

# LIONTRUST EUROPEAN DYNAMIC FUND

Interim Report &  
Financial Statements (unaudited)

For the period:

**1 May 2024**

to

**31 October 2024**

**Managed in accordance with**  
The Liontrust Cashflow Solution

---

LIONTRUST FUND PARTNERS LLP

**LIONTRUST** 



### Contents

Management and Administration*	1
Manager's Investment Report*	3
Authorised Status*	10
Certification of Financial Statements by Partners of the Manager	10
Performance Tables	11
Portfolio Statement*	12
Financial Statements:	
Statement of Total Return	15
Statement of Change in Net Assets Attributable to Unitholders	15
Balance Sheet	16
Securities Financing Transactions	17
Additional information	20

\* Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

# Management and Administration

### Authorised Fund Manager ("Manager")

Liontrust Fund Partners LLP  
2 Savoy Court  
London WC2R 0EZ

Administration and Dealing enquiries 0344 892 0349  
Administration and Dealing facsimile 0207 964 2562  
Email [Liontrustadmin@bnymellon.com](mailto:Liontrustadmin@bnymellon.com)  
Website [www.liontrust.co.uk](http://www.liontrust.co.uk)

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

### Investment Adviser

Liontrust Investment Partners LLP  
2 Savoy Court  
London WC2R 0EZ

Authorised and regulated by the FCA.

### Trustee

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

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

### Independent Auditor

KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

### Administrator and Registrar

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

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

# Liontrust European Dynamic Fund

### **Liontrust Asset Management PLC**

Liontrust Asset Management PLC (Company) is a specialist fund management company with £26.0 billion in assets under management as at 30 September 2024 and that takes pride in having a distinct culture and approach to managing money. What makes Liontrust distinct?

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

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

### **Conflict in Ukraine**

The ongoing war in Ukraine and the resultant geopolitical tensions including sanctions imposed on Russia and retaliatory action taken by Russia against foreign investors, continue to impact global financial markets (including stock, currency and commodities markets). Economic sanctions and the fallout from the conflict are affecting companies operating in a wide variety of sectors worldwide, including energy, financial services and defence, amongst others. As a result, the performance of the Fund may be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

## Manager's Investment Report

### Investment Objective

The Fund aims to deliver capital growth over the long-term (5 years or more).

### Investment Policy

The Fund will invest in companies which are incorporated, domiciled, listed or conduct significant business in the EEA or Switzerland, but excludes shares listed in the UK.

The Fund will typically invest 95% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

As a result of the investment process employed, the proportion of the Fund that is invested in growth companies versus value opportunities will change dynamically over time depending on the investment opportunities available in the market.

The Fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes. Please refer to the Derivatives sections of the Prospectus for further details.

The Fund also has the ability to implement hedging on hedged unit classes. Please refer to the Exchange Rate Risk and Hedging sections of the Prospectus for further details.

### The Team

James Inglis-Jones formed the Cashflow Solutions team on joining Liontrust in March 2006 and was joined by Samantha Gleave in 2012. James and Samantha jointly manage the Cashflow Solutions range of funds having first worked together in 1998 and with an average industry experience of 25 years. James previously managed funds at Fleming Investment Management, JP Morgan Fleming and Polar Capital. Samantha formerly worked at Sutherlands Limited, Fleming Investment Management, Credit Suisse First Boston and Bank of America Merrill Lynch. Samantha was in a No. 1 ranked equity research sector team (Extel & Institutional Investor Surveys) at Credit Suisse and won awards for Top Stock Pick and Earnings Estimates at Bank of America Merrill Lynch.

### The Process

The fund managers focus on historic cash flows generated and invested by companies to support their forecast profits growth. As forecasts are often unreliable, the scale of cash invested to support forecasts is key.

The fund managers seek to own companies that generate significantly more cash than they need to sustain their planned growth yet are lowly valued by investors on that measure and are run by managers committed to an intelligent use of capital.

To identify companies' annual cash flow, balance sheet development and valuation efficiently across all equity markets the fund managers have developed a simple screen as a starting point for further qualitative analysis. The investment screen consists of two cash flow ratios that are combined equally to highlight the process characteristics that they seek.

The two cash flow measures are:

- Cash flow relative to operating assets
- Cash flow relative to market value

### Manager's Investment Report (continued)

#### Performance of the Fund

In the six months to 31 October 2024 an investment in the Fund returned -4.9% (retail class) and -4.5% (institutional class). The MSCI Europe ex-UK Index comparator benchmark returned -0.2% and the return made by funds in the IA Europe ex-UK sector average, also a comparator benchmark, was -1.8%.

From the Fund's launch on 15 November 2006 to 31 October 2024, an investment in the Fund rose by 357% (retail class) and 409% (institutional class), compared to a rise of 188% by the MSCI Europe ex-UK Index and a 200% return from the IA Europe ex-UK sector comparator benchmarks.

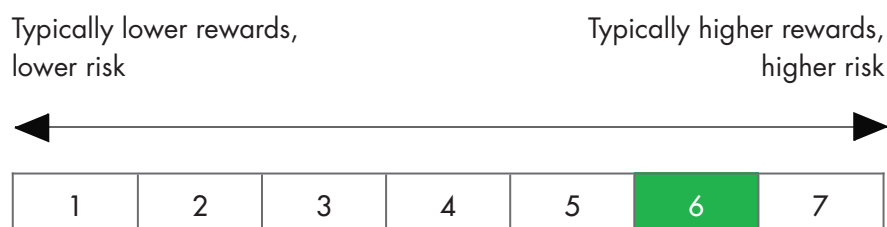
*Source: Financial Express, bid-to-bid basis, total return, net of fees, income reinvested, figures show performance up to 31.10.2024. The primary class post-Retail Distribution Review is the institutional class, whereas pre-Retail Distribution Review the bundled Retail class performance history is used, unadjusted for the lower fees of the post Retail Distribution Review classes. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

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

## Manager's Investment Report (continued)

### Risk and Reward profile

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



- The Synthetic Risk Reward Indicator ("SRRI") is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Fund invests in Developed European (ex UK) equities. The Fund may also invest in other eligible asset classes as detailed within the prospectus.
- The Fund is categorised 6 for its exposure to European (ex UK) equities.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.
- The Fund may, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- This Fund may have a concentrated portfolio, i.e. hold a limited number of investments (35 or fewer) or have significant sector or factor exposures. If one of these investments or sectors/factors fall in value this can have a greater impact on the Fund's value than if it held a larger number of investments across a more diversified portfolio.
- The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.

### Manager's Investment Report (continued)

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

- The Fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- The Fund may have both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Fund.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Environmental, Social and Governance (ESG) Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

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



## Manager's Investment Report (continued)

### The Market

The MSCI Europe ex-UK Index returned -0.2% in the six months to 31 October 2024.

Between May and October 2024, European markets navigated a complex landscape shaped by monetary policy shifts, geopolitical uncertainties, and varying sector performance. The period began with optimism as investors anticipated interest rate cuts, driven by elevated but stabilising inflation. The European Central Bank (ECB) responded with successive rate cuts, lowering its deposit rate from 4% to 3.75% in June and further to 3.5% in September, citing softening inflationary pressures. However, persistent inflation in services and data dependency underscored the cautious approach of policymakers. Political instability, including a surprise election announcement in France, added further volatility, impacting market sentiment in key sectors.

Global events, such as disappointing U.S. employment data, unexpected policy actions by the Bank of Japan, and geopolitical risks in the Middle East, added to market turbulence. Despite these challenges, European equities showed resilience, with some recovery driven by central bank actions globally, including a rate cut by the U.S. Federal Reserve and stimulus measures from China. However, the period concluded on a cautious note in October, with economic growth concerns and uncertainties surrounding the U.S. presidential election leading to declines in eurozone shares.

Within European equity markets, energy was the weakest sector over the period under review, falling 14% in sterling terms. Also among the weaker sectors were consumer discretionary (-9.1%), information technology (-7.9%) and consumer staples (-7.3%). The most notable sectors to post a positive return over the six months were utilities (+11%), communication services (+10%) and finance (+8.3%).

### Analysis of Portfolio Return

The Fund returned -4.5% (institutional income class) in the six months to 31 October 2024. The MSCI Europe ex-UK Index comparator benchmark returned -0.2%, while the average return made by funds in the IA Europe ex-UK sector, also a comparator benchmark, were both -1.8%\*

Dutch payment company **Adyen** strengthened as net revenue for the first half beat estimates due to gains from both new and existing customers. Adyen, which handles e-commerce payments for large enterprises and through point-of-sale terminals in physical stores, reported that net revenue increased 24% from a year earlier to €913 million in the six months through June, driven by gains in market share and strategic international expansion.

Italian bank **UniCredit** was another strong performer after raising its full-year target for net revenue as higher income from fees and lending helped the bank's Q2 profit beat consensus estimates. Net income rose 16% to €2.68 billion.

**Industria de Diseño Textil**, the Spanish multinational clothing company, posted strong net profit for the first half of the year, despite slower sales growth. The company reported that profit rose 10% to €2.8 billion in the first six months of its financial year, driven by robust sales from its spring/summer collection.

Having performed strongly following the release of its blockbuster weight loss drugs, **Novo Nordisk** gave back some of the share price appreciation over the review period. In September, it was reported that *Ozempic*, Novo Nordisk's blockbuster diabetes drug, could be one of the next drugs targeted for a price cut in bargaining with the US government's Medicare program. This comes under the Inflation Reduction Act, which empowers the U.S. government to negotiate drug prices with manufacturers, potentially leading to significant reductions in costs.

The company's shares also weakened after it released data from a phase 2a clinical trial for its obesity drug, *Monlunabant*.

Shares in German automobile manufacturer **Bayerische Motoren Werke (BMW)** fell after it reduced guidance for the 2024 financial year. The company now expects an operating profit margin for 2024 in the range of 6% to 7% (previously: 8% to 10%), attributing the reduction to headwinds in its Automotive Segment resulting from delivery stops and technical actions linked to the Integrated Braking System (IBS). BMW commented that it expects the former to impact over 1.5 million vehicles and result in additional warranty costs "in a high three-digit million amount" in the third quarter.

# Manager's Investment Report (continued)

### Analysis of Portfolio Return (continued)

Shares in **Michelin**, the French tyre maker, fell sharply after it lowered its full-year earnings forecast to around €3.4 billion versus a previous forecast of more than €3.5 billion as high interest rates, lower consumer confidence and uncertainty over the pace of electrification impacted new car sales in various regions.

### Portfolio Changes

Changes to the Fund's portfolio of holdings are driven by our annual review of companies' reports and accounts. This in-depth quantitative and qualitative review is core to the Cashflow Solution investment process. It involves the forensic analysis of historic cash flows and balance sheet developments.

We apply a simple quantitative screen using two measures of cash flow to create a composite ranking of the European universe of companies, with only the top 20% – the Cashflow Champions watchlist – qualifying for further qualitative analysis.

We then aim to pick the very best investments from within the watchlist by categorising stocks according to four 'secondary scores': Momentum, Cash Return, Recovering Value and Contrarian. We also apply a set of key proprietary indicators. These allow us to designate the prevailing market regime and, in turn, optimise portfolio construction by emphasising different secondary scores within stock selection in order to target growth or value exposure.

We continue to update all our stock cash flow screens and secondary scores to reflect recent market moves and fundamental developments, including the latest quarterly results season. As a reminder, we continue to implement the usual rules, including our sell discipline – e.g. selling a stock where we see a significant deterioration in scores and investing the proceeds in new or existing positions with attractive scores. We have emphasised the latter recently.

### Outlook

We remain constructive on European equities. Markets continue to trend upwards, valuations are reasonable and corporate mal investment has fallen further. In addition it's unusual for easing cycles not to be accompanied by good returns to equity markets and the strong recent performance of defensive sectors also usually augurs well for subsequent market performance.

*\*Source: Financial Express, bid-to-bid basis, total return, net of fees, income reinvested, 31.10.2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

**James Inglis-Jones & Samantha Gleave**

Fund Managers

November 2024

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

## Manager's Investment Report (continued)

### Material portfolio changes by value

#### Purchases

Trelleborg  
Cie Generale des Etablissements Michelin  
Amadeus IT  
AP Moller - Maersk  
adidas  
Konecranes  
Logitech International  
Koninklijke Ahold Delhaize  
Novartis  
CaixaBank

#### Sales


ASML  
Dassault Aviation  
Evolution  
Bayerische Motoren Werke  
Tenaris  
Novo Nordisk  
TeamViewer  
Pandora  
Publicis Groupe  
UniCredit

### Authorised Status

The Fund is an authorised unit trust scheme ("the Scheme") under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

### Certification of Financial Statements by Partners of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



**Martin Kearney**

Partner, Chief Risk Officer



**Antony Morrison**

Partner, Head of Finance

Liontrust Fund Partners LLP  
16 December 2024

## Performance Tables (unaudited)

as at 31 October 2024

## Net asset value

Period end	Units in Issue	Net Asset Value (£'000)	Net Asset Value per unit (p)
<b>31 October 2024</b>			
B Income	2,572,705	9,240	359.16
B Income Hedged	326,782	476	145.59
I Accumulation	277,494,397	302,987	109.19
Institutional Income	186,386,799	668,644	358.74
Institutional Income Hedged	16,081,056	22,578	140.40
Retail Income	4,451,780	15,732	353.39
Retail Income Hedged	1,160,529	1,621	139.71
S Accumulation	359,134,676	462,827	128.87
S Class Income	14,939,602	14,506	97.10
<b>30 April 2024</b>			
B Income	2,589,447	9,608	371.04
B Income Hedged	172,035	256	148.74
I Accumulation	102,863,184	115,918	112.69
Institutional Income	187,739,465	694,890	370.14
Institutional Income Hedged	13,388,817	19,169	143.17
Retail Income	4,453,679	16,300	366.00
Retail Income Hedged	1,182,748	1,691	142.99
S Accumulation	406,147,392	539,652	132.87
S Class Income^^	5,000	5	100.44
<b>30 April 2023</b>			
B Income	2,070,678	6,783	327.57
B Income Hedged	143,924	181	125.74
I Accumulation^	3,262,803	3,190	97.77
Institutional Income	150,843,552	492,823	326.71
Institutional Income Hedged	12,986,093	15,694	120.85
Retail Income	5,124,670	16,566	323.27
Retail Income Hedged	1,312,135	1,584	120.74
S Accumulation*	203,142,339	233,834	115.11
<b>30 April 2022</b>			
B Income	1,635,719	4,983	304.66
B Income Hedged	152,378	181	118.75
Institutional Income	98,690,578	299,876	303.85
Institutional Income Hedged	15,819,148	18,042	114.05
Retail Income	11,652,071	35,046	300.78
Retail Income Hedged	2,104,117	2,399	114.01

\* Launched on 12 August 2022

^ Launched on 20 February 2023

^^ Launched on 19 April 2024



# Portfolio Statement (unaudited)

as at 31 October 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (94.36%)</b>	<b>1,489,930</b>	<b>99.42</b>
	<b>BELGIUM (3.01%)</b>	<b>32,631</b>	<b>2.18</b>
1,154,169	Bekaert	32,631	2.18
	<b>DENMARK (10.07%)</b>	<b>159,456</b>	<b>10.64</b>
34,567	AP Moller - Maersk	41,896	2.80
606,024	Novo Nordisk	52,291	3.49
555,908	Pandora	65,269	4.35
	<b>FINLAND (3.49%)</b>	<b>93,194</b>	<b>6.22</b>
738,822	Konecranes	39,243	2.62
3,658,139	Wartsila	53,951	3.60
	<b>FRANCE (21.35%)</b>	<b>308,724</b>	<b>20.60</b>
890,936	Cie de Saint-Gobain	62,430	4.17
1,568,886	Cie Generale des Etablissements Michelin	41,123	2.74
24,936	Hermes International	43,420	2.90
406,046	Ipsen	38,335	2.56
854,730	Publicis Groupe	70,489	4.70
849,393	Renault	29,982	2.00
473,462	TOTAL	22,945	1.53
	<b>GERMANY (9.43%)</b>	<b>123,196</b>	<b>8.22</b>
253,789	adidas	46,763	3.12
3,667,283	Deutsche Bank	48,267	3.22
902,435	Deutsche Post	28,166	1.88
	<b>GREECE (2.32%)</b>	<b>38,371</b>	<b>2.56</b>
2,897,880	OPAP	38,371	2.56
	<b>IRELAND (2.70%)</b>	<b>39,487</b>	<b>2.63</b>
581,962	Kingspan	39,487	2.63
	<b>ITALY (6.56%)</b>	<b>115,849</b>	<b>7.73</b>
3,715,057	Mediobanca Banca di Credito Finanziario	47,591	3.18
1,987,008	UniCredit	68,258	4.55
	<b>LUXEMBOURG (2.57%)</b>	<b>0</b>	<b>0.00</b>

## Portfolio Statement (unaudited) (continued)

as at 31 October 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>EQUITIES (continued)</b>			
<b>NETHERLANDS (8.69%)</b>		<b>92,057</b>	<b>6.14</b>
35,228	Adyen	41,808	2.79
1,963,864	Koninklijke Ahold Delhaize	50,249	3.35
<b>SPAIN (7.96%)</b>		<b>201,327</b>	<b>13.44</b>
961,700	Amadeus IT	54,054	3.61
11,564,720	Banco Santander	43,868	2.93
10,450,545	CaixaBank	49,332	3.29
1,224,806	Industria de Diseño Textil	54,073	3.61
<b>SWEDEN (6.15%)</b>		<b>93,932</b>	<b>6.27</b>
3,844,386	Atlas Copco	48,836	3.26
1,765,399	Trelleborg	45,096	3.01
<b>SWITZERLAND (10.06%)</b>		<b>191,706</b>	<b>12.79</b>
758,959	Logitech International	48,294	3.22
646,500	Novartis	54,549	3.64
39,211	Partners	42,079	2.81
1,959,665	UBS	46,784	3.12
<b>DERIVATIVES (0.01%)</b>		<b>(251)</b>	<b>(0.02)</b>
<b>Forward Currency Contracts (0.01%)</b>		<b>(251)</b>	<b>(0.02)</b>
kr 2,994,391	Danish Krone 2,994,391 vs UK Sterling 335,153	4	0.00
€ 458,554	Euro 458,554 vs UK Sterling 382,329	5	0.00
NOK 2	Norwegian Krone 2 vs UK Sterling 0	0	0.00
SEK 989,708	Swedish Krona 989,708 vs UK Sterling 72,315	0	0.00
CHF 158,854	Swiss Franc 158,854 vs UK Sterling 141,676	1	0.00
£ 3,073,774	UK Sterling 3,073,774 vs Danish Krone 27,471,177	(36)	0.00
£ 2,630,336	UK Sterling 2,630,336 vs Danish Krone 23,205,820	(1)	0.00
£ 17,804,824	UK Sterling 17,804,824 vs Euro 21,339,061	(214)	(0.02)
£ 17,276,312	UK Sterling 17,276,312 vs Euro 20,427,055	5	0.00
£ 132	UK Sterling 132 vs Norwegian Krone 1,839	0	0.00
£ 129	UK Sterling 129 vs Norwegian Krone 1,830	0	0.00
£ 1,689,550	UK Sterling 1,689,550 vs Swedish Krona 22,960,017	20	0.00
£ 1,558,456	UK Sterling 1,558,456 vs Swedish Krona 21,416,920	(1)	0.00
£ 3,437,192	UK Sterling 3,437,192 vs Swiss Franc 3,859,304	(35)	0.00
£ 3,184,666	UK Sterling 3,184,666 vs Swiss Franc 3,527,215	1	0.00

# Portfolio Statement (unaudited) (continued)

as at 31 October 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>DERIVATIVES (continued)</b>			
<b>Forward Currency Contracts (continued)</b>			
£ 386	UK Sterling 386 vs US Dollar 512	0	0.00
£ 380	UK Sterling 380 vs US Dollar 488	0	0.00
<b>Portfolio of investments</b>		<b>1,489,679</b>	<b>99.40</b>
<b>Net other assets</b>		<b>8,932</b>	<b>0.60</b>
<b>Total net assets</b>		<b>1,498,611</b>	<b>100.00</b>

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 30 April 2024.

## Financial Statements (unaudited)

## Statement of Total Return (unaudited)

for the period ended 31 October 2024

	(£'000)	1.5.2024 to 31.10.2024 (£'000)	(£'000)	1.5.2023 to 31.10.2023 (£'000)
Income				
Net capital losses		(65,272)		(32,294)
Revenue	23,092		13,139	
Expenses	(6,323)		(3,568)	
Interest payable and similar charges	(62)		(1)	
Net revenue before taxation	16,707		9,570	
Taxation	(3,253)		(1,792)	
Net revenue after taxation		13,454		7,778
<b>Total return before distributions</b>		<b>(51,818)</b>		<b>(24,516)</b>
Distributions		–		1,685
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>(51,818)</b>		<b>(22,831)</b>

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

for the period ended 31 October 2024

	(£'000)	1.5.2024 to 31.10.2024 (£'000)	(£'000)	1.5.2023 to 31.10.2023 (£'000)
<b>Opening net assets attributable to unitholders</b>		<b>1,397,489</b>		<b>770,655</b>
Amounts received on issue of units	669,594		317,874	
Amounts paid on cancellation of units	(516,708)		(140,826)	
		152,886		177,048
Dilution adjustment		54		–
Change in net assets attributable to unitholders from investment activities		(51,818)		(22,831)
<b>Closing net assets attributable to unitholders</b>		<b>1,498,611</b>		<b>924,872</b>

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

# Financial Statements (unaudited) (continued)

## Balance Sheet (unaudited)

as at 31 October 2024

	31.10.2024 (£'000)	30.4.2024 (£'000)
<b>Assets</b>		
<b>Fixed assets</b>		
Investments	1,489,966	1,318,814
<b>Current assets:</b>		
Debtors	50,488	14,982
Cash and bank balances	4,674	80,936
<b>Total assets</b>	<b>1,545,128</b>	<b>1,414,732</b>
<b>Liabilities</b>		
Investment liabilities	(287)	(3)
<b>Creditors:</b>		
Bank overdrafts	–	(92)
Distribution payable	–	(12,701)
Other creditors	(46,230)	(4,447)
<b>Total liabilities</b>	<b>(46,517)</b>	<b>(17,243)</b>
<b>Net assets attributable to unitholders</b>	<b>1,498,611</b>	<b>1,397,489</b>

## Accounting Policies

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017, the COLL and the Fund's Trust Deed and Prospectus. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2024 and are described in those financial statements.



## Securities Financing Transactions (unaudited)

as at 31 October 2024

### Securities Lending

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

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

### Return and cost

The table below shows the net income earned by the Fund from securities lending activity during the period to 31 October 2024.

	Collective Investment Undertaking (£'000)	Manager of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
<b>Securities lending</b>				
Gross return	24	–	10	34
% of total	70%	0%	30%	100%
Cost	–	–	–	–

### Securities lending

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 October 2024. The income earned from securities lending are also shown for the period ended 31 October 2024. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

	Securities on loan	
% of lendable assets	% of NAV	Income earned (£'000)
2.13	1.99	24

# Securities Financing Transactions (unaudited)(continued)

as at 31 October 2024

## Securities lending (continued)

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 31 October 2024.

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
BNP Paribas	France	7,529	8,282
Citigroup Global Markets Limited	UK	1,930	2,123
Jefferies International	USA	6,386	7,029
Merrill Lynch International	UK	14,052	15,036
<b>Total</b>		<b>29,897</b>	<b>32,470</b>

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

## Collateral

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

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions, as at 31 October 2024.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
<b>Securities lending transactions</b>				
CHF	-	-	2,107	-
EUR	-	-	3,539	-
GBP	-	-	5,197	-
HKD	-	-	15,036	-
JPY	-	-	4,673	-
USD	-	-	1,918	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>32,470</b>	<b>-</b>

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

## Securities Financing Transactions (unaudited)(continued)

as at 31 October 2024

### Collateral (continued)

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 October 2024.

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Collateral received - securities lending							
Equities							
Recognised equity index	—	—	—	—	—	32,470	32,470
Total	—	—	—	—	—	32,470	32,470

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

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

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

As at 31 October 2024, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 October 2024.

Issuer	Value (£'000)	% of the Fund's NAV
Merrill Lynch International	15,036	1.01
BNP Paribas Financial Markets	8,282	0.55
Jefferies International Ltd	7,029	0.47
Citigroup Global Markets Limited	2,123	0.14
<b>Total</b>	<b>32,470</b>	<b>2.17</b>

## Additional Information (unaudited)

**Trust Deed:** The Fund was established by a Trust Deed made between the Manager and the Trustee dated 6 September 2006.

**Prospectus:** Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, [www.liontrust.co.uk](http://www.liontrust.co.uk).

**Unit type:** The Fund issues income and accumulation units. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

**Pricing and dealing:** For the Liontrust European Dynamic Fund a single price is calculated and units in the Fund will be bought or sold at this same single price.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

The minimum initial lump sum investment in the Fund is £1,000, the minimum additional investment is £1,000 and the amount you may sell back to the Manager at any one time is £500. Please refer to the Prospectus for more details.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Fund Partners LLP at PO Box 373, Darlington, DL1 9RQ. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority or other financial regulator.

**Management charges and spreads:** The initial charge and annual management fees per unit class are detailed below.

Initial charge	%	Ongoing charges figure*	%	Included within the OCF is the Annual Management Charge**	%
B Income	up to 5	B Income	1.11	B Income	1.00
B Income Hedged	up to 5	B Income Hedged	1.11	B Income Hedged	1.00
I Accumulation	Nil	I Accumulation	0.86	I Accumulation	0.75
Institutional Income	Nil	Institutional Income	0.86	Institutional Income	0.75
Institutional Income Hedged	Nil	Institutional Income Hedged	0.86	Institutional Income Hedged	0.75
Retail Income	up to 5	Retail Income	1.61	Retail Income	1.50
Retail Income Hedged	up to 5	Retail Income Hedged	1.61	Retail Income Hedged	1.50
S Accumulation	Nil	S Accumulation	0.71	S Accumulation	0.60
S Class Income	Nil	S Class Income	0.71	S Class Income	0.60

\* The OCF covers all aspects of operating a Fund during the course of its financial period. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another Fund.

\*\* These are the annual costs of running and managing the Fund.

**Publication of prices:** The price of units in the Fund is quoted on our website, [www.liontrust.co.uk](http://www.liontrust.co.uk) and other industry websites such as [www.trustnet.com](http://www.trustnet.com). Daily and historic Fund prices are available from our Dealing and Administration team on 0344 892 0349.

**Capital Gains Tax:** As an authorised unit trust, any capital gains made within the Fund is exempt from UK Capital Gains Tax. An individual investor is subject to capital gains tax on gains made on their investment, however an individual's first £3,000 of net gains on disposals in the 2024-2025 tax year are exempt from tax (2023-2024: £6,000).

## Additional Information (unaudited) (continued)

**Income Tax:** UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.

UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate taxpayer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

**Assessment of Value:** The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Fund and other UK-domiciled funds managed by Liontrust will be conducted as at 30 June each year, with a publication deadline of end of October. The assessment of value report can be viewed on the Liontrust website [www.liontrust.co.uk/learning/assessment-of-value](http://www.liontrust.co.uk/learning/assessment-of-value).

**Task Force on Climate-Related Disclosures (TCFD) Product Reports:** Under the rules of the Financial Conduct Authority (FCA), Liontrust is required to publish information annually on product level (fund) TCFD disclosures so that investors may have a better understanding of the climate-related risks and opportunities associated with this Fund and its underlying holdings. This report is published in line with the requirements of the FCA and TCFD. The individual TCFD Product Reports can be viewed within the individual Fund pages on the Liontrust website ([www.liontrust.co.uk/our-funds](http://www.liontrust.co.uk/our-funds)).

**Important information:** Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term.





Liontrust Fund Partners LLP

PO Box 373, Darlington, DL1 9RQ



0344 892 0349



Facsimile 0207 964 2562



Liontrustadmin@bnymellon.com

**LIONTRUST** 

Liontrust Fund Partners LLP is authorised and regulated by the Financial Conduct Authority.