

# **Interim Report & Financial Statements**

Omnis Managed Investments ICVC

For the six months ended 31 March 2018 (unaudited)

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\* Collectively, these comprise the Authorised Corporate Director's Report.

## Directory

### The Company and Head Office

Omnis Managed Investments ICVC  
 Washington House  
 Lydiard Fields  
 Swindon SN5 8UB  
 Incorporated in England and Wales  
 under registration number IC000674

Website address: [www.omnisinvestments.com](http://www.omnisinvestments.com)  
 (Authorised and regulated by the FCA)

### Directors and Secretary of the ACD

Peter Davis  
 Philip Martin (resigned 31 December 2017)  
 Douglas Naismith  
 Dominic Sheridan  
 Judith Worthy (resigned 31 January 2018)

Andy Whipp (Secretary)

### Registrar

DST Financial Services International Limited  
 DST House,  
 St Nicholas Lane  
 Basildon  
 Essex SS15 5FS

### Auditor

Deloitte LLP  
 Statutory Auditor  
 Saltire Court  
 20 Castle Terrace  
 Edinburgh EH1 2DB

### Customer Service Centre

Omnis Managed Investments ICVC  
 PO BOX 10191  
 Chelmsford CM99 2AP  
 Telephone: 0345 140 0070\*

### Depositary

State Street Trustees Limited  
 20 Churchill Place  
 London E14 5HJ  
 (Authorised and regulated by the FCA)

### Authorised Corporate Director ("ACD")

Omnis Investments Limited  
 Washington House  
 Lydiard Fields  
 Swindon SN5 8UB  
 (Authorised and regulated by the FCA)

### Investment Managers

Octopus Investments Limited  
 33 Holborn  
 London EC1N 2HT  
 (Authorised and regulated by the FCA)

Newton Investment Management Limited  
 160 Queen Victoria Street  
 London EC4V 4LA  
 (Authorised and regulated by the FCA)

Threadneedle Asset Management Limited  
 78 Cannon Street  
 London EC4N 6AG  
 (Authorised and regulated by the FCA)

\* Please note that telephone calls may be recorded for monitoring and training purposes, and to confirm investors' instructions.

## Authorised Corporate Director's ("ACD") Report

We are pleased to present the Interim Report & Financial Statements for Omnis Managed Investments ICVC for the six months ended 31 March 2018.

### Authorised Status

Omnis Managed Investments ICVC ("the Company") is an investment company with variable capital incorporated in England and Wales under registered number IC000674 and authorised by the Financial Conduct Authority ("FCA") with effect from 20 May 2008. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

Head office: Washington House, Lydiard Fields, Swindon, SN5 8UB.

The Head Office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

### Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new Fund or Class, a revised prospectus will be prepared setting out the relevant details of each Fund or Class.

The Company is a UCITS scheme.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the FCA's Collective Investment Schemes Sourcebook ("COLL") and the investment objective and policy of the relevant Fund.

### Cross Holdings

There were no shares in any sub-fund held by other sub-funds of the ICVC.

### Base Currency

The base currency of the Company is Pounds Sterling. Each Fund and Class is designated in Pounds Sterling.

### Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the Net Asset Values of each of the Funds.

**Certification of Financial Statements by Directors of the Authorised  
Corporate Director  
For the six months ended 31 March 2018**

**Director's Certification**

This report has been prepared in accordance with the requirements of COLL, as issued and amended by the FCA. We hereby certify the report on behalf of the Directors of Omnis Investments Limited.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the Funds consist predominately of securities that are readily realisable and, accordingly, the Funds have adequate resources to continue in operational existence for the foreseeable future.

Dominic Sheridan

Peter Davis

**Director, for and in behalf of Omnis Investment Limited**

23 May 2018

**Accounting Policies**  
For the six months ended 31 March 2018 (unaudited)

**Accounting Basis, Policies and Valuation of Investments**

**(a) Basis of accounting**

The interim Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

The accounting policies applied are consistent with those of the annual Financial Statements for the year ended 30 September 2017 and are described in those Financial Statements. In this regard, comparative figures from previous periods are prepared to the same standard as the current period, unless otherwise stated.

As described in the Certification of Financial Statements by Directors of the ACD on page 5, the ACD continues to adopt the going concern basis in the preparation of the Financial Statements of the Funds.

**(b) Basis of valuation of investments**

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period.

Market value is defined by the SORP as fair value which is the bid value of each security.

Collective Investment Schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting period.

Unlisted or suspended investments are valued by the Investment Manager taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

The fair value of derivative instruments is marked to market value. The forward currency contracts are valued at the prevailing forward exchange rates.

## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve capital growth.

### Investment Policy

It is expected that exposure to equities will typically make up the majority of the Fund's assets. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes managed by firms in the investment manager's group of companies. The Fund may also invest in Collective Investment Schemes managed by other managers, transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Managed Adventurous Fund returned (1.27)% and the benchmark (40% FTSE All-Share / 15% Russell 1000 / 25% MSCI EAFE Ex-UK / 15% MSCI Emerging Markets / 5% BoA ML Sterling Broad Market) returned 0.07% [source: Financial Express, bid to bid, net income reinvested].

The Fund made a negative return over the review period, and underperformed its composite benchmark. Both allocation and security selection detracted.

In terms of asset allocation, our underweight in US equities was unhelpful; these stocks made strong gains over the review period as investors remained optimistic about the economy, and cheered strong corporate earnings and President Trump's overhaul of the US tax code. However, overweighting emerging markets added some value due to their outperformance over global averages.

The fixed income holdings in aggregate underperformed the broad sterling bond market, and the fund was also hurt by its underweight here versus the composite benchmark.

In relative terms, the biggest negative contributors came from the UK and emerging market equity holdings. In both cases, this was due to unfavourable selection, as the portfolio's funds posted relative underperformance. On a brighter note, there was a positive contribution from our Japanese equity holding, due to successful selection.

In terms of activity over the period, we increased our exposure to Japanese equities via the Threadneedle Japan Fund. We are optimistic about strengthening company earnings, shareholder-friendly corporate reforms, and the high operational leverage of Japanese companies to the improving global economy. Over the review period, we were also net buyers of UK equities (through the UK Fund and the UK Select Fund), though the relative allocation was largely unchanged.

We increased our exposure to US equities – largely through the American Fund and the American Select Fund – but retained our underweight in this segment; US equities are more fully valued than other developed markets. We took some profits in Asia ex Japan equities, which performed well over 2017 despite jitters over protectionism and US rate hikes. We retained our overweight to this segment. We feel corporate earnings growth will continue to strengthen. In addition, a benign capex environment is leading to cash-flow improvements, suggesting an improved outlook for margins. Asian markets are trading at undemanding valuations, compared to absolute, relative and historic levels.

**Investment Manager's Report (continued)**  
**For the six months ended 31 March 2018 (unaudited)**

## **Market Overview**

Risk assets performed well for the first four months of the review period as investors cheered US tax reforms, strong corporate results and synchronised global growth. But equities later declined amid increased jitters about protectionism, geopolitics, the Trump administration and the approaching end of 'easy money'.

Core yields rose over the period as central banks made further moves to normalise policy, and investors' fears that further steps in this direction could be stronger than previously anticipated. The Federal Reserve started reducing its balance sheet in October, and hiked rates in December and March. High inflation prompted the Bank of England to raise rates in November, although British economic indicators lacked the buoyancy exhibited by those elsewhere. The European Central Bank has extended its bond-buying programme to September 2018, albeit at a reduced monthly rate from January. In March, the bank dropped a previous pledge to increase these purchases should the eurozone recovery be threatened.

In European political news, investors worried about Brexit, Catalonia's unsanctioned independence referendum, and eurosceptics' gains in Italy's inconclusive general election in March. In Japan, prime minister Abe's strong election victory in October prompted optimism about "Abenomics", but this somewhat faded in March, following reports of Abe's involvement in cronyism.

## **Outlook**

The broad global macroeconomic environment can be characterised as 'Goldilocks like', with decent growth and only gentle rises in inflation in most regions. The global economic setting is not sufficiently hot to warrant aggressive monetary tightening, nor so cold as to create fears of economic recession. For now, we anticipate that these conditions will persist. Our reflationary economic outlook, together with good earnings forecasts, bodes well for risk assets.

As things currently stand, the proposed US-China trade tariffs would have only a small impact on US and Chinese GDP. The real risk lies in escalation. However, we believe the Chinese preference for a constructive relationship augurs a rational reaction: any future responses will likely remain proportional. On the US side, Trump's unpicking of initial steel and aluminium measures also implies an acknowledgement that a trade war may indeed be a game with no winner.

Bond markets remain supported by accommodative monetary policy, including outright quantitative easing in the eurozone, and demand for income will remain a positive force. The credit cycle is, however, fairly mature and, although earnings have been strong, the benefits have been largely accruing to shareholders. With bond yields still low, returns are expected to be muted.

The Fund remains overweight in emerging-market, global, Asian, European and Japanese equities. A key development over the review period has been an increase in our overweight to Japanese equities; we are positive about the prospects for Japanese corporates as mentioned above.

The Fund has only modest exposure to fixed income and remains underweight here. Within fixed income, we are upbeat about the prospects for emerging-market bonds as we feel the additional yield compared with core government debt more than compensates for the extra risk.

## **Investment Manager**

Threadneedle Asset Management Limited  
19 April 2018



## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
Threadneedle Japan	1,002	Threadneedle Global Emerging	
Threadneedle UK Select	960	Markets Equity	376
Threadneedle UK	886	Threadneedle Asia	271
Threadneedle Global Emerging		Threadneedle UK	256
Markets Equity	759	Threadneedle Lux Global Smaller	
Threadneedle American Select	329	Companies Class IGH	248
Threadneedle UK Equity Alpha		Threadneedle Global Equity Income	242
Income	316	Threadneedle Japan	207
Threadneedle Lux Global Smaller		Threadneedle Latin America	146
Companies	247	Threadneedle UK Select	114
Threadneedle Lux Global Smaller		Threadneedle American	109
Companies Class IGH	246	Threadneedle UK Extended Alpha	102
Threadneedle American	203		
Threadneedle European Select	180		

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	143.14	145.62	297.52	301.19
Percentage change	(1.70%)		(1.22%)	
Closing net asset value (£'000)	4,095	3,642	50,468	49,200
Closing number of shares	2,860,814	2,500,760	16,963,060	16,335,003
Operating charges	0.90%	0.89%	0.90%	0.89%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charge

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charge (%)
31/03/18						
Share Class B Income	0.75	0.06	1.06	(0.98)	0.01	0.90
Share Class B Accumulation	0.75	0.06	1.06	(0.98)	0.01	0.90
30/09/17						
Share Class B Income	0.75	0.06	1.06	(0.99)	0.01	0.89
Share Class B Accumulation	0.75	0.06	1.06	(0.99)	0.01	0.89

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	←—————→						
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7
					5		

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "5" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

**Portfolio Statement**

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 99.63% [98.71%]</b>			
775,712	Threadneedle American	2,341	4.29
335,235	Threadneedle American Extended Alpha	1,261	2.31
991,054	Threadneedle American Select	3,109	5.70
693,872	Threadneedle Asia	1,689	3.10
62,119	Threadneedle Emerging Market Bond	158	0.29
245,612	Threadneedle Emerging Market Local	218	0.40
653,090	Threadneedle European	1,649	3.02
1,106,801	Threadneedle European Select	3,646	6.68
70,098	Threadneedle European Smaller Companies	670	1.23
7,045,434	Threadneedle Global Emerging Markets Equity	8,499	15.58
647,102	Threadneedle Global Equity Income	837	1.53
261,625	Threadneedle Global Extended Alpha	721	1.32
131,850	Threadneedle High Yield Bond	235	0.43
7,395,256	Threadneedle Japan	4,993	9.15
8,546	Threadneedle Lux Asian Equity Income	539	0.99
10,601	Threadneedle Lux Global Smaller Companies	247	0.45
743,550	Threadneedle Pan European Focus	1,994	3.66
5,176,065	Threadneedle UK	6,998	12.83
42,449	Threadneedle UK Corporate Bond	50	0.09
5,869,666	Threadneedle UK Equity Alpha Income	3,935	7.21
863,334	Threadneedle UK Extended Alpha	4,161	7.63
179,561	Threadneedle UK Mid 250	501	0.92
4,028,001	Threadneedle UK Select	5,082	9.31
247,863	Threadneedle UK Smaller Companies	826	1.51
		<b>54,359</b>	<b>99.63</b>
	<b>Portfolio of investments</b>	<b>54,359</b>	<b>99.63</b>
	Net other assets	204	0.37
	<b>Net assets</b>	<b>54,563</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated. They are Threadneedle Group Investments, made under standard commercial terms with no initial charge applied.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £5,441,000 [2017: £2,677,000].

Total sales net of transaction costs for the six months: £2,326,000 [2017: £2,166,000].

## Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(979)		3,840
Revenue	506		504	
Expenses	(223)		(194)	
Net revenue before taxation	283		310	
Taxation	(15)		(17)	
Net revenue after taxation		268		293
Total return before distributions		(711)		4,133
Distributions		(276)		(304)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(987)</b>		<b>3,829</b>

## Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		52,842		45,953
Amounts receivable on issue of Shares	4,744		2,913	
Amounts payable on cancellation of Shares	(2,296)		(2,425)	
		2,448		488
Change in net assets attributable to Shareholders from investment activities (see above)		(987)		3,829
Retained distributions on accumulation Shares		260		285
<b>Closing net assets attributable to Shareholders</b>		<b>54,563</b>		<b>50,555</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		54,359		52,158
Current assets:				
Debtors	865		684	
Cash and bank balances	92		128	
Total current assets		957		812
Total assets		55,316		52,970
<b>Liabilities:</b>				
Creditors:				
Bank overdrafts	(39)		–	
Distribution payable	(21)		(34)	
Other creditors	(693)		(94)	
Total creditors		(753)		(128)
Total liabilities		(753)		(128)
<b>Net assets attributable to Shareholders</b>		<b>54,563</b>		<b>52,842</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.7418	–	0.7418	0.8532
Group 2	0.3065	0.4353	0.7418	0.8532
Share Class B Accumulation				
Group 1	1.5331	–	1.5331	1.7373
Group 2	0.8793	0.6538	1.5331	1.7373

## **Investment Manager's Report** For the six months ended 31 March 2018 (unaudited)

### **Investment Objective**

To achieve capital growth.

### **Investment Policy**

It is expected that there will be an emphasis on exposure to equities and fixed interest investments. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes managed by firms in the investment manager's group of companies. The Fund may also invest in Collective Investment Schemes managed by other managers, transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### **Investment Review**

Over the period the Omnis Managed Balanced Fund returned (0.70)% and the benchmark (30% FTSE All-Share / 20% BoA ML Sterling Broad Market / 15% Russell 1000 / 15% MSCI EAFE Ex-UK / 10% MSCI Emerging Markets / 5% GBP LIBOR 3-month / 5% BoA ML Global Broad Market) returned 0.21% [source: Financial Express, bid to bid, net income reinvested].

The Fund made a negative return over the review period, and underperformed its composite benchmark. Both allocation and selection detracted.

In terms of asset allocation, our underweight in US equities was unhelpful; these stocks made strong gains over the review period as investors remained optimistic about the economy, and cheered strong corporate earnings and President Trump's overhaul of the US tax code. However, overweighting emerging markets added some value due to their outperformance over global averages.

The fixed income holdings in aggregate underperformed the broad sterling bond market, and the fund was also hurt by its underweight here versus the composite benchmark.

In relative terms, the biggest negative contributors came from the UK equity and fixed income holdings. On a brighter note, there was a positive contribution from our Japanese and Asia ex-Japan equity holdings, due to successful selection.

In terms of activity over the period, we increased our exposure to Japanese equities via the Threadneedle Japan Fund. We are optimistic about strengthening company earnings, shareholder-friendly corporate reforms, and the high operational leverage of Japanese companies to the improving global economy. Over the review period, we were also net buyers of UK equities (largely through the UK Equity Income Fund), though there was very little change in the relative allocation over the review period.

We increased our exposure to US equities – largely through the American Fund and the American Select Fund – but retained our underweight in this segment; US equities are more fully valued than other developed markets. We took some profits in Asia ex Japan equities, which performed well over 2017 despite jitters over protectionism and US rate hikes. We retained our overweight to this segment. We feel corporate earnings growth will continue to strengthen. In addition, a benign capex environment is leading to cash-flow improvements, suggesting an improved outlook for margins. Asian markets are trading at undemanding valuations, compared to absolute, relative and historic levels.



## Investment Manager's Report (continued) For the six months ended 31 March 2018 (unaudited)

### Investment Review (continued)

Within fixed income, we switched some of our UK exposure to emerging-market local currency bonds. We feel the additional yield offered by emerging market debt relative to core government debt more than compensates for the extra risk. Emerging market local currency bonds also fared better in the turmoil of early 2018 than several other asset classes.

### Market Overview

Risk assets performed well for the first four months of the review period as investors cheered US tax reforms, strong corporate results and synchronised global growth. But equities later declined amid increased jitters about protectionism, geopolitics, the Trump administration and the approaching end of 'easy money'.

Core yields rose over the period as central banks made further moves to normalise policy, and investors' fears that further steps in this direction could be stronger than previously anticipated. The Federal Reserve started reducing its balance sheet in October, and hiked rates in December and March. High inflation prompted the Bank of England to raise rates in November, although British economic indicators lacked the buoyancy exhibited by those elsewhere. The European Central Bank has extended its bond-buying programme to September 2018, albeit at a reduced monthly rate from January. In March, the bank dropped a previous pledge to increase these purchases should the eurozone recovery be threatened.

In European political news, investors worried about Brexit, Catalonia's unsanctioned independence referendum, and eurosceptics' gains in Italy's inconclusive general election in March. In Japan, prime minister Abe's strong election victory in October prompted optimism about "Abenomics", but this somewhat faded in March, following reports of Abe's involvement in cronyism.

### Outlook

The broad global macroeconomic environment can be characterised as 'Goldilocks like', with decent growth and only gentle rises in inflation in most regions. The global economic setting is not sufficiently hot to warrant aggressive monetary tightening, nor so cold as to create fears of economic recession. For now, we anticipate that these conditions will persist. Our reflationary economic outlook, together with good earnings forecasts, bodes well for risk assets.

As things currently stand, the proposed US-China trade tariffs would have only a small impact on US and Chinese GDP. The real risk lies in escalation. However, we believe the Chinese preference for a constructive relationship augurs a rational reaction: any future responses will likely remain proportional. On the US side, Trump's unpicking of initial steel and aluminium measures also implies an acknowledgement that a trade war may indeed be a game with no winner.

Bond markets remain supported by accommodative monetary policy, including outright quantitative easing in the eurozone, and demand for income will remain a positive force. The credit cycle is, however, fairly mature and, although earnings have been strong, the benefits have been largely accruing to shareholders. With bond yields still low, returns are expected to be muted.

The Omnis Managed Balanced Fund retained an overweight position in Europe ex UK, Asian, Japanese and global equities. Valuations in these segments are still more attractive, relative to the US. European equities are benefiting from improving corporate profitability and encouraging GDP growth. As mentioned above, we are also positive about the prospects for Japanese and Asian corporates.

Meanwhile, the fund remains underweight to fixed income. Here, we are upbeat about the outlook for emerging market bonds.

### Investment Manager

Threadneedle Asset Management Limited  
19 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
Threadneedle Sterling	6,800	Threadneedle Navigator	
Threadneedle UK Corporate Bond	5,453	Income Trust	6,869
Threadneedle UK Select	2,532	Threadneedle Sterling	5,600
Threadneedle Sterling Bond	2,324	Threadneedle Global Emerging	
Threadneedle Japan	2,190	Markets Equity	2,059
Threadneedle American	2,112	Threadneedle High Yield Bond	1,167
Threadneedle UK	2,023	Threadneedle Global Equity Income	1,096
Threadneedle Global Emerging		Threadneedle Sterling Short Dated	
Markets Equity	1,998	Corporate Bond	1,087
Threadneedle American Select	1,189	Threadneedle American	899
Threadneedle Pan European Focus	602	Threadneedle European Select	651
		Threadneedle UK Equity Income	632
		Threadneedle Japan	514

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	133.97	135.53	262.78	264.77
Percentage change	(1.15%)		(0.75%)	
Closing net asset value (£'000)	18,480	17,875	197,488	190,233
Closing number of shares	13,794,168	13,188,445	75,154,487	71,847,703
Operating charges	0.81%	0.89%	0.81%	0.89%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charge

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charge (%)
31/03/18						
Share Class B Income	0.75	0.05	0.93	(0.92)	0.00	0.81
Share Class B Accumulation	0.75	0.05	0.93	(0.92)	0.00	0.81
30/09/17						
Share Class B Income	0.75	0.04	1.02	(0.92)	0.00	0.89
Share Class B Accumulation	0.75	0.04	1.02	(0.92)	0.00	0.89

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 96.77% [98.67%]</b>			
4,644,372	Threadneedle American	14,018	6.49
43,570	Threadneedle American Absolute Alpha	1,032	0.48
1,117,717	Threadneedle American Extended Alpha	4,204	1.95
3,377,328	Threadneedle American Select	10,596	4.91
2,103,634	Threadneedle Asia	5,121	2.37
634,798	Threadneedle Emerging Market Bond	1,612	0.75
686,321	Threadneedle Emerging Market Local	1,208	0.56
2,189,951	Threadneedle European	5,529	2.55
1,569,418	Threadneedle European Select	5,170	2.39
52,708	Threadneedle European Smaller Companies	504	0.23
7,322,474	Threadneedle Global Bond	7,384	3.42
18,348,575	Threadneedle Global Emerging Markets Equity	22,134	10.25
2,453,258	Threadneedle Global Equity Income	3,174	1.47
56,367	Threadneedle Global Opportunities Bond	861	0.40
528,185	Threadneedle High Yield Bond	943	0.44
18,929,794	Threadneedle Japan	12,780	5.92
12,452	Threadneedle Lux Asian Equity Income	785	0.36
26,282	Threadneedle Lux Global Smaller Companies	963	0.45
3,195,994	Threadneedle Pan European Focus	8,573	3.97
6,703,886	Threadneedle Sterling	6,693	3.10
37,168,123	Threadneedle Sterling Bond	21,260	9.84
4,361,946	Threadneedle Sterling Short Dated Corporate Bond	4,649	2.15
19,150,993	Threadneedle UK	25,892	11.99
888,889	Threadneedle UK Absolute Alpha	1,216	0.56
4,949,765	Threadneedle UK Corporate Bond	5,887	2.73
7,249,471	Threadneedle UK Equity Income	7,348	3.40
2,326,442	Threadneedle UK Extended Alpha	11,211	5.19
555,229	Threadneedle UK Mid 250	1,549	0.72
11,710,694	Threadneedle UK Select	14,774	6.84
577,828	Threadneedle UK Smaller Companies	1,926	0.89
		<b>208,996</b>	<b>96.77</b>
	<b>Portfolio of investments</b>	<b>208,996</b>	<b>96.77</b>
	Net other assets	6,972	3.23
	<b>Net assets</b>	<b>215,968</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated. They are Threadneedle Group Investments, made under standard commercial terms with no initial charge applied.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £29,092,000 [2017: £19,789,000].

Total sales net of transaction costs for the six months: £23,092,000 [2017: £12,457,000].

### Statement of Total Return For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(2,562)		11,372
Revenue	1,790		1,867	
Expenses	(853)		(750)	
Interest payable and similar charges	(2)		–	
Net revenue before taxation	935		1,117	
Taxation	(120)		(112)	
Net revenue after taxation		815		1,005
Total return before distributions		(1,747)		12,377
Distributions		(864)		(1,048)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(2,611)</b>		<b>11,329</b>

### Statement of Change in Net Assets Attributable to Shareholders For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		208,108		184,163
Amounts receivable on issue of Shares	17,564		15,216	
Amounts payable on cancellation of Shares	(7,896)		(10,051)	
		9,668		5,165
Change in net assets attributable to Shareholders from investment activities (see above)		(2,611)		11,329
Retained distributions on accumulation Shares		803		982
<b>Closing net assets attributable to Shareholders</b>		<b>215,968</b>		<b>201,639</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		208,996		205,330
Current assets:				
Debtors	2,926		1,737	
Cash and bank balances	5,702		1,538	
Total current assets		8,628		3,275
Total assets		217,624		208,605
<b>Liabilities:</b>				
Creditors:				
Distribution payable		(75)		(149)
Other creditors		(1,581)		(348)
Total creditors		(1,656)		(497)
Total liabilities		(1,656)		(497)
<b>Net assets attributable to Shareholders</b>		<b>215,968</b>		<b>208,108</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.5466	–	0.5466	0.7069
Group 2	0.3838	0.1628	0.5466	0.7069
Share Class B Accumulation				
Group 1	1.0685	–	1.0685	1.3619
Group 2	0.7809	0.2876	1.0685	1.3619



## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve capital growth.

### Investment Policy

It is expected that exposure to cash, cash equivalents and fixed income investments will make up the majority of the Fund's assets. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes managed by firms in the investment manager's group of companies. The Fund may also invest in Collective Investment Schemes managed by other managers, transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Managed Cautious Fund returned (0.60)% and the benchmark (35% BoA ML Sterling Broad Market / 20% FTSE All-Share / 15% BoA ML Global Broad Market / 10% Russell 1000 / 10% MSCI EAFE Ex-UK / 10% GBP LIBOR 3-month) returned (0.31)% [source: Financial Express, bid to bid, net income reinvested].

The Fund made a negative return over the review period and underperformed its composite benchmark. Both allocation and selection detracted.

In terms of asset allocation, our underweight in US equities was unhelpful; these stocks made strong gains over the review period as investors remained optimistic about the economy, solid corporate earnings and President Trump's overhaul of the US tax code.

In aggregate, the fixed-income holdings underperformed the broad sterling bond market, and the fund was also hurt by its underweight here versus the composite benchmark.

In relative terms, the biggest negative contributors came from the UK equity and fixed income holdings. On a brighter note, there was a positive contribution from our Japanese and Asia ex Japan equity holdings, due to successful selection.

In terms of activity over the period, we increased our exposure to Japanese equities via the Threadneedle Japan Fund. We are optimistic about strengthening company earnings, shareholder-friendly corporate reforms, and the high operational leverage of Japanese companies to the improving global economy.

We also increased our exposure to US equities – largely through the American Fund and the American Select Fund – but retained our underweight in this segment; US equities are more fully valued than other developed markets. We took some profits in Asia ex Japan equities, which performed well over 2017 despite jitters over protectionism and US rate hikes. We retained our overweight to this segment. We feel corporate earnings growth will continue to strengthen. In addition, a benign capex environment is leading to cash-flow improvements, suggesting an improved outlook for margins. Asian markets are trading at undemanding valuations, compared to absolute, relative and historic levels.

Over the review period, we were also net sellers of UK equities (largely through the UK Equity Income Fund and the UK Fund), moving from an overweight position to an underweight one.

Within fixed income, we switched some of exposure from the UK to overseas government bonds. This included adding to our holdings of emerging market debt. We feel the additional yield offered by these bonds relative to core government debt more than compensates for the extra risk. However, we trimmed our holdings in high-yield bonds. We feel yields here no longer offer investors enough compensation for the extra risk involved.

**Investment Manager's Report (continued)**  
**For the six months ended 31 March 2018 (unaudited)**

## **Market Overview**

Risk assets performed well for the first four months of the review period as investors cheered US tax reforms, strong corporate results and synchronised global growth. But equities later declined amid increased jitters about protectionism, geopolitics, the Trump administration and the approaching end of 'easy money'.

Core yields rose over the period as central banks made further moves to normalise policy, and investors' fears that further steps in this direction could be stronger than previously anticipated. The Federal Reserve started reducing its balance sheet in October, and hiked rates in December and March. High inflation prompted the Bank of England to raise rates in November, although British economic indicators lacked the buoyancy exhibited by those elsewhere. The European Central Bank has extended its bond-buying programme to September 2018, albeit at a reduced monthly rate from January. In March, the bank dropped a previous pledge to increase these purchases should the eurozone recovery be threatened.

In European political news, investors worried about Brexit, Catalonia's unsanctioned independence referendum, and eurosceptics' gains in Italy's inconclusive general election in March. In Japan, prime minister Abe's strong election victory in October prompted optimism about "Abenomics", but this somewhat faded in March, following reports of Abe's involvement in cronyism.

## **Outlook**

The broad global macroeconomic environment can be characterised as 'Goldilocks like', with decent growth and only gentle rises in inflation in most regions. The global economic setting is not sufficiently hot to warrant aggressive monetary tightening, nor so cold as to create fears of economic recession. For now, we anticipate that these conditions will persist. Our reflationary economic outlook, together with good earnings forecasts, bodes well for risk assets.

As things currently stand, the proposed US-China trade tariffs would have only a small impact on US and Chinese GDP. The real risk lies in escalation. However, we believe the Chinese preference for a constructive relationship augurs a rational reaction: any future responses will likely remain proportional. On the US side, Trump's unpicking of initial steel and aluminium measures also implies an acknowledgement that a trade war may indeed be a game with no winner.

Bond markets remain supported by accommodative monetary policy, including outright quantitative easing in the eurozone, and demand for income will remain a positive force. The credit cycle is, however, fairly mature and, although earnings have been strong, the benefits have been largely accruing to shareholders. With bond yields still low, returns are expected to be muted.

Within the Omnis Managed Cautious Fund, we retained our overweight position in global, European, Asian and Japanese equities. Valuations in these segments are still more attractive, relative to the US. European equities are benefiting from improving corporate profitability and encouraging GDP growth. As mentioned above, we are also positive about the prospects for Japanese and Asian corporates. Within fixed income, where we are still underweight, we retain significant exposure to corporate and emerging market debt as we believe the additional yields over core government debt still continue to justify the extra risk. While we are more wary of high-yield debt (as discussed above), we retained an overweight in this segment.

## **Investment Manager**

Threadneedle Asset Management Limited  
19 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
Threadneedle Sterling	4,800	Threadneedle Navigator Income Trust	5,674
Threadneedle UK Corporate Bond Acc	3,794	Threadneedle Sterling	3,750
Threadneedle Lux Global Corporate Bond	2,652	Threadneedle Sterling Short Dated Corporate Bond	2,480
Threadneedle Global Bond	1,043	Threadneedle Sterling Bond	1,098
Threadneedle UK Fixed Interest	901	Threadneedle Global Bond	914
Threadneedle Japan	776	Threadneedle UK	808
Threadneedle UK	533	Threadneedle American Select	716
Threadneedle American	472	Threadneedle Global Opportunities Bond	710
Threadneedle Lux Global Emerging Market Short-Term Bonds	439	Threadneedle Global Equity Income	664
Threadneedle UK Select	401	Threadneedle Japan	646

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	120.98	122.30	215.83	217.23
Percentage change	(1.08%)		(0.64%)	
Closing net asset value (£'000)	9,714	10,122	78,195	82,213
Closing number of shares	8,029,505	8,276,277	36,229,897	37,847,042
Operating charges	0.76%	0.92%	0.76%	0.92%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charge

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charge (%)
31/03/18						
Share Class B Income	0.75	0.05	0.78	(0.82)	0.00	0.76
Share Class B Accumulation	0.75	0.05	0.78	(0.82)	0.00	0.76
30/09/17						
Share Class B Income	0.75	0.05	0.94	(0.82)	0.00	0.92
Share Class B Accumulation	0.75	0.05	0.94	(0.82)	0.00	0.92

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 99.56% [98.97%]</b>			
860,566	Threadneedle American	2,597	2.95
35,707	Threadneedle American Absolute Alpha	846	0.96
518,826	Threadneedle American Extended Alpha	1,951	2.22
599,608	Threadneedle American Select	1,881	2.14
332,862	Threadneedle Asia	810	0.92
275,182	Threadneedle Emerging Market Bond	699	0.80
313,010	Threadneedle Emerging Market Local	551	0.63
1,240,904	Threadneedle European	3,133	3.56
533,185	Threadneedle European Select	1,756	2.00
24,835	Threadneedle European Smaller Companies	237	0.27
9,942,464	Threadneedle Global Bond	10,026	11.40
245,254	Threadneedle Global Emerging Markets Equity	296	0.34
2,041,513	Threadneedle Global Equity Income	2,641	3.00
24,229	Threadneedle Global Opportunities Bond	370	0.42
228,259	Threadneedle High Yield Bond	408	0.46
5,356,907	Threadneedle Japan	3,617	4.11
12,694	Threadneedle Lux Asian Equity Income	801	0.91
235,489	Threadneedle Lux Global Corporate Bond	2,654	3.02
35,014	Threadneedle Lux Global Emerging Market Short-Term Bonds	433	0.49
15,732	Threadneedle Lux Global Smaller Companies	577	0.66
7,600,671	Threadneedle Sterling	7,588	8.63
10,117,413	Threadneedle Sterling Bond	12,430	14.14
3,238,026	Threadneedle Sterling Short Dated Corporate Bond	3,451	3.93
4,910,771	Threadneedle UK	6,639	7.55
609,259	Threadneedle UK Absolute Alpha	834	0.95
4,691,535	Threadneedle UK Corporate Bond Acc	5,580	6.35
3,522,493	Threadneedle UK Equity Income	3,570	4.06
468,031	Threadneedle UK Extended Alpha	2,256	2.57
3,621,190	Threadneedle UK Fixed Interest	4,828	5.49
182,083	Threadneedle UK Mid 250	508	0.58
2,108,108	Threadneedle UK Select	2,660	3.03
268,888	Threadneedle UK Smaller Companies	896	1.02
		<b>87,524</b>	<b>99.56</b>
	<b>Portfolio of investments</b>	<b>87,524</b>	<b>99.56</b>
	Net other assets	385	0.44
	<b>Net assets</b>	<b>87,909</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated. They are Threadneedle Group Investments, made under standard commercial terms with no initial charge applied.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £17,537,000 [2017: £9,354,000].

Total sales net of transaction costs for the six months: £20,769,000 [2017: £6,229,000].

## Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(835)		2,421
Revenue	796		896	
Expenses	(360)		(350)	
Interest payable and similar charges	(2)		–	
Net revenue before taxation	434		546	
Taxation	(78)		(91)	
Net revenue after taxation		356		455
Total return before distributions		(479)		2,876
Distributions		(390)		(498)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(869)</b>		<b>2,378</b>

## Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		92,335		87,801
Amounts receivable on issue of Shares	4,620		9,814	
Amounts payable on cancellation of Shares	(8,526)		(6,868)	
		(3,906)		2,946
Change in net assets attributable to Shareholders from investment activities (see above)		(869)		2,378
Retained distributions on accumulation Shares		349		461
<b>Closing net assets attributable to Shareholders</b>		<b>87,909</b>		<b>93,586</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		87,524		91,385
Current assets:				
Debtors	1,093		806	
Cash and bank balances	355		452	
Total current assets		1,448		1,258
Total assets		88,972		92,643
<b>Liabilities:</b>				
Creditors:				
Distribution payable		(44)		(64)
Other creditors		(1,019)		(244)
Total creditors		(1,063)		(308)
Total liabilities		(1,063)		(308)
<b>Net assets attributable to Shareholders</b>		<b>87,909</b>		<b>92,335</b>



## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.5426	–	0.5426	0.6661
Group 2	0.2166	0.3260	0.5426	0.6661
Share Class B Accumulation				
Group 1	0.9637	–	0.9637	1.1686
Group 2	0.5589	0.4048	0.9637	1.1686

**Investment Manager's Report**  
For the six months ended 31 March 2018 (unaudited)

### **Investment Objective**

To provide income with the potential for capital growth over the medium to longer term.

### **Investment Policy**

The investment policy of the Fund is to gain exposure through a flexible asset allocation to a broad diversified range of asset classes including, equities, fixed interest securities, currencies, cash, near cash and deposits, warrants and approved money market instruments. Exposure to these asset classes is expected to be mainly achieved through investment in a combination of transferable securities, Collective Investment Schemes, deposits and derivatives. The Fund may gain exposure to the property or commodities markets through investment in eligible asset classes, such as exchange listed securities and/or Collective Investment Schemes.

The Fund will not have any restrictions on the proportion of the Fund allocated to any of these asset classes. The Fund may invest in any geographic or economic sectors of the world.

Derivatives may be used for investment purposes as well as for efficient portfolio management.

It is not intended that the use of derivatives in this way will raise the risk profile of the Fund.

### **Investment Review**

Over the period the Omnis Multi-Asset Income Fund returned (1.52)% and the benchmark (60% MSCI World / 40% Boa ML Global Broad Market Hedged) returned 0.07% [source: Financial Express, bid to bid, net income reinvested].

Within alternatives, the infrastructure holdings were the biggest negative contributor as concerns around recent political commentary were compounded by the collapse of UK construction company Carillion, which was a service provider to many of these companies. This led to a derating across the sector. We now feel that the risk/reward in the sector is more attractive and have been adding back to the asset class after reducing it significantly in 2016. Positive contributors included Greencoat UK Wind and aviation-finance holding Doric Nimrod.

Equities was the biggest negative contributor to portfolio performance, impacted in part by currency movements. The consumer goods sector was particularly weak, with holdings in tobacco companies Japan Tobacco and British American Tobacco among the main detractors, alongside Hong Kong furniture manufacturer Man Wah Holdings. Another notable detractor was German telecoms provider Telefonica Deutschland. This was offset by positive contributions from events organiser UBM, which was the subject of a takeover by larger competitor Informa. Georgian bank TBC also added to performance.

With the yield on US Treasuries continuing to rise we have been marginally increasing exposure to US bonds given the widening spread between the yield available on US government bonds and those in Europe. However, these additions have been limited and focused at the short end of the government bond market to minimise exposure to interest rate sensitivity. Over the quarter we introduced a position in 7-year US Treasuries and US index-linked bonds.

## Investment Manager's Report (continued)

For the six months ended 31 March 2018 (unaudited)

### Market Overview

The final months of 2017 brought generally more of the calm that had pervaded the earlier parts of the year, with stock-market volatility plumbing new lows. A key driver of the robust return posted by US equities was the passing of President Trump's tax bill, which is set to lower the tax burden for US corporates. With global trade growth holding up, the dollar resumed its downward trend, which continued into year end. Elsewhere, Japanese equities delivered impressive gains after prime minister Abe scored a decisive victory following his decision to call a snap election. However, in Europe, where political uncertainty loomed over Germany and Spain, returns were lower.

Within fixed-interest markets, shorter and medium-dated securities in particular bore the brunt of the more 'hawkish' tone emanating from central bankers as the Federal Reserve raised interest rates and the European Central Bank announced a further tapering of its quantitative-easing programme.

The first quarter of 2018 saw bouts of volatility return to global equity markets after a prolonged period of unbroken gains. This was compounded for sterling investors by a rise in the value of the pound, which had its strongest quarterly rally in three years, resulting in losses on overseas holdings.

### Outlook

The outlook for financial markets continues to be dependent on the confluence of a myriad of political, economic and monetary policies. Global protectionism is increasing as the US administration utilises trade policies to right perceived wrongs and guard against future structural disadvantages to the US economy. These and the counter measures by their trading partners, along with threats to European trade from the eventual Brexit agreement risk reducing the potential growth rate of the global economy. Conversely, the tax reforms put in place by the US administration appear to have spurred investment, in the short term at least, and are forecast to boost growth in the US economy, though the longevity of the boost and the trickle-down effects to the rest of the world seem more uncertain.

The bond market seems prepared to price in interest rate hikes at the short end of the market but there has been limited movement at the long end, leading to a flatter yield curve. The large issuance of US debt has also been a concern. Should economic growth slow then the short end of the bond market should benefit if investors believe the central bank will slow its pace of interest rate rises. However, we continue to question the benefit of holding a larger allocation to bonds given the significant issuance that is coming. The US central bank is unwinding the balance sheet it built up under its quantitative easing policy, while the recent US tax cuts will also require higher funding. This highlights the impact that state intervention is having on historical asset class correlations, as illustrated by both bonds and equities selling off in unison during the first quarter. In addition, if we see an escalation in trade wars it is likely to lead to higher inflation in the US as trade barriers increase costs, which will have to be passed on, though this may be at a cost to economic growth.

There do however remain many long-term structural growth opportunities, identified by our themes, for our investors to take advantage of and we will continue to strive to uncover these while assessing the growth outlook and the appropriateness of the valuations of the assets we hold within the portfolio.

### Investment Manager

Newton Investment Management Limited  
12 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
United States Treasury 2% 15/02/2025	6,757	UK Treasury 0% 11/12/2017	7,000
UK Treasury 5% 07/03/2018	6,066	UK Treasury 5% 07/03/2018	6,012
United States Treasury Inflation Indexed 2.375% 15/01/2025	4,590	Ghana Government International 8.5% 04/10/2017	1,431
Mexican Bonos 8% 07/11/2047	4,248	UBM	1,399
GCP Infrastructure Investments	4,011	RELX	1,287
China Harmony New Energy Auto	3,484	Vakrangee	1,213
BAE Systems	3,240	Informa	1,169
Greencoat UK Wind	3,140	Grafton	1,087
UBM	2,814	Direct Line Insurance 9.25% 27/04/2042	1,001
Civitas Social Housing 'C' Shares	2,423	Mexican Bonos 8.5% 31/05/2029	972

## Comparative Table

As at 31 March 2018 (unaudited)

	A Income		A Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	110.96	114.20	125.34	126.97
Percentage change	(2.84%)		(1.28%)	
Closing net asset value (£'000)	161,325	134,053	73,528	50,116
Closing number of shares	145,386,927	117,384,868	58,661,160	39,469,139
Operating charges	0.67%	0.68%	0.67%	0.68%

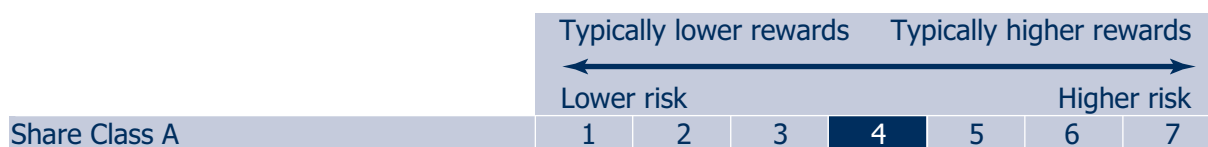
**Performance Information**  
As at 31 March 2018 (unaudited)

**Operating Charge**

Date	AMC (%)	Other expenses (%)	Transaction costs (%)	Total operating charge (%)
31/03/18				
Share Class A Income	0.60	0.06	0.01	0.67
Share Class A Accumulation	0.60	0.06	0.01	0.67
30/09/17				
Share Class A Income	0.60	0.07	0.01	0.68
Share Class A Accumulation	0.60	0.07	0.01	0.68

The Operating Charge is the ratio of the Fund’s total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

**Risk and Reward Profile**  
As at 31 March 2018 (unaudited)



- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean ‘risk free’.
- The Fund appears as a “4” on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

**Risk Warning**

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Bonds 20.54% [19.97%]</b>			
<b>Australia 1.11% [1.05%]</b>			
AUD 4,495,000	Australia Government 3.25% 21/04/2029	2,604	1.11
		<b>2,604</b>	<b>1.11</b>
<b>Canada 0.04% [0.18%]</b>			
USD 136,000	First Quantum Minerals 7% 15/02/2021	97	0.04
		<b>97</b>	<b>0.04</b>
<b>Cayman Islands 0.37% [0.51%]</b>			
USD 1,175,000	Sable International Finance 6.875% 01/08/2022	875	0.37
		<b>875</b>	<b>0.37</b>
<b>Chile 0.33% [0.46%]</b>			
USD 1,100,000	Nova Austral 8.25% 26/05/2021	780	0.33
		<b>780</b>	<b>0.33</b>
<b>China 0.08% [0.12%]</b>			
USD 241,000	Ctrip.com International 1.99% 01/07/2025	198	0.08
		<b>198</b>	<b>0.08</b>
<b>Ecuador 0.70% [0.00%]</b>			
USD 791,000	Ecuador Government International 8.875% 23/10/2027	573	0.24
USD 1,390,000	Ecuador Government International 10.5% 24/03/2020	1,070	0.46
		<b>1,643</b>	<b>0.70</b>
<b>Germany 0.35% [0.44%]</b>			
EUR 900,000	Rocket Internet 3% 22/07/2022	825	0.35
		<b>825</b>	<b>0.35</b>
<b>Ghana 0.00% [0.77%]</b>			
<b>India 0.32% [0.43%]</b>			
INR 69,500,000	ECL Finance 9.05% 28/12/2019	762	0.32
		<b>762</b>	<b>0.32</b>
<b>Indonesia 0.61% [0.70%]</b>			
IDR 25,360,000,000	Indonesia Treasury 8.25% 15/05/2036	1,424	0.61
		<b>1,424</b>	<b>0.61</b>
<b>Ireland 0.45% [0.50%]</b>			
GBP 1,080,000	Virgin Media Receivables Financing Notes I 5.5% 15/09/2024	1,058	0.45
		<b>1,058</b>	<b>0.45</b>
<b>Japan 0.20% [0.29%]</b>			
USD 705,000	SoftBank 6% Perpetual	472	0.20
		<b>472</b>	<b>0.20</b>

**Portfolio Statement (continued)**  
 As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Mexico 2.83% [1.26%]</b>			
USD 880,000	Cemex 6.125% 05/05/2025	654	0.28
MXN 41,086,900	Mexican Bonos 6.5% 09/06/2022	1,594	0.68
MXN 107,580,000	Mexican Bonos 8% 07/11/2047	4,383	1.87
		<b>6,631</b>	<b>2.83</b>
<b>Netherlands 1.09% [0.64%]</b>			
USD 8,000	Petrobras Global Finance 6.75% 27/01/2041	6	0.00
USD 1,832,000	Petrobras Global Finance 6.875% 20/01/2040	1,281	0.54
EUR 865,000	Teva Pharmaceutical Finance Netherlands II 1.125% 15/10/2024	630	0.27
USD 1,016,000	Teva Pharmaceutical Finance Netherlands III 2.2% 21/07/2021	649	0.28
		<b>2,566</b>	<b>1.09</b>
<b>New Zealand 1.82% [1.55%]</b>			
NZD 7,847,000	New Zealand Local Government Funding Agency 4.5% 15/04/2027	4,286	1.82
		<b>4,286</b>	<b>1.82</b>
<b>South Africa 0.38% [0.47%]</b>			
GBP 860,000	Investec 6.75% Perpetual	897	0.38
		<b>897</b>	<b>0.38</b>
<b>United Kingdom 2.63% [7.64%]</b>			
GBP 159,000	Anglian Water Services Financing 4.125% 28/07/2020	294	0.13
GBP 363,000	Arqiva Broadcast Finance 9.5% 31/03/2020	382	0.16
GBP 647,753	Balfour Beatty 9.675% 01/07/2020	712	0.30
GBP 500,000	Balfour Beatty Finance No. 2 1.875% 03/12/2018	496	0.21
GBP 307,000	Ei 6.375% 15/02/2022	321	0.14
GBP 24,000	Ei 6.5% 06/12/2018	24	0.01
GBP 169,000	Mclaren Finance 5% 01/08/2022	167	0.07
GBP 729,000	Nationwide Building Society 6.875% Perpetual	756	0.32
GBP 707,275	Tesco Property Finance 3 5.744% 13/04/2040	818	0.35
GBP 134,000	Thames Water Utilities Finance 3.375% 21/07/2021	239	0.10
GBP 1,210,000	TP ICAP 5.25% 26/01/2024	1,256	0.53
GBP 685,000	Virgin Media Secured Finance 6.25% 28/03/2029	725	0.31
		<b>6,190</b>	<b>2.63</b>
<b>United States 7.23% [2.95%]</b>			
USD 330,000	CCO 5.5% 01/05/2026	230	0.10
USD 220,000	CCO 5.875% 01/05/2027	156	0.07
USD 1,160,000	CEMEX Finance 6% 01/04/2024	855	0.36
USD 2,127,000	Redwood Trust 4.75% 15/08/2023	1,470	0.63
USD 849,000	Sprint 7.125% 15/06/2024	589	0.25
USD 1,306,000	Sprint Capital 8.75% 15/03/2032	968	0.42
USD 1,229,000	T-Mobile USA 6% 01/03/2023	911	0.39
USD 4,316,200	United States Treasury Inflation Indexed 2.375% 15/01/2025	4,528	1.93
USD 10,600,000	United States Treasury 2% 15/02/2025	7,231	3.08
		<b>16,938</b>	<b>7.23</b>



**Portfolio Statement (continued)**  
 As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Equities 76.06% [73.40%]</b>			
<b>Australia 0.99% [1.07%]</b>			
134,688	Dexus Property*	686	0.29
399,253	Insurance Australia	1,633	0.70
		<b>2,319</b>	<b>0.99</b>
<b>Brazil 0.99% [1.19%]</b>			
326,217	Ambev**	1,688	0.72
235,654	CCR	632	0.27
		<b>2,320</b>	<b>0.99</b>
<b>Canada 0.96% [0.00%]</b>			
91,539	Suncor Energy	2,250	0.96
		<b>2,250</b>	<b>0.96</b>
<b>China 1.90% [0.62%]</b>			
7,501,000	China Harmony New Energy Auto	3,427	1.46
59,306	Hollysys Automation Technologies	1,045	0.44
		<b>4,472</b>	<b>1.90</b>
<b>Denmark 0.42% [0.77%]</b>			
21,208	Orsted	978	0.42
		<b>978</b>	<b>0.42</b>
<b>Georgia 1.39% [1.25%]</b>			
178,364	TBC Bank	3,268	1.39
		<b>3,268</b>	<b>1.39</b>
<b>Germany 4.97% [4.77%]</b>			
12,470	HeidelbergCement	870	0.37
35,297	Hella KgaA Hueck	1,651	0.70
117,991	Infineon Technologies	2,248	0.96
1,412,869	Telefonica Deutschland	4,708	2.00
15,605	Volkswagen Preference Shares	2,208	0.94
		<b>11,685</b>	<b>4.97</b>
<b>Guernsey 9.81% [10.49%]</b>			
2,076,099	Bluefield Solar Income***	2,398	1.02
3,475,254	Doric Nimrod Air Three Preference Shares	3,475	1.48
1,343,598	Doric Nimrod Air Two Preference Shares	2,848	1.21
1,610,296	Fair Oaks Income***	1,148	0.49
2,053,867	International Public Partnerships***	2,859	1.22
1,689,678	John Laing Infrastructure***	1,903	0.81
2,088,903	NextEnergy Solar***	2,308	0.98
2,932,601	Renewables Infrastructure	3,109	1.32
2,301,028	Tufton Oceanic Assets	1,722	0.73
211,024	Volta Finance***	1,284	0.55
		<b>23,054</b>	<b>9.81</b>

**Portfolio Statement (continued)**  
 As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Hong Kong 3.23% [3.44%]</b>			
811,200	AIA	4,889	2.08
144,000	Link*	876	0.37
3,246,000	Man Wah	1,837	0.78
		<b>7,602</b>	<b>3.23</b>
<b>India 2.03% [2.40%]</b>			
94,114	Indiabulls Housing Finance	1,272	0.54
2,165,000	IRB InvIT	1,929	0.82
649,939	Vakrangee	1,572	0.67
		<b>4,773</b>	<b>2.03</b>
<b>Ireland 2.49% [3.83%]</b>			
414,913	AIB	1,769	0.75
72,659	CRH	1,759	0.75
2,563,315	Greencoat Renewables	2,315	0.99
		<b>5,843</b>	<b>2.49</b>
<b>Israel 1.07% [1.23%]</b>			
447,992	Bank Hapoalim	2,183	0.93
27,923	Teva Pharmaceutical Industries**	340	0.14
		<b>2,523</b>	<b>1.07</b>
<b>Italy 1.12% [1.31%]</b>			
118,809	Atlantia	2,620	1.12
		<b>2,620</b>	<b>1.12</b>
<b>Japan 0.77% [1.13%]</b>			
89,000	Japan Tobacco	1,811	0.77
		<b>1,811</b>	<b>0.77</b>
<b>Jersey 3.02% [1.89%]</b>			
6,039,003	GCP Infrastructure Investments***	7,090	3.02
		<b>7,090</b>	<b>3.02</b>
<b>Luxembourg 2.90% [3.67%]</b>			
537,451	B&M European Value Retail	2,103	0.90
3,549,579	BBGI***	4,685	2.00
		<b>6,788</b>	<b>2.90</b>
<b>Macao 0.85% [0.91%]</b>			
519,200	Sands China	1,988	0.85
		<b>1,988</b>	<b>0.85</b>
<b>Mexico 1.63% [1.65%]</b>			
874,858	Kimberly-Clark de Mexico	1,161	0.49
1,481,400	Wal-Mart de Mexico	2,671	1.14
		<b>3,832</b>	<b>1.63</b>
<b>Netherlands 0.66% [0.97%]</b>			
41,118	Wolters Kluwer	1,555	0.66
		<b>1,555</b>	<b>0.66</b>

**Portfolio Statement (continued)**  
 As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>New Zealand 1.96% [1.35%]</b>			
1,729,003	SkyCity Entertainment	3,441	1.47
675,128	Spark New Zealand	1,160	0.49
		<b>4,601</b>	<b>1.96</b>
<b>Singapore 0.61% [0.81%]</b>			
1,140,500	Mapletree Greater China Trust*	713	0.30
476,200	Parkway Life Trust*	722	0.31
		<b>1,435</b>	<b>0.61</b>
<b>South Korea 0.72% [0.00%]</b>			
1,256	Samsung Electronics Preference Shares	1,701	0.72
		<b>1,701</b>	<b>0.72</b>
<b>Switzerland 3.01% [3.16%]</b>			
4,015	Burckhardt Compression	911	0.39
56,558	Ferguson	3,026	1.29
14,727	Novartis	847	0.36
9,726	Zurich Insurance	2,269	0.97
		<b>7,053</b>	<b>3.01</b>
<b>Taiwan 0.99% [1.25%]</b>			
391,000	Taiwan Semiconductor Manufacturing	2,333	0.99
		<b>2,333</b>	<b>0.99</b>
<b>Thailand 0.00% [0.28%]</b>			
<b>United Kingdom 20.12% [17.50%]</b>			
453,882	Ascential	1,891	0.81
711,465	BAE Systems	4,135	1.76
63,321	BGEO	2,250	0.96
2,119,838	Blackstone GSO Loan Financing***	1,710	0.73
31,875	British American Tobacco	1,317	0.56
245,174	Centrica	349	0.15
1,521,042	Civitas Social Housing*	1,478	0.63
2,405,406	Civitas Social Housing 'C' Shares*	2,291	0.98
656,920	Cobham	807	0.34
68,273	Diageo	1,647	0.70
568,872	Dixons Carphone	1,061	0.45
56,287	GlaxoSmithKline	785	0.33
6,754,378	Greencoat UK Wind***	8,200	3.49
165,584	Hikma Pharmaceuticals	1,999	0.85
217,822	Informa	1,565	0.67
4,558,114	John Laing Environmental Assets***	4,604	1.96
14,730	Next	701	0.30
188,151	Prudential	3,346	1.42
71,264	Royal Dutch Shell	1,623	0.69
217,934	UBM	2,044	0.87
4,492,142	VPC Specialty Lending Investments***	3,459	1.47
		<b>47,262</b>	<b>20.12</b>

**Portfolio Statement (continued)**  
 As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>United States 7.45% [6.44%]</b>			
24,017	Albemarle	1,588	0.68
25,717	Apple	3,078	1.31
40,313	Applied Materials	1,598	0.68
42,450	CA	1,025	0.44
26,328	Citigroup	1,296	0.55
13,316	Gilead Sciences	716	0.31
24,876	Las Vegas Sands	1,275	0.54
25,271	Microsoft	1,643	0.70
316,629	Redwood Trust*	3,492	1.49
547,955	Samsonite International	1,769	0.75
		<b>17,480</b>	<b>7.45</b>
<b>Options 0.00% [0.01%]</b>			
23	Japan 10 Years Future Option June 2018	5	0.00
		<b>5</b>	<b>0.00</b>
<b>Forward Currency Contracts 0.14% [0.23%]</b>			
	Bought EUR2,668,208 for USD3,328,554 Settlement 21/06/2018	(20)	(0.01)
	Bought USD401,543 for AUD513,000 Settlement 13/04/2018	6	0.00
	Bought USD590,165 for NZD823,000 Settlement 13/04/2018	(3)	0.00
	Bought USD481,205 for TWD13,979,000 Settlement 21/06/2018	(1)	0.00
	Sold AUD7,393,600 for GBP4,146,545 Settlement 16/05/2018	111	0.05
	Sold EUR6,355,174 for GBP5,666,002 Settlement 16/05/2018	87	0.04
	Sold JPY163,770,486 for GBP1,115,419 Settlement 21/06/2018	16	0.01
	Sold NZD8,347,981 for GBP4,343,801 Settlement 21/06/2018	66	0.03
	Sold USD17,769,345 for GBP12,685,479 Settlement 16/05/2018	40	0.02
		<b>302</b>	<b>0.14</b>
<b>Portfolio of investments</b>		<b>227,189</b>	<b>96.74</b>
Net other assets		7,664	3.26
<b>Net assets</b>		<b>234,853</b>	<b>100.00</b>

\* Real Estate Investment Trust.

\*\* American Depositary Receipts.

\*\*\* Investment Trust.

All investments are ordinary shares or bonds unless otherwise stated and admitted to official stock exchange listings.  
Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months (excl. Derivatives): £97,052,000 [2017: £46,791,000].

Total sales net of transaction costs for the six months (excl. Derivatives): £35,033,000 [2017: £16,684,000].

**Portfolio Statement (continued)**  
As at 31 March 2018 (unaudited)

**Associated Bond Ratings as at 31 March 2018**

Bond Rating	% of Total Net Assets
AAA	6.09
AA	1.85
A	0.13
BBB	3.83
BB	4.16
B	3.02
<b>Bonds</b>	19.08
Uninvested Cash	3.81
Equities	75.54
IRS & Forwards	1.57
<b>Net Assets</b>	100.00

The above information has been supplied by the Investment Manager.

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(6,268)		6,215
Revenue	3,745		2,110	
Expenses	(709)		(366)	
Net revenue before taxation	3,036		1,744	
Taxation	(242)		(115)	
Net revenue after taxation		2,794		1,629
Total return before distributions		(3,474)		7,844
Distributions		(3,401)		(1,922)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(6,875)</b>		<b>5,922</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		184,169		92,348
Amounts receivable on issue of Shares	61,320		35,298	
Amounts payable on cancellation of Shares	(4,858)		(2,664)	
Change in net assets attributable to Shareholders from investment activities (see above)		56,462		32,634
Retained distributions on accumulation Shares		(6,875)		5,922
		1,097		345
<b>Closing net assets attributable to Shareholders</b>		<b>234,853</b>		<b>131,249</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		227,213		172,404
Current assets:				
Debtors	2,013		2,312	
Cash and bank balances	9,335		12,542	
Total current assets		11,348		14,854
Total assets		238,561		187,258
<b>Liabilities:</b>				
Investment liabilities		(24)		(54)
Creditors:				
Distribution payable	(1,333)		(1,263)	
Other creditors	(2,351)		(1,772)	
Total creditors		(3,684)		(3,035)
Total liabilities		(3,708)		(3,089)
<b>Net assets attributable to Shareholders</b>		<b>234,853</b>		<b>184,169</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### First Distribution in pence per Share

- Group 1 Shares purchased prior to 1 October 2017  
 Group 2 Shares purchased on or after 1 October 2017 to 31 December 2017

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/18 (p)	Distribution paid 29/02/17 (p)
Share Class A Income				
Group 1	0.8851	–	0.8851	0.9872
Group 2	0.4262	0.4589	0.8851	0.9872
Share Class A Accumulation				
Group 1	0.9846	–	0.9846	1.0572
Group 2	0.5385	0.4461	0.9846	1.0572

### Second Distribution in pence per Share

- Group 1 Shares purchased prior to 1 January 2018  
 Group 2 Shares purchased on or after 1 January 2018 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class A Income				
Group 1	0.9170	–	0.9170	0.9168
Group 2	0.3837	0.5333	0.9170	0.9168
Share Class A Accumulation				
Group 1	1.0274	–	1.0274	0.9892
Group 2	0.4694	0.5580	1.0274	0.9892



## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve capital growth.

### Investment Policy

It is expected that exposure to equities will typically make up the majority of the Fund's assets. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes. The Fund may also invest in transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Multi-Manager Adventurous Fund returned (0.03)% [source: Return after operating charges as per Comparative Table] and the benchmark (40% FTSE All-Share / 15% Russell 1000 / 25% MSCI EAFE Ex-UK / 15% MSCI Emerging Markets / 5% BoA ML Sterling Broad Market) returned 0.07% [source: Financial Express, bid to bid, net income reinvested].

Investment activity was fairly limited in the first three months of the period as we maintained the portfolio's balance of holdings. In October, we trimmed our holdings in JP Morgan US Equity Income and iShares Emerging Markets ETF. We added to Eastspring Japan Dynamic after equities strengthened following Shinzo Abe's re-election as Japan's prime minister. We also increased our holding in iShares GBP Corporate Bond ETF after its weak performance, and continued to build our holdings in Franklin UK Managers' Focus by reducing iShares FTSE 100 ETF.

In November, we increased exposures to UK equities by adding to Franklin UK Managers' Focus, as Brexit negotiations appeared to be proceeding in a positive direction. We funded these additions to the portfolio by trimming holdings in Artemis US Extended Alpha, Hermes Asia ex Japan and M&G Global Divided, which had all performed well.

In December, we made a slight reduction to our holding in iShares FTSE 100 ETF in anticipation that it might be adversely affected by sterling strengthening on successful Brexit negotiations. We also made another small increase to the holding in Franklin Templeton UK Focus.

At the start of 2018, we added two new funds to the portfolio. JOCHM UK Dynamic provides some diversification to our holdings in UK equities and was funded by trimming the holding in Majedie UK Equity. We also invested in Orbis Global Equity, a fund whose manager we know well, by taking some profits from Artemis Global Income.

In February, we added to holdings that invest in equities by increasing iShares Emerging Markets ETF, iShares FTSE 250 ETF and JOCHM UK Dynamic. We also took the opportunity to take small initial holdings in two new funds: Schroder European Alpha Plus to balance our holdings in European equities, and Artemis UK Select. The latter adopts a dynamic, focused approach and is run by a manager we have invested in before and know very well. These additions were funded by reducing holdings in iShares FTSE 100 ETF, Majedie UK Equity and BlackRock European Dynamic. As the market in March recovered we trimmed the holding in iShares Asia ETF and iShares Emerging Markets ETF. We also reduced the holdings in M&G Global Dividend and Marlborough Special Situations after strong performances.

**Investment Manager's Report (continued)**  
**For the six months ended 31 March 2018 (unaudited)**

## **Market Overview**

Political machinations dominated investor sentiment throughout the period. In Japan, Shinzo Abe's third landslide win and third term as Prime Minister was greeted positively by markets. Donald Trump's US presidency continued to introduce uncertainty.

The passing of tax reform in the US at the end of 2017 boosted markets and was likely to benefit medium and smaller companies the most. The tax cut offers a potential boost to consumption too. In the UK, Brexit negotiations rumbled on, and by March discussions appeared to be taking a more positive tone.

Equity markets reached new highs in December and the New Year began strongly. A market correction came in late January, sparked by concerns that interest rates in the US might have to rise faster than planned. Market volatility has returned but this in itself is nothing to be concerned about. Behind the short-term noise, the environment remains broadly supportive of equity markets.

Potential shifts in the direction of monetary and fiscal policy across the developed world were also the focus of interest for investors and markets. The case for central banks to raise interest rates appeared to strengthen, as did the likelihood of an end to austerity measures by governments in the developed world. The US Federal Reserve will have to decide whether to let its economy overheat a little or raise interest rates faster than planned.

## **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stock market volatility. The question is whether they are set to weigh heavily on stock markets in the future. Continued supportive monetary policy, fiscal stimulus through tax reform and improving global growth should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

## **Investment Manager**

Octopus Investments Limited  
16 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
Franklin UK Managers Focus	1,900	iShares Core FTSE 100	2,601
JOHCM UK Dynamic	1,300	Majedie UK Equity	1,700
iShares Core MSCI Emerging Markets	799	M&G Global Dividend	1,000
iShares FTSE 250	798	JPMorgan US Equity Income	900
Artemis UK Select	600	Vanguard S&P 500	701
Eastspring Japan Dynamic	600	Macquarie Asia New Stars	600
Orbis Global Equity	350	Artemis US Extended Alpha	600
iShares Core GBP Corporate Bond	301	Marlborough Special Situations	400
Schroder European Alpha Plus	300	iShares MSCI Japan	351
db x-trackers EURO STOXX 50	120	Artemis Global Income	350

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	144.00	144.34	200.88	200.85
Percentage change	(0.24%)		0.01%	
Closing net asset value (£'000)	2,805	2,881	57,603	62,550
Closing number of shares	1,948,028	1,995,989	28,674,764	31,142,081
Operating charges	1.41%	1.36%	1.41%	1.36%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charges (%)
31/03/18						
Share Class B Income	0.75	0.06	0.78	(0.18)	0.00	1.41
Share Class B Accumulation	0.75	0.06	0.78	(0.18)	0.00	1.41
30/09/17						
Share Class B Income	0.75	0.05	0.77	(0.21)	0.00	1.36
Share Class B Accumulation	0.75	0.05	0.77	(0.21)	0.00	1.36

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	←—————→						
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "5" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

**Portfolio Statement**

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 74.94% [72.04%]</b>			
91,241	Acadian Diversified Alpha	884	1.46
1,204,334	Ardevora UK Equity	2,870	4.75
1,726,289	Artemis Global Income	2,229	3.69
104,757	Artemis UK Select	586	0.97
1,188,329	Artemis US Extended Alpha	2,135	3.53
471,248	BlackRock European Dynamic	2,597	4.30
754,606	CF Lindsell Train UK Equity	2,858	4.73
172,006	Eastspring Japan Dynamic	2,395	3.97
952,112	FP CRUX European Special Situations	2,597	4.30
1,765,278	Franklin UK Managers Focus	2,180	3.61
157,331	Goldman Sachs Emerging Markets Equity Portfolio	2,379	3.94
839,479	Hermes Asia ex-Japan Equity	2,120	3.51
691,825	JOHCM Global Select	1,956	3.24
453,048	JOHCM UK Dynamic	1,256	2.08
292,440	JPMorgan US Equity Income	480	0.79
318,596	Legal & General Pacific Index	515	0.85
696,641	Legal & General UK Index	2,020	3.34
308,828	M&G Global Dividend	885	1.47
102,827	Macquarie Asia New Stars	1,537	2.55
1,428,883	Majedie UK Equity	2,416	4.00
114,829	Marlborough Special Situations	1,851	3.06
73,635	Matthews Asia Pacific Tiger	1,495	2.48
19,761	Orbis Global Equity	324	0.54
14,488	RWC Global Emerging Markets	2,828	4.68
299,103	Schroder European Alpha Plus	293	0.49
2,065	Vanguard US Opportunities	1,578	2.61
		<b>45,264</b>	<b>74.94</b>

## Portfolio Statement (continued)

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Exchange Traded Funds 23.53% [25.66%]</b>			
33,093	db x-trackers EURO STOXX 50	1,034	1.71
727,009	iShares Core FTSE 100	5,083	8.41
6,836	iShares Core GBP Corporate Bond	979	1.62
36,411	iShares Core MSCI Emerging Markets	796	1.32
10,000	iShares Core UK Gilts	132	0.22
80,022	iShares FTSE 250	1,487	2.46
12,998	iShares GBP Index-Linked Gilts	234	0.39
6,345	iShares MSCI AC Far East ex-Japan	271	0.45
26,982	iShares MSCI Europe ex-UK	726	1.20
105,204	iShares MSCI Japan	1,142	1.89
11,666	iShares MSCI Japan GBP Hedged	678	1.12
14,970	iShares S&P Small Cap 600	667	1.10
54,993	iShares UK Dividend Plus	463	0.77
2,000	iShares USD Treasury Bond 7-10yr	272	0.45
7,143	Vanguard S&P 500	254	0.42
		<b>14,218</b>	<b>23.53</b>
	<b>Portfolio of investments</b>	<b>59,482</b>	<b>98.47</b>
	Net other assets	926	1.53
	<b>Net assets</b>	<b>60,408</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £7,068,000 [2017: £7,207,000].

Total sales net of transaction costs for the six months: £11,711,000 [2017: £13,600,000].

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital gains		11		5,797
Revenue	422		441	
Expenses	(264)		(281)	
Net revenue before taxation	158		160	
Taxation	–		–	
Net revenue after taxation		158		160
Total return before distributions		169		5,957
Distributions		(162)		(197)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>7</b>		<b>5,760</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>				
		65,431		70,331
Amounts receivable on issue of Shares	625		659	
Amounts payable on cancellation of Shares	(5,807)		(7,052)	
		(5,182)		(6,393)
Dilution adjustment		5		7
Change in net assets attributable to Shareholders from investment activities (see above)		7		5,760
Retained distributions on accumulation Shares		147		183
<b>Closing net assets attributable to Shareholders</b>		<b>60,408</b>		<b>69,888</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.



## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		59,482		63,924
Current assets:				
Debtors	31		61	
Cash and bank balances	975		1,684	
Total current assets		1,006		1,745
Total assets		60,488		65,669
<b>Liabilities:</b>				
Creditors:				
Distribution payable	(7)		(18)	
Other creditors	(73)		(220)	
Total creditors		(80)		(238)
Total liabilities		(80)		(238)
<b>Net assets attributable to Shareholders</b>		<b>60,408</b>		<b>65,431</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.3689	–	0.3689	0.3815
Group 2	0.1610	0.2079	0.3689	0.3815
Share Class B Accumulation				
Group 1	0.5132	–	0.5132	0.5256
Group 2	0.2958	0.2174	0.5132	0.5256

## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve capital growth.

### Investment Policy

It is expected that there will be an emphasis on exposure to equities and fixed interest investments. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes. The Fund may also invest in transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Multi-Manager Balanced Fund returned (0.36)% [source: Return after operating charges as per Comparative Table] and the benchmark (30% FTSE All-Share / 20% BoA ML Sterling Broad Market / 15% Russell 1000 / 15% MSCI EAFE Ex-UK / 10% MSCI Emerging Markets / 5% GBP LIBOR 3-month / 5% BoA ML Global Broad Market) returned 0.21% [source: Financial Express, bid to bid, net income reinvested].

At the start of the period, we introduced Schroder European Alpha Plus to the portfolio's line-up of actively managed funds. When sterling weakened against the dollar we sold our remaining holding in iShares USD High Yield ETF and reduced iShares USD Corporate Bond ETF. We made a small investment in iShares Core UK Gilts ETF and will keep a close eye on UK interest rates and bond yields before deciding whether or not to increase the holding.

We introduced JOCHM UK Dynamic when the FTSE 100 Index rallied early in November to increase the portfolio's exposure to UK equities. We funded this by reducing our holdings in Lindell Train UK Equity and Ardevora UK Equity. When sterling weakened later in the month we added to iShares Core MSCI Emerging Markets ETF. We also switched from iShares UK Gilts ETF to iShares Emerging Markets Local Government Bond ETF.

We trimmed the holding in iShares FTSE 100 ETF in December when the FTSE 100 Index rallied. We also made a small switch from European to Asian equities by reducing iShares MSCI Europe ex-UK ETF and adding to iShares MSCI AC Far East ex Japan ETF. In our bond holdings, we re-introduced iShares US Treasury Bond 7-10yr ETF.

Investment activity in January was relatively limited. We reduced our weighting in bonds a little by reducing iShares USD Treasury Bond 7-10yr ETF, which had performed poorly due to dollar weakness compared with sterling. A weak dollar also caused falls in iShares USD Corporate Bond ETF and iShares JPM USD Emerging Markets Bond ETF. The equities sub-portfolio contributed a small positive return, led by Ardevora UK Equity and Baillie Gifford Japanese. After stock markets falls, we added to iShares MSCI Japan ETF and Vanguard S&P500. We sold our remaining holding in iShares USD Treasury 7-10yr Bond ETF.

In February, the portfolio benefited from its mildly cautious investment approach and its holdings in actively managed funds. The best performing equities were holdings in Lindell Train UK Equity and Vanguard US Opportunities. The main detractors were the portfolio's holdings in alternative assets. Investment activity in March was fairly limited, except for a small increase in iShares FTSE 100 ETF when equities fell a little further.

**Investment Manager's Report (continued)**  
For the six months ended 31 March 2018 (unaudited)

## **Market Overview**

Political machinations dominated investor sentiment throughout the period. In Japan, Shinzo Abe's third landslide win and third term as prime minister was greeted positively by markets. Donald Trump's US presidency continued to introduce uncertainty.

The passing of tax reform in the US at the end of 2017 boosted markets and was likely to benefit medium and smaller companies the most. The tax cut offers a potential boost to consumption too. In the UK, Brexit negotiations rumbled on, and by March discussions appeared to be taking a more positive tone.

Equity markets reached new highs in December and the New Year began strongly. A market correction came in late January, sparked by concerns that interest rates in the US might have to rise faster than planned. Market volatility has returned but this in itself is nothing to be concerned about. Behind the short-term noise the environment remains broadly supportive of equity markets.

Potential shifts in the direction of monetary and fiscal policy across the developed world were also the focus of interest for investors and markets. The case for central banks to raise interest rates appeared to strengthen, as did the likelihood of an end to austerity measures by governments in the developed world. The US Federal Reserve will have to decide whether to let its economy overheat a little or raise interest rates faster than planned.

## **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stockmarket volatility. The question is whether they are set to weigh heavily on stockmarkets in the future. Continued supportive monetary policy, fiscal stimulus through tax reform and improving global growth should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

## **Investment Manager**

Octopus Investments Limited  
16 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
JOHCM UK Dynamic	4,500	iShares Core FTSE 100	3,472
Schroder European Alpha Plus	3,500	iShares Ultrashort Bond	2,661
iShares Core FTSE 100	3,396	iShares MSCI Europe ex-UK Income	2,280
iShares JPMorgan Emerging Markets Local Government Bond	2,560	iShares GBP Corporate Bond 0-5yr	2,117
Vanguard S&P 500	1,447	iShares USD High Yield Corporate Bond	1,826
iShares USD Treasury Bond	1,445	Vanguard S&P 500	1,706
iShares Core GBP Corporate Bond	1,015	M&G Global Dividend	1,500
RWC Global Emerging Markets	1,000	iShares USD Treasury Bond	1,357
iShares Core UK Gilts	974	CF Lindsell Train UK Equity	1,250
iShares Core MSCI Emerging Markets	967	Ardevora UK Equity	1,250

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	134.47	135.23	200.24	200.60
Percentage change	(0.56%)		(0.18%)	
Closing net asset value (£'000)	4,440	5,127	163,165	174,236
Closing number of shares	3,301,722	3,791,277	81,483,487	86,858,405
Operating charges	1.36%	1.28%	1.36%	1.28%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charges (%)
<b>31/03/18</b>						
Share Class B Income	0.75	0.05	0.73	(0.17)	0.00	1.36
Share Class B Accumulation	0.75	0.05	0.73	(0.17)	0.00	1.36
<b>30/09/17</b>						
Share Class B Income	0.75	0.05	0.70	(0.22)	0.00	1.28
Share Class B Accumulation	0.75	0.05	0.70	(0.22)	0.00	1.28

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	←—————→						
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 73.08% [69.61%]</b>			
1,847,882	Ardevora UK Equity	4,404	2.63
4,485,540	Artemis US Extended Alpha	8,060	4.81
202,502	Baillie Gifford Japanese	3,266	1.95
2,211,633	BlackRock Asia Special Situations	4,151	2.48
1,194,625	BlackRock European Dynamic	6,582	3.93
1,372,146	CF Lindsell Train UK Equity	5,197	3.10
230,937	Eastspring Japan Dynamic GBP	3,215	1.92
2,523,149	FP CRUX European Special Situations	6,882	4.11
3,489,610	Franklin UK Managers Focus	4,310	2.56
214,720	Goldman Sachs Emerging Markets Equity Portfolio	3,247	1.94
4,569,969	Henderson UK Absolute Return	7,499	4.47
4,150,123	Hermes Multi Strategy Credit	5,017	2.99
5,630,190	Invesco Perpetual Global Targeted Returns	6,715	4.01
1,583,023	JOHCM UK Dynamic	4,390	2.62
1,154,727	M&G Global Dividend	3,308	1.97
3,837,674	Majedie UK Income	6,489	3.87
254,364	Marlborough Special Situations	4,100	2.45
165,869	Matthews Asia Pacific Tiger	3,367	2.01
70,097	Muzinich Global Tactical Credit Hedged GBP	6,965	4.16
1,695,936	NGAM H2O MultiReturns	2,706	1.61
303,464	Orbis Global Equity Fund	4,980	2.97
20,680	RWC Global Emerging Markets	4,036	2.41
3,380,669	Schroder European Alpha Plus	3,310	1.97
46,361	TwentyFour Corporate Bond	5,306	3.17
6,522	Vanguard US Opportunities	4,985	2.97
		<b>122,487</b>	<b>73.08</b>



## Portfolio Statement (continued)

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Exchange Traded Funds 23.77% [25.59%]</b>			
1,700,000	iShares Core FTSE 100	11,885	7.09
42,500	iShares Core GBP Corporate Bond	6,084	3.63
40,000	iShares Core MSCI Emerging Markets	875	0.52
15,500	iShares GBP Corporate Bond 0-5yr	1,625	0.97
24,500	iShares Global High Yield Corporate Bond	1,702	1.01
52,500	iShares JPMorgan Emerging Markets Local Government Bond	2,542	1.52
30,000	iShares JPMorgan USD Emerging Markets Bond	2,373	1.42
20,000	iShares MSCI AC Far East ex-Japan	853	0.51
28,000	iShares MSCI Europe ex-UK Income	753	0.45
85,000	iShares MSCI Japan	923	0.55
21,000	iShares USD Corporate Bond	1,680	1.00
119,000	SPDR S&P US Dividend Aristocrats	4,271	2.55
120,000	Vanguard S&P 500	4,273	2.55
		<b>39,839</b>	<b>23.77</b>
<b>Portfolio of investments</b>		<b>162,326</b>	<b>96.85</b>
Net other assets		5,279	3.15
<b>Net assets</b>		<b>167,605</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £25,483,000 [2017: £41,173,000].

Total sales net of transaction costs for the six months: £33,931,000 [2017: £58,364,000].

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(703)		12,447
Revenue	1,376		1,600	
Expenses	(703)		(759)	
Net revenue before taxation	673		841	
Taxation	–		(127)	
Net revenue after taxation		673		714
Total return before distributions		(30)		13,161
Distributions		(679)		(805)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(709)</b>		<b>12,356</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		179,363		194,809
Amounts receivable on issue of Shares	1,326		829	
Amounts payable on cancellation of Shares	(13,028)		(19,945)	
		(11,702)		(19,116)
Dilution adjustment		11		19
Change in net assets attributable to Shareholders from investment activities (see above)		(709)		12,356
Retained distributions on accumulation Shares		642		737
<b>Closing net assets attributable to Shareholders</b>		<b>167,605</b>		<b>188,805</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		162,326		170,761
Current assets:				
Debtors	93		237	
Cash and bank balances	6,100		8,864	
Total current assets		6,193		9,101
Total assets		168,519		179,862
<b>Liabilities:</b>				
Investment liabilities		–		–
Creditors:				
Distribution payable	(18)		(33)	
Other creditors	(896)		(466)	
Total creditors		(914)		(499)
Total liabilities		(914)		(499)
<b>Net assets attributable to Shareholders</b>		<b>167,605</b>		<b>179,363</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.5304	–	0.5304	0.5286
Group 2	0.1924	0.3380	0.5304	0.5286
Share Class B Accumulation				
Group 1	0.7879	–	0.7879	0.7788
Group 2	0.4791	0.3088	0.7879	0.7788

## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve capital growth.

### Investment Policy

It is expected that exposure to cash, cash equivalents and fixed income investments will make up the majority of the Fund's assets. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes. The Fund may also invest in transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Multi-Manager Cautious Fund returned (0.48)% and the benchmark (35% BoA ML Sterling Broad Market / 20% FTSE All-Share / 15% BoA ML Global Broad Market / 10% Russell 1000 / 10% MSCI EAFE Ex-UK / 10% GBP LIBOR 3-month) returned (0.31)% [source: Financial Express, bid to bid, net income reinvested].

At the start of the period, when the value of sterling fell we reduced our holdings in BlackRock Overseas Government Bond and BlackRock Overseas Corporate Bond. We also adjusted the composition of our UK equity allocation by switching some iShares FTSE 100 ETF to Lindsell Train UK Equity, which has a greater focus on high-performing UK companies.

When markets wobbled slightly in November we took the opportunity to increase holdings that invest in European and Japanese equities. We also switched some of our holding in Muzinich Global Tactical Credit to the recently introduced Henderson Strategic Bond, whose manager we know well. In December, following an early rise in the value of the dollar we reduced the portfolio's exposure to the currency by switching some of the holding in iShares USD Emerging Markets Bond ETF to Henderson Strategic Bond. With our alternative assets, we completed the exit from Acadian Diversified Alpha, following a small rally, and reallocated the proceeds to Henderson UK. The portfolio's strongest performer was iShares FTSE 100 ETF, whereas iShares Overseas Government Bond Tracker ETF had a tougher time.

Investment activity in January was fairly limited. As markets rallied, we grew sceptical about the sustainability of the momentum and reduced risk in the portfolio by shifting some of our holding in Vanguard S&P 500 ETF to iShares USD Treasury Bond 7-10yr ETF. Actively managed funds produced the month's best performances, with Artemis US Extended Alpha outperforming its passive counterpart, Vanguard 500 ETF, and ASG Managed Futures reversing a small loss in the previous month.

In February, we added to equities, including Vanguard S&P 500 ETF, iShares MSCI Japan ETF and iShares Asia Pacific ex Japan ETF. We also rotated holdings within UK equity by switching from Lindsell Train UK Equity to Majedie UK Equity and JOHCM UK Dynamic. When markets fell slightly in March, we took the opportunity to increase our holding in iShares FTSE 100 ETF. After a strong performance in February, Eastspring Japan Dynamic suffered in March on global trade concerns. In contrast, PIMCO Global Investment Grade Credit did well following its recent move to a more defensive position.

**Investment Manager's Report (continued)**  
For the six months ended 31 March 2018 (unaudited)

### **Market Overview**

Political machinations dominated investor sentiment throughout the period. In Japan, Shinzo Abe's third landslide win and third term as prime minister was greeted positively by markets. Donald Trump's US presidency continued to introduce uncertainty.

The passing of tax reform in the US at the end of 2017 boosted markets and was likely to benefit medium and smaller companies the most. The tax cut offers a potential boost to consumption too. In the UK, Brexit negotiations rumbled on, and by March discussions appeared to be taking a more positive tone.

Equity markets reached new highs in December and the New Year began strongly. A market correction came in late January, sparked by concerns that interest rates in the US might have to rise faster than planned. Market volatility has returned but this in itself is nothing to be concerned about. Behind the short-term noise the environment remains broadly supportive of equity markets.

Potential shifts in the direction of monetary and fiscal policy across the developed world were also the focus of interest for investors and markets. The case for central banks to raise interest rates appeared to strengthen, as did the likelihood of an end to austerity measures by governments in the developed world. The US Federal Reserve will have to decide whether to let its economy overheat a little or raise interest rates faster than planned.

### **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stock market volatility. The question is whether they are set to weigh heavily on stock markets in the future. Continued supportive monetary policy, fiscal stimulus through tax reform and improving global growth should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

### **Investment Manager**

Octopus Investments Limited  
16 April 2018

## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
JOHCM UK Dynamic	3,900	Muzinich Global Tactical Credit	
iShares UK Gilts 0-5yr	2,002	Hedged GBP	3,250
Janus Henderson Strategic Bond	2,000	CF Lindsell Train UK Equity	2,450
Janus Henderson UK Absolute		iShares Core FTSE 100	2,316
Return	1,450	iShares JPMorgan USD Emerging	
iShares MSCI AC Far East ex-Japan	1,258	Markets Bond	2,216
iShares MSCI Europe ex-UK	1,102	PIMCO Global Investment Grade	
iShares JPMorgan Emerging		Credit	2,050
Markets Local Government Bond	1,016	BlackRock Overseas Corporate	
iShares MSCI Japan	1,005	Bond Tracker	1,950
CF Lindsell Train UK Equity	1,000	Vanguard S&P 500	1,906
Vanguard S&P 500	922	BlackRock Overseas Government	
		Bond Tracker	1,650
		Ardevora UK Equity	1,000
		Majedie UK Equity	1,000

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	121.04	121.59	187.30	187.84
Percentage change	(0.45%)		(0.29%)	
Closing net asset value (£'000)	4,403	4,892	94,628	101,324
Closing number of shares	3,637,241	4,023,375	50,523,429	53,941,769
Operating charges	1.31%	1.21%	1.31%	1.21%



## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charges (%)
31/03/18						
Share Class B Income	0.75	0.06	0.58	(0.08)	0.00	1.31
Share Class B Accumulation	0.75	0.06	0.58	(0.08)	0.00	1.31
30/09/17						
Share Class B Income	0.75	0.05	0.53	(0.12)	0.00	1.21
Share Class B Accumulation	0.75	0.05	0.53	(0.12)	0.00	1.21

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	←—————→						
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7
				4			

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

**Portfolio Statement**

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 64.72% [66.46%]</b>			
1,010,338	Ardevora UK Equity	2,408	2.43
2,107,166	Artemis US Extended Alpha	3,786	3.82
1,461,203	BlackRock Overseas Corporate Bond Tracker	2,024	2.04
4,038,676	BlackRock Overseas Government Bond Tracker	4,943	4.99
798,276	CF Lindsell Train UK Equity	3,023	3.05
107,643	Eastspring Japan Dynamic	1,499	1.51
1,425,780	FP CRUX European Special Situations	3,889	3.93
1,650,200	Hermes Multi Strategy Credit	1,995	2.01
2,637,811	Invesco Perpetual Global Targeted Returns	3,146	3.18
602,632	Janus Henderson Strategic Bond	1,977	2.00
1,790,992	Janus Henderson UK Absolute Return	2,939	2.97
1,384,000	JOHCM UK Dynamic	3,838	3.87
2,380,603	Majedie UK Equity	4,026	4.07
19,201	Muzinich Global Tactical Credit Hedged GBP	1,908	1.93
26,338	Muzinich Long Short Credit Yield	3,433	3.47
4,876	Natixis International ASG Managed Futures	504	0.51
3,328	NN (L) Alternative Beta	346	0.35
273,061	PIMCO Global Investment Grade Credit	5,439	5.49
3,687,933	Royal London International Government Bond	4,016	4.06
44,128	TwentyFour Corporate Bond	5,051	5.10
3,766	Vanguard US Opportunities	2,879	2.91
10,002	Winton Absolute Return Futures	1,020	1.03
		<b>64,089</b>	<b>64.72</b>

## Portfolio Statement (continued)

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Exchange Traded Funds 33.01% [30.81%]</b>			
535,995	iShares Core FTSE 100	3,747	3.78
14,221	iShares Core GBP Corporate Bond	2,036	2.06
557,612	iShares Core UK Gilts	7,377	7.45
51,952	iShares FTSE 250	965	0.97
161,225	iShares GBP Index-Linked Gilts	2,908	2.94
8,121	iShares JPMorgan Emerging Markets Local Government Bond	393	0.40
12,064	iShares JPMorgan USD Emerging Markets Bond	954	0.96
37,139	iShares MSCI AC Far East ex-Japan	1,585	1.60
94,157	iShares MSCI Europe ex-UK	2,532	2.56
230,473	iShares MSCI Japan	2,502	2.53
22,547	iShares UK Gilts 0-5yr	2,975	3.00
18,667	iShares USD Treasury Bond 7-10yr	2,540	2.56
61,193	Vanguard S&P 500	2,179	2.20
		<b>32,693</b>	<b>33.01</b>
<b>Portfolio of investments</b>		<b>96,782</b>	<b>97.73</b>
	Net other assets	2,249	2.27
<b>Net assets</b>		<b>99,031</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £21,633,000 [2017: £15,268,000].

Total sales net of transaction costs for the six months: £28,007,000 [2017: £26,945,000].

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(370)		2,628
Revenue	582		1,146	
Expenses	(415)		(469)	
Net revenue before taxation	167		677	
Taxation	–		(89)	
Net revenue after taxation		167		588
Total return before distributions		(203)		3,216
Distributions		(169)		(589)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(372)</b>		<b>2,627</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		106,216		122,248
Amounts receivable on issue of Shares	505		457	
Amounts payable on cancellation of Shares	(7,478)		(12,325)	
		(6,973)		(11,868)
Dilution adjustment		7		12
Change in net assets attributable to Shareholders from investment activities (see above)		(372)		2,627
Retained distributions on accumulation Shares		153		522
<b>Closing net assets attributable to Shareholders</b>		<b>99,031</b>		<b>113,541</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		96,782		103,316
Current assets:				
Debtors	1,348		1,717	
Cash and bank balances	1,238		2,470	
Total current assets		2,586		4,187
Total assets		99,368		107,503
<b>Liabilities:</b>				
Creditors:				
Distribution payable	(7)		(37)	
Other creditors	(330)		(1,250)	
Total creditors		(337)		(1,287)
Total liabilities		(337)		(1,287)
<b>Net assets attributable to Shareholders</b>		<b>99,031</b>		<b>106,216</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	0.1962	–	0.1962	0.5890
Group 2	0.0863	0.1099	0.1962	0.5890
Share Class B Accumulation				
Group 1	0.3029	–	0.3029	0.8992
Group 2	0.0769	0.2260	0.3029	0.8992

## Investment Manager's Report

For the six months ended 31 March 2018 (unaudited)

### Investment Objective

To achieve a reasonable level of income together with long term capital growth.

### Investment Policy

It is expected that there will be core holdings in UK equities and bonds. However, investments will not be confined to any particular sector.

Exposure will be achieved primarily through investment in Collective Investment Schemes. The Fund may also invest in transferable securities, money market instruments, warrants and deposits.

Use may also be made of stock lending, temporary borrowing and cash holdings. Derivatives may also be used for the purposes of hedging and efficient portfolio management.

### Investment Review

Over the period the Omnis Multi-Manager Distribution Fund returned (1.98)% and the benchmark (35% BoA ML Sterling Broad Market / 20% FTSE All-Share / 15% BoA ML Global Broad Market / 10% Russell 1000 / 10% MSCI EAFE Ex-UK / 10% GBP LIBOR 3-month) returned (0.31)% [source: Financial Express, bid to bid, net income reinvested].

Investment activity was above average at the start of the period. This included increasing the holding in iShares Global High Yield GBP Hedged ETF before its interest payment and then selling it shortly after the dividend was paid. We also added to iShares USD High Yield ETF and iShares UK Gilts ETF ahead of their monthly interest payments. This is an accepted strategy that we have adopted throughout the period to help maintain the Fund's own dividend target. We also took some profits from JOCHM UK Equity Income, SPDR UK Dividend Aristocrats and Vanguard FTSE All-World High Dividend Yield ETF after their recent dividend payments. In November, we sold holdings in iShares USD High Yield ETF and iShares UK Gilts ETF after their November interest payments, and added to holdings in iShares Short Duration USD High Yield ETF and iShares GBP Corporate Bond ETF ahead of their December interest payments.

In December, we reduced holdings in iShares Short Duration USD High Yield ETF and iShares GBP Corporate Bond ETF after their interest payments. We re-introduced holdings in iShares Emerging Markets Local Government Bond ETF and iShares Global High Yield ETF. Within the portfolio's equity holdings, we increased iShares UK Dividend ETF for its December payment and funded this by reducing the holding in S&P SPDR UK Dividend Aristocrats. We adjusted the balance of alternative asset holdings in the portfolio by adding to HICL Infrastructure.

In January, we increased the holding in iShares Global High Yield ETF and reduced iShares Short Duration USD High Yield ETF. We also added to the holding in iShares JPM Emerging Markets USD Bond ETF, but this fund suffered when the dollar weakened against sterling. We reduced the holding in Hermes Multi Strategy Credit and increased the holding in PIMCO Income, which pays monthly rather than six-monthly and offers a higher yield.

In February, following the falls in equity markets, we increased our equity investments a little adding to iShares UK Dividend and SPDR UK Dividend Aristocrats. We sold out of iShares Short Duration USD High Yield and iShares EM Local Government Bond and topped up iShares funds investing in Corporate Bonds, Global High Yield Bonds and US dollar denominated Emerging Market bonds. Investment activity in March was fairly limited during market volatility, apart from small increases to SPDR UK Dividend Aristocrats and Franklin UK Equity Income ahead of their dividend payments.

**Investment Manager's Report (continued)**  
For the six months ended 31 March 2018 (unaudited)

### **Market Overview**

Political machinations dominated investor sentiment throughout the period. In Japan, Shinzo Abe's third landslide win and third term as prime minister was greeted positively by markets. Donald Trump's US presidency continued to introduce uncertainty.

The passing of tax reform in the US at the end of 2017 boosted markets and was likely to benefit medium and smaller companies the most. The tax cut offers a potential boost to consumption too. In the UK, Brexit negotiations rumbled on, and by March discussions appeared to be taking a more positive tone.

Equity markets reached new highs in December and the New Year began strongly. A market correction came in late January, sparked by concerns that interest rates in the US might have to rise faster than planned. Market volatility has returned but this in itself is nothing to be concerned about. Behind the short-term noise the environment remains broadly supportive of equity markets.

Potential shifts in the direction of monetary and fiscal policy across the developed world were also the focus of interest for investors and markets. The case for central banks to raise interest rates appeared to strengthen, as did the likelihood of an end to austerity measures by governments in the developed world. The US Federal Reserve will have to decide whether to let its economy overheat a little or raise interest rates faster than planned.

### **Outlook**

Increased investor risk aversion, Trump's sabre rattling on trade with China, and pressures on the US technology sector are factors which have contributed to the recent stock market volatility. The question is whether they are set to weigh heavily on stock markets in the future. Continued supportive monetary policy, fiscal stimulus through tax reform and improving global growth should provide ongoing support for equity markets over the coming months.

There are reasons to be cautious and we continue to be so, a position that has been rewarded over recent weeks. But there are also positives to be drawn from the current environment. Trump's actions continue to be a risk on the geo-political stage, in terms of a potential full-on trade war with China and military intervention in Syria. Central bank action on interest rates remains a key influencer of market activity but the signs are, at present, that any rises will be implemented in a controlled and managed manner. We remain alert, looking to exploit any short-term market movements, while we expect further volatility in markets over the short term.

### **Investment Manager**

Octopus Investments Limited  
16 April 2018



## Material Portfolio Changes

For the six months ended 31 March 2018 (unaudited)

Purchases		Sales	
Portfolio Name	Cost £'000	Portfolio Name	Proceeds £'000
iShares Global High Yield Corporate Bond	1,357	iShares USD High Yield Corporate Bond	1,577
iShares USD High Yield Corporate Bond	1,153	iShares Global High Yield Corp Bond UCITS ETF USD Dist	1,573
iShares JPMorgan USD Emerging Markets Bond	1,066	iShares USD Short Duration High Yield Corporate Bond	1,466
iShares UK Dividend Plus	977	iShares JPMorgan USD Emerging Markets Bond	1,040
iShares Core GBP Corporate Bond	940	iShares Core GBP Corporate Bond	817
SPDR S&P UK Dividend Aristocrats	872	Hermes Multi Strategy Credit	700
iShares JPMorgan USD Emerging Markets Bond	835	M&G Global Dividend	650
iShares USD Short Duration High Yield Corporate Bond	790	SPDR S&P UK Dividend Aristocrats	619
iShares GBP Ultrashort Bond	754	iShares Core GBP Corporate Bond	512
iShares Global High Yield Corp Bond UCITS ETF USD Dist	675	JOHCM UK Equity Income	400

## Comparative Table

As at 31 March 2018 (unaudited)

	B Income		B Accumulation	
	31/03/18	30/09/17	31/03/18	30/09/17
Closing net asset value per share (p)	139.41	144.92	198.80	202.59
Percentage change	(3.80%)		(1.87%)	
Closing net asset value (£'000)	20,424	20,409	9,782	10,983
Closing number of shares	14,650,161	14,083,359	4,920,421	5,421,226
Operating charges	1.31%	1.29%	1.31%	1.29%

## Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	Other expenses (%)	Synthetic expense ratio (%)	Rebates from underlying funds (%)	Transaction costs (%)	Total operating charges (%)
31/03/18						
Share Class B Income	0.75	0.08	0.55	(0.09)	0.02	1.31
Share Class B Accumulation	0.75	0.08	0.55	(0.09)	0.02	1.31
30/09/17						
Share Class B Income	0.75	0.08	0.56	(0.11)	0.01	1.29
Share Class B Accumulation	0.75	0.08	0.56	(0.11)	0.01	1.29

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. When a Fund invests a substantial proportion of its assets in other UCITS or Collective Investment Undertakings (CIU), the OCF shall take account of the ongoing charges incurred in the underlying CIUs and disclose as a Synthetic expense ratio.

## Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards		Typically higher rewards				
	←—————→						
	Lower risk			Higher risk			
Share Class B	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The risk and reward indicator table demonstrates where a Fund ranks in terms of its potential risk and return. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean 'risk free'.
- The Fund appears as a "4" on the scale. This is because the Fund invests in assets that typically carry medium risk and offer medium rewards compared with other categories of assets.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market value £'000	% of Total Net Assets
<b>Collective Investment Schemes 62.53% [64.89%**]</b>			
656,711	Artemis Global Income	631	2.09
465,126	BlackRock Continental European Income	706	2.34
851,783	Fidelity Enhanced Income	880	2.91
596,036	Franklin UK Equity Income	925	3.06
287,158	Hermes Multi Strategy Credit	293	0.97
775,000	HICL Infrastructure*	1,052	3.48
1,697,954	Invesco Perpetual Global Targeted Income	1,714	5.67
1,149,754	Janus Henderson Strategic Bond Fund	1,545	5.10
598,945	JOHCM UK Equity Income	1,216	4.03
142,276	M&G Global Dividend	300	0.99
566,480	Majedie UK Income	879	2.91
95,000	P2P Global Investments*	723	2.39
169,141	PIMCO Funds Global Investors Series Income	1,788	5.92
950,000	Renewables Infrastructure*	1,007	3.34
10,668	RWC Funds Enhanced Income	850	2.82
220,159	Schroder Asian Income	600	1.99
2,782,008	Schroder Income Maximiser	1,236	4.09
14,687	TwentyFour Corporate Bond	1,474	4.88
900,000	TwentyFour Income*	1,071	3.55
		<b>18,890</b>	<b>62.53</b>
<b>Exchange Traded Funds 31.03% [24.82%]</b>			
8,500	iShares Core GBP Corporate Bond	1,217	4.03
23,000	iShares GBP Ultrashort Bond	2,308	7.64
18,500	iShares Global High Yield Corporate Bond	1,285	4.26
15,500	iShares JPMorgan USD Emerging Markets Bond	1,226	4.06
177,500	iShares UK Dividend Plus	1,496	4.95
100,000	SPDR S&P UK Dividend Aristocrats	1,095	3.63
18,500	Vanguard FTSE All-World High Dividend Yield	743	2.46
		<b>9,370</b>	<b>31.03</b>
	<b>Portfolio of investments</b>	<b>28,260</b>	<b>93.56</b>
	Net other assets	1,946	6.44
	<b>Net assets</b>	<b>30,206</b>	<b>100.00</b>

\* Investment Trusts.

\*\* Renewables Infrastructure reclassified as Collective Investment Scheme.

All investments are Collective Investment Schemes unless otherwise stated.

Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £11,821,000 [2017: £12,935,000].

Total sales net of transaction costs for the six months: £10,607,000 [2017: £15,628,000].

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
Income:				
Net capital (losses)/gains		(1,094)		859
Revenue	699		820	
Expenses	(131)		(148)	
Net revenue before taxation	568		672	
Taxation	(57)		(64)	
Net revenue after taxation		511		608
Total return before distributions		(583)		1,467
Distributions		(608)		(699)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>(1,191)</b>		<b>768</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six months ended 31 March 2018 (unaudited)

	01/10/17 to 31/03/18		01/10/16 to 31/03/17	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		31,392		36,667
Amounts receivable on issue of Shares	2,446		1,346	
Amounts payable on cancellation of Shares	(2,637)		(4,482)	
Dilution adjustment		(191)		(3,136)
Change in net assets attributable to Shareholders from investment activities (see above)		(1,191)		768
Retained distributions on accumulation Shares		196		235
<b>Closing net assets attributable to Shareholders</b>		<b>30,206</b>		<b>34,540</b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## Balance Sheet

As at 31 March 2018 (unaudited)

	31/03/18		30/09/17	
	£'000	£'000	£'000	£'000
<b>Assets:</b>				
Fixed assets:				
Investments		28,260		28,163
Current assets:				
Debtors	315		1,038	
Cash and bank balances	2,068		3,326	
Total current assets		2,383		4,364
Total assets		30,643		32,527
<b>Liabilities:</b>				
Creditors:				
Distribution payable	(205)		(302)	
Other creditors	(232)		(833)	
Total creditors		(437)		(1,135)
Total liabilities		(437)		(1,135)
<b>Net assets attributable to Shareholders</b>		<b>30,206</b>		<b>31,392</b>

## Distribution Table

As at 31 March 2018 (unaudited)

### First Distribution in pence per Share

- Group 1 Shares purchased prior to 1 October 2017  
 Group 2 Shares purchased on or after 1 October 2017 to 31 December 2017

	Net revenue (p)	Equalisation (p)	Distribution paid 28/02/18 (p)	Distribution paid 28/02/17 (p)
Share Class B Income				
Group 1	1.4500	–	1.4500	1.4000
Group 2	0.4507	0.9993	1.4500	1.4000
Share Class B Accumulation				
Group 1	2.0000	–	2.0000	1.9000
Group 2	0.9488	1.0512	2.0000	1.9000

### Second Distribution in pence per Share

- Group 1 Shares purchased prior to 1 January 2018  
 Group 2 Shares purchased on or after 1 January 2018 to 31 March 2018

	Net revenue (p)	Equalisation (p)	Distribution payable 31/05/18 (p)	Distribution paid 31/05/17 (p)
Share Class B Income				
Group 1	1.4000	–	1.4000	1.4000
Group 2	0.4486	0.9514	1.4000	1.4000
Share Class B Accumulation				
Group 1	1.9000	–	1.9000	1.9000
Group 2	0.6409	1.2591	1.9000	1.9000

## General Information

### Classes of Shares

The Company can issue different Classes of Shares in respect of any Fund. Holders of Income Shares are entitled to be paid the revenue attributable to such Shares, in respect of each annual or interim accounting period. Holders of Accumulation Shares are not entitled to be paid the revenue attributable to such Shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of Shares.

### Valuation Point

The valuation point for each Fund is 12 noon on each dealing day (being each day which is a business day in London). Valuations may be made at other times under the terms contained within the Prospectus.

### Buying and Selling of Shares

The ACD will accept orders to deal in the shares on normal business days between 9:00 am and 5:00 pm. Instructions to buy or sell shares may be either in writing to: PO Box 10191, Chelmsford, CM99 2AP or by telephone on 0345 140 0070\*. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

### Prices

The prices of shares for each Class in each Fund will be posted on [www.fundlistings.com](http://www.fundlistings.com) and can also be obtained by telephoning the Administrator on 0345 140 0070\* during the ACD's normal business hours.

### Other Information

The Instrument of Incorporation, Prospectus and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained, free of charge, upon application to Omnis Investments Limited, PO Box 10191, Chelmsford CM99 2AP.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

\* Please note that telephone calls may be recorded for monitoring and training purposes, and to confirm investors' decisions.

### Report

The annual report of the Company will be published within four months of each annual accounting period and the interim report will be published within two months of each interim accounting period.

Interim financial statements	period ended 31 March
Annual financial statements	year ended 30 September

### Distribution Payment Dates

Interim –	31 May (for Omnis Multi-Manager Distribution Fund and Omnis Multi Asset Income Fund only - 31 May, 31 August and 28 February)
Final –	30 November



## General Information (continued)

### Data Protection

The details you have provided will be held electronically by the Funds' Registrar but will not be used for any purpose except to fulfil its obligations to shareholders.

### Effects of Personal Taxation

Investors should be aware that unless their shares are held within an ISA, or switched between Funds in this OEIC, selling shares is treated as a disposal for the purpose of Capital Gains tax.

### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.



