Accumulation Hedged	7,456,282	9,330	125.1

Distributions Payable for the period to 31 August 2019

Unit Class	Distribution payable on 31.10.2019
	Pence per Unit
A Income	0.4662
A Accumulation	0.6627
X Income	0.3117
X Accumulation	0.4627
D Income	0.4950
D Accumulation	0.7053
A Income Hedged	0.3337
A Accumulation Hedged	0.3888
D Income Hedged	0.3414
D Accumulation Hedged	0.3890

Performance Record continued

Operating Charges

Unit Class	1.3.2019 to 31.8.2019	1.3.2018 to 28.2.2019
A Income	1.67%	1.70%
A Accumulation	1.67%	1.70%
X Income	0.03%	0.03%
X Accumulation	0.03%	0.03%
D Income	0.93%	0.93%
D Accumulation	0.93%	0.93%
A Income Hedged	1.67%	1.68%
A Accumulation Hedged	1.66%	1.64%
D Income Hedged	0.93%	0.92%
D Accumulation Hedged	0.93%	0.94%

Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

Portfolio Statement (unaudited)
at 31 August 2019

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
EQUITIES – 99.69%; 28.2.2019 100.51%			
Belgium – 1.61%; 28.2.2019 1.56%			
677,444	Telenet∅	**27,675**	**1.61**
Denmark – 5.17%; 28.2.2019 2.92%			
478,259	DSV	39,001	2.27
1,164,386	Novo Nordisk∅	49,848	2.90
		88,849	**5.17**
Finland – 3.87%; 28.2.2019 5.85%			
278,677	Kone	13,245	0.77
1,632,889	Sampo	53,258	3.10
		66,503	**3.87**
France – 30.67%; 28.2.2019 29.35%			
1,813,426	ALD	22,334	1.30
2,301,120	Bouygues	71,890	4.19
4,775,003	ENGIE	59,693	3.48
202,280	Gecina	26,339	1.54
107,189	LVMH Moet Hennessy Louis Vuitton∅	35,125	2.05
293,759	Safran	35,050	2.04
979,678	Sanofi	69,204	4.03
2,075,919	Scor	68,121	3.97
210,389	Thales	19,994	1.17
1,280,390	Total	52,430	3.06
732,829	Vinci∅	65,934	3.84
		526,114	**30.67**
Germany – 13.66%; 28.2.2019 15.12%			
373,257	Allianz	67,520	3.93
478,760	Deutsche Boerse∅	57,643	3.36
697,409	LEG Immobilien∅	67,319	3.92
213,379	Muenchener Rueckversicherungs-Gesellschaft in Muenchen	41,984	2.45
		234,466	**13.66**
Italy – 2.93%; 28.2.2019 2.41%			
5,145,543	Enav	23,915	1.39
3,106,932	FinecoBank Banca Fineco∅	26,347	1.54
		50,262	**2.93**
Netherlands – 5.69%; 28.2.2019 1.13%			
203,120	ASML	37,101	2.16
331,395	Koninklijke DSM∅	33,892	1.98
968,039	NN	26,628	1.55
		97,621	**5.69**

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
Norway – 1.72%; 28.2.2019 2.67%			
1,862,204	Gjensidige Forsikring[∅]	**29,511**	**1.72**
Spain – 7.69%; 28.2.2019 8.78%			
2,184,800	Cia de Distribucion Integral Logista	35,304	2.06
1,529,674	Endesa	32,325	1.88
5,579,465	Iberdrola	47,183	2.75
677,810	Industria de Diseno Textil	17,229	1.00
		132,041	**7.69**
Sweden – 10.55%; 28.2.2019 5.67%			
705,373	Loomis	19,537	1.14
6,483,417	Tele2	74,914	4.37
11,323,825	Telia	40,647	2.37
982,863	Thule[∅]	15,949	0.93
2,635,486	Volvo	29,845	1.74
		180,892	**10.55**
Switzerland – 14.58%; 28.2.2019 16.48%			
343,669	Cembra Money Bank[∅]	28,634	1.67
103,725	Lonza[∅]	30,102	1.75
605,704	Nestle	55,795	3.25
147,728	Roche	33,168	1.93
285,908	Sika	33,716	1.97
235,586	Zurich Insurance[∅]	68,858	4.01
		250,273	**14.58**
United Kingdom – 1.55%; 28.2.2019 8.57%			
522,180	Unilever	**26,645**	**1.55**
COLLECTIVE INVESTMENT SCHEMES – 0.88; 28.2.2019 0.29%			
Short-term Money Market Funds – 0.88%; 28.2.2019 0.29%			
151,498	Institutional Cash Series plc - Institutional Sterling Liquidity Environmentally Aware Fund[†]	**15,151**	**0.88**

Holding or Nominal Value	Investment	Underlying Exposure – Derivatives £000's	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.06%; 28.2.2019 0.04%				
Forward Currency Contracts – 0.06%; 28.2.2019 0.04%				
DKK 3,367,733	Danish krone vs UK sterling	409	(3)	0.00
€6,138,437	Euro vs UK sterling	5,550	(79)	0.00
NOK 1,519,729	Norwegian krone vs UK sterling	136	(1)	0.00
SEK 6,983,428	Swedish krona vs UK sterling	586	(12)	0.00
CHF 2,215,404	Swiss franc vs UK sterling	1,839	(32)	0.00
£6,338,441	UK sterling vs Danish krone	6,286	52	0.00

Holding or Nominal Value	Investment	Underlying Exposure – Derivatives £000's	Market Value £000's	% of Total Net Assets
£82,692,027	UK sterling vs Euro	81,964	731	0.05
£2,135,813	UK sterling vs Norwegian krone	2,088	44	0.00
£12,877,797	UK sterling vs Swedish krona	12,675	204	0.01
£18,619,163	UK sterling vs Swiss franc	18,533	83	0.00
		130,066	**987**	**0.06**
Portfolio of investments			**1,726,990**	**100.63**
CASH EQUIVALENTS				
Short-term Money Market Funds - 0.00%; 28.2.2019 0.29%				
Net other liabilities			(10,729)	(0.63)
Total net assets			**1,716,261**	**100.00**

Unless otherwise stated, all securities are either listed on a recognised exchange or traded on an eligible securities market.
Ø All or a portion of this investment represents a security on loan.
† Managed by a related party.
The counterparties for the forward currency contracts are Bank of New York Mellon, Citigroup Global Markets Limited and HSBC Bank Plc.
Underlying exposure has been calculated according to the guidelines issued by the European Securities and Markets Authority ("ESMA") and represents the market value of an equivalent position in the assets underlying each financial derivative instrument.

Statement of Total Return (unaudited)

for the six months ended 31 August 2019

	£000's	31.8.2019 £000's	£000's	31.8.2018 £000's
Income				
Net capital gains		184,484		12,676
Revenue	59,829		60,898	
Expenses	(8,159)		(8,909)	
Interest payable and similar charges	(4)		(14)	
Net revenue before taxation	51,666		51,975	
Taxation	(5,107)		(4,704)	
Net revenue after taxation		46,559		47,271
Total return before distributions		231,043		59,947
Distributions		(54,717)		(56,161)
Change in net assets attributable to unitholders from investment activities		**176,326**		**3,786**

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

for the six months ended 31 August 2019

	£000's	31.8.2019 £000's	£000's	31.8.2018 £000's
Opening net assets attributable to unitholders		1,584,465		1,925,466
Amounts receivable on issue of units	251,097		271,898	
Amounts payable on cancellation of units	(306,903)		(322,219)	
		(55,806)		(50,321)
Change in net assets attributable to unitholders from investment activities		176,326		3,786
Retained distribution on accumulation units		11,274		10,597
Unclaimed distributions over 6 years old		2		–
Closing net assets attributable to unitholders		**1,716,261**		**1,889,528**

The above statement shows the comparative closing net assets at 31 August 2018 whereas the current accounting period commenced 1 March 2019.

Balance Sheet (unaudited)

at 31 August 2019

	31.8.2019 £000's	28.2.2019 £000's
Assets:		
Fixed assets		
– Investment assets	1,727,117	1,593,343
Current assets		
– Debtors	17,076	21,000
– Cash and bank balances	7,698	3,203
– Cash equivalents	–	4,668
Total assets	**1,751,891**	**1,622,214**
Liabilities:		
Investment liabilities	(127)	(231)
Creditors		
– Distributions payable	(4,247)	(5,117)
– Other creditors	(31,256)	(32,401)
Total liabilities	**(35,630)**	**(37,749)**
Net assets attributable to unitholders	**1,716,261**	**1,584,465**

G D Bamping (Director)
M T Zemek (Director)
BlackRock Fund Managers Limited
29 October 2019

Notes to Financial Statements (unaudited)

for the six months ended 31 August 2019

Accounting Policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (the "SORP") issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2019 and are described in those annual financial statements.

Supplementary Information

Efficient Portfolio Management Techniques

The Manager may, on behalf of the Fund and subject to the conditions and within the limits laid down by the FCA and the Prospectus, employ techniques and instruments relating to transferable securities, including investments in Over-the-Counter Financial Derivative Instruments (OTC FDIs) provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk or for direct investment purposes, where applicable.

In addition to the investments in OTC FDIs, the Fund may employ other techniques and instruments relating to transferable securities and money market instruments, subject to the conditions set out in the Fund's Prospectus, as amended from time to time, and the relevant ESMA Guidelines, such as repurchase/reverse repurchase transactions ("repo transactions") and securities lending.

Securities Lending

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Securities Lending Agent, BlackRock Advisors (UK) Limited, a related party to the Fund, and separately between the Securities Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Trustee") on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Lending Agent.

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 August 2019 and the income earned for the period ended 31 August 2019. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan		
% of lendable assets	% of NAV	Income earned £000's
5.47	5.06	38

The total income earned from securities lending transactions is split between the relevant Fund and the Securities Lending Agent. The Fund receives 62.5% while the Securities Lending Agent receives 37.5% of such income, with all operational costs borne out of the Securities Lending Agent's share.

The following table details the value of securities on loan (individually identified in the Fund's portfolio statement) and associated collateral received, analysed by counterparty as at 31 August 2019.

Counterparty	Counterparty's country of establishment	Securities Lending: Amount on loan	Securities Lending: Collateral received
		£000's	£000's
BNP Paribas SNC	France	23	25
Credit Suisse AG Dublin Branch	Ireland	19,288	20,410
HSBC Bank Plc	UK	25,409	28,487
J.P. Morgan Securities Plc	UK	39,765	43,999
UBS AG	Switzerland	2,422	2,694
Total		**86,907**	**95,615**

All securities on loan have an open maturity tenor as they are recallable or terminable on a daily basis.

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs, as at 31 August 2019.

Currency	Cash collateral received	Cash collateral posted	Non-cash collateral received	Non-cash collateral posted
	£000's	£000's	£000's	£000's
Securities lending transactions				
AUD	–	–	700	–
CAD	–	–	541	–
CHF	–	–	1,446	–
CNY	–	–	14,232	–
DKK	–	–	84	–
EUR	–	–	22,444	–
GBP	–	–	5,647	–
HKD	–	–	2,287	–
JPY	–	–	10,684	–
NOK	–	–	286	–
SEK	–	–	2,446	–
SGD	–	–	1,332	–
USD	–	–	33,486	–
Total	**–**	**–**	**95,615**	**–**

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 August 2019.

Collateral type and quality	Maturity Tenor 1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days	Open transactions	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	–	157	319	545	4,014	–	**5,035**
Equities							
Recognised equity index	–	–	–	–	–	89,978	**89,978**
ETFs							
Non-UCITS	–	–	–	–	–	602	**602**
Total	**–**	**157**	**319**	**545**	**4,014**	**90,580**	**95,615**

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and ETFs received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 31 August 2019, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 August 2019.

Issuer	Value	% of The Fund's NAV
	£000's	
J.P. Morgan Securities Plc	43,999	2.57
HSBC Bank Plc	28,487	1.66
Credit Suisse AG Dublin Branch	20,410	1.19
UBS AG	2,694	0.15
BNP Paribas Arbitrage (Euroclear)	25	0.00
Total	**95,615**	**5.57**

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