

Investment Fund Services

# IFSL Marlborough Global Bond Fund

Interim Report and Unaudited Financial  
Statements

for the six month period ended 20 August 2024

## **IFSL MARLBOROUGH GLOBAL BOND FUND**

### **CONTACT INFORMATION**

#### **Authorised Fund Manager (AFM)**

Investment Fund Services Limited (IFSL)  
Marlborough House  
59 Chorley New Road  
Bolton  
BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

#### **Directors of IFSL**

Andrew Staley (Non-Executive)  
Allan Hamer  
Dom Clarke  
Helen Redmond  
Sally Helston  
Katherine Damsell (Independent Non-Executive)  
Sarah Peaston (Independent Non-Executive)

#### **Investment Manager**

Marlborough Investment Management Limited  
PO Box 1852  
Lichfield  
Staffordshire  
WS13 8XU

Authorised and regulated by the Financial Conduct Authority.

#### **Depositary** (in its capacity as Trustee)

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

#### **Administrator and Registrar** (from 1 June 2024)

SS&C Financial Services International Limited  
Marlborough House  
59 Chorley New Road  
Bolton  
BL1 4QP

#### **Administrator and Registrar** (to 1 June 2024)

Investment Fund Services Limited (IFSL)  
Marlborough House  
59 Chorley New Road  
Bolton  
BL1 4QP

#### **Auditor**

Ernst & Young LLP  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

**IFSL MARLBOROUGH GLOBAL BOND FUND**

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## IFSL MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 August 2024

#### Performance to 20 August 2024

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough Global Bond Fund	3.00%	7.96%	(4.00)%	(3.63)%
IA Global Mixed Bond sector	3.43%	8.32%	(3.01)%	(1.56)%

External Source of Economic Data: Morningstar (P Income - quoted price to quoted price, net income reinvested).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

#### Investment commentary

##### Performance statement

The fund returned 3.0% in the 6-months to 20th August 2024, underperforming its peer group benchmark\*, the Investment Association Global Mixed Bond sector, which returned 3.4%.

##### Fund performance review

The fund suffered from the rise in yields\* during March given its duration stance which was longer than the benchmark at the time. The fund's non-sterling currency positions also dragged on returns as sterling was one of the best performing currencies over the period resulting in foreign exchange losses from non-sterling positions notably those in the US dollar and euro. Relative to the peer group it is likely that the fund had less exposure to the tightening in credit spreads\* resulting in some further lagging performance against the benchmark. Later in the period the fund's significantly increased duration\* position in an environment of falling yields was a material performance boost.

##### Fund activity

From May onwards we adjudged the risks as increasingly skewed towards lower rates and weaker risk assets, including corporate and high yield\* bonds. As a result, position changes from this point onward consisted of an ongoing reduction of exposure to corporate fixed income\* positions. The capital raised from these sales was deployed into increased duration positions in the core markets of US, UK and Germany – mostly via the purchase of 10 Year securities. Our concern over matters of a fiscal and political nature in many of the Eurozone countries led us to sell all our non-core Euro government bonds and invest the proceeds into the safest positions, being 10 Year and 30 Year German Bunds. In currency terms our increasingly defensive posture resulted in our increasing exposure to the US dollar and Japanese yen, being the most prized currencies during any period of flight-to-quality.

##### Market review

Global government bond yields fell in aggregate over the period but that fact masks two distinct market environments. Spring contained several upside surprises to US inflation data which ignited fears that the US Federal (Fed') interest rate would need to remain higher for an extended period or indeed may have to be raised further. This saw bond yields rise to the end of April with the benchmark 10 Year US yield reaching a high of 4.7% around this time.

Those fears however proved unfounded as subsequent data re-affirmed the prior trend of disinflation and normalisation which provided welcome relief for bond investors. As the period wore on this trend continued and ultimately resulted in reassurance from the Fed and other major global central banks as they moved from inflation-fighting mode towards a rate lowering stance.

The European Central Bank, the Bank of England, the Swiss National Bank, the Swedish Riksbank and the Bank of Canada all eased monetary policy during this period and to varying degrees expressed their intention to continue doing so while ever the data supported such a stance. In stark contrast to this trend of easing the Bank of Japan increased rates twice over the period. This saw Japanese yields rise relative to global yields and saw a significant appreciation of the Japanese yen.

Risk assets tended to perform well during the period – despite increasing concern in some quarters that the economic outlook was worsening. By the end of August, the spread of corporate bond yields versus government bond yields – a traditional measure of risk appetite – remained very tight though some distance from the tightest levels of the year.

##### Investment outlook

Our macroeconomic and bond market valuation analyses strongly suggest to us that the outlook for returns in the bond market is solid – driven by a normalisation of the post-pandemic supply and demand shocks which drove inflation to such elevated levels. Central banks will increasingly act as a tailwind for bond prices as they ease monetary policy in line with reduced inflation and slowing economic activity. The same analysis however also informs our belief that the riskier segments of the bond market are not amply compensating investors for the risks which lie ahead. We therefore favour an increased position in the safest assets – government bonds – and where we elect to take credit risk, we will continue to do so in companies with stronger balance sheets where default risk is low. Hence the tight spreads are more appropriately compensating for that default risk.

## IFSL MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 August 2024

#### Investment commentary (continued)

##### Explanation of Terms\*

Benchmark – Comparator for performance purposes.

Fixed income bonds - A loan in the form of a security, usually issued by a government or company, which normally pays a fixed rate of interest over a given time period, at the end of which the initial amount borrowed is repaid. Also referred to as a bond.

Yield - A general term that relates to the return on the capital you invest in a bond. Price and yield are inversely related: As the price of a bond goes up, its yield goes down, and vice versa.

Duration - A measure of the sensitivity of a fixed income security or bond fund to changes in interest rates. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements.

Credit spreads - Measures the difference in yields paid on government bonds, viewed as being lower risk, and bonds issued by companies, considered higher risk. 'Tightening' implies the difference is reducing.

High Yield – a fixed income asset class containing bonds that pay higher interest rates because they have lower credit ratings than higher quality, investment-grade bonds.

Marlborough Investment Management Limited  
20 August 2024

#### Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per unit)</u>				
Net income paid 20 April	1.754512	1.708535	1.435229	1.253314
Net income paid 20 October	1.741262	1.704991	1.532859	1.306591
<u>A Accumulation (pence per unit)</u>				
Net accumulation paid 20 April	3.408307	3.239329	2.658882	2.289132
Net accumulation paid 20 October	3.428503	3.268254	2.872588	2.403248
<u>P Income (pence per unit)</u>				
Net income paid 20 April	2.267270	2.233095	2.021849	1.864116
Net income paid 20 October	2.252997	2.214094	2.067765	1.883600
<u>P Accumulation (pence per unit)</u>				
Net accumulation paid 20 April	3.254655	3.101019	2.728787	2.456589
Net accumulation paid 20 October	3.287792	3.125136	2.829889	2.511565

## IFSL MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 August 2024

#### Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
US Treasury 4.375% 15.05.34	16,672,269
Germany (Federal Republic of) 2.2% 15.02.34	15,456,042
Japan 2.2% 20.06.54	6,847,698
UK Treasury 4.625% 31.01.34	6,500,533
Germany (Federal Republic of) 0.1% 15.04.33	4,290,161
France OAT 2.5% 25.05.43	3,763,244
Germany (Federal Republic of) 2.5% 15.08.54	3,195,616
Germany (Federal Republic of) 2.5% 19.03.26	2,719,331
UK Treasury 3.25% 22.01.44	2,516,370
US Treasury 4.5% 31.03.26	2,373,019
Other purchases	17,084,475
Total purchases for the period	81,418,758
<u>Largest sales</u>	<u>Proceeds (£)</u>
UK Treasury 4.5% 07.06.28	7,098,100
France OAT 3% 25.05.33	6,839,155
UK Treasury 3.5% 22.10.25	4,918,410
US Treasury 4.25% 31.01.26	4,711,111
US Treasury 3.375% 15.05.33	4,428,127
US Treasury 3.375% 15.05.44	4,036,144
France OAT 2.5% 25.05.43	3,573,913
Germany (Federal Republic of) 2.5% 13.03.25	3,415,176
Germany (Federal Republic of) 2.5% 19.03.26	2,726,321
Spain (Kingdom of) 3.9% 30.07.39	2,588,899
Other sales	83,263,487
Total sales for the period	127,598,843

## **IFSL MARLBOROUGH GLOBAL BOND FUND**

### **AUTHORISED STATUS**

IFSL Marlborough Global Bond Fund (the Fund) is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000 and is a UCITS scheme operating under the Collective Investment Schemes Sourcebook (COLL) as issued by the Financial Conduct Authority.

### **GENERAL INFORMATION**

#### **Investment objective**

The investment objective of the Fund is to provide both income, that is money paid out from an investment as interest, and capital growth, that is to increase the value of your investment. The Fund aims to outperform the average of the IA Global Mixed Bond sector over any 5 year period, after any charges have been taken out of the Fund. However, there is no certainty this will be achieved.

#### **Investment policy**

The Fund is actively managed which means the Investment Manager decides which investments to buy or sell and when.

At least 80% of the Fund will be invested in bonds. This will include bonds issued by companies, governments and institutions.

Investments will include both investment grade bonds, which are loans issued by entities that have a high capacity to repay the debt, as well as sub-investment grade bonds which can be more vulnerable to changing economic conditions.

The Fund may also invest in shares (including preference shares and permanent interest-bearing shares), bonds which may be converted into shares (known as convertible bonds) and money market instruments (short term loans typically issued by governments and corporations).

The Fund invests in a diversified portfolio of securities and has no constraints in relation to country or industry.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities (including the redemption of units), for the efficient management of the portfolio or in pursuit of the Fund's investment objective.

The Fund may use derivatives (instruments whose returns are linked to another asset, market or other variable factor) in order to reduce currency risk in the Fund, also known as hedging, and for investment purposes, in order to help the Fund meet its investment objective. From time to time, the Fund may also use derivatives to manage interest rate risk in the Fund. The Fund will not always hold these instruments however at times they may be held for extended periods.

#### **Investment strategy**

The Investment Manager monitors and assesses the key factors influencing performance of the IA Global Mixed Bond sector, such as credit quality, which is the measure of financial solvency of the entity issuing a bond, and duration, which is a measure of the sensitivity of bond investments to changes in interest rates. The Investment Manager responds to these factors to position the Fund in pursuit of its objectives.

The Investment Manager invests in a well-diversified selection of bonds with no size, structural or sector bias of the entities issuing the bonds and aims to buy and hold them to maturity in order to maximise the income generated, although some investments may be sold prior to maturity.

#### **Performance target**

The performance target is the level of performance the Fund aims to deliver however there is no certainty this will be achieved.

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics. The Fund will be in the IA Global Mixed Bond sector. This Fund aims to be in the top half of all funds included in this sector, as published by Morningstar.

#### **Rights and terms attaching to each unit class**

A unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

## IFSL MARLBOROUGH GLOBAL BOND FUND

### Task force on climate-related financial disclosures

A statement of the climate-related financial disclosures is published on the website <https://www.ifslfunds.com/tcf-reporting>.

### Changes in prospectus

No significant changes have been made since the last annual report.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the AFM's range, can be requested by the investor at any time.

### DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



Allan Hamer  
Director



Helen Redmond  
Director

Investment Fund Services Limited  
14 October 2024

IFSL MARLBOROUGH GLOBAL BOND FUND

COMPARATIVE TABLE

<b><u>A Income units</u></b>	<b>Period to 20.08.2024</b>	<b>Year to 20.02.2024</b>	<b>Year to 20.02.2023</b>	<b>Year to 20.02.2022</b>
<b>Change in net assets per unit</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	134.24	136.34	145.60	153.98
Return before operating charges*	4.40	2.93	(4.39)	(3.85)
Operating charges	(0.78)	(1.57)	(1.63)	(1.79)
Return after operating charges*	3.62	1.36	(6.02)	(5.64)
Distributions on income units	(1.74)	(3.46)	(3.24)	(2.74)
Closing net asset value per unit	136.12	134.24	136.34	145.60

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 2.70% 1.00% (4.13)% (3.66)%

**Other information**

Closing net asset value (£) 6,242,898 7,205,413 11,447,454 15,497,636  
 Closing number of units 4,586,437 5,367,419 8,396,012 10,644,121  
 Operating charges 1.16%<sup>B</sup> 1.17% 1.17% 1.17%  
 Direct transaction costs 0.00% 0.00% 0.00% 0.00%

**Prices** (pence per unit)

Highest unit price 140.34 138.27 147.36 157.65  
 Lowest unit price 133.55 129.93 132.38 147.42

**A Accumulation units**

<b>Change in net assets per unit</b>	<b>Period to 20.08.2024</b>	<b>Year to 20.02.2024</b>	<b>Year to 20.02.2023</b>	<b>Year to 20.02.2022</b>
	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	264.42	261.64	272.94	283.44
Return before operating charges*	8.67	5.82	(8.23)	(7.20)
Operating charges	(1.54)	(3.04)	(3.07)	(3.30)
Return after operating charges*	7.13	2.78	(11.30)	(10.50)
Distributions on income units	(3.43)	(6.68)	(6.11)	(5.06)
Retained distributions on accumulation units	3.43	6.68	6.11	5.06
Closing net asset value per unit	271.55	264.42	261.64	272.94

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 2.70% 1.06% (4.14)% (3.70)%

**Other information**

Closing net asset value (£) 7,464,579 7,454,980 11,975,083 13,979,434  
 Closing number of units 2,748,904 2,819,356 4,576,949 5,121,807  
 Operating charges 1.16%<sup>B</sup> 1.17% 1.17% 1.17%  
 Direct transaction costs 0.00% 0.00% 0.00% 0.00%

**Prices** (pence per unit)

Highest unit price 276.27 268.68 276.12 290.60  
 Lowest unit price 262.91 252.48 250.76 273.54

<sup>A</sup> The return after charges is calculated using the underlying investments bid prices.

<sup>B</sup> These figures have been annualised.

**IFSL MARLBOROUGH GLOBAL BOND FUND**
**COMPARATIVE TABLE**

<b><u>P Income units</u></b>	<b>Period to 20.08.2024</b>	<b>Year to 20.02.2024</b>	<b>Year to 20.02.2023</b>	<b>Year to 20.02.2022</b>
<b>Change in net assets per unit</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	134.36	136.48	145.74	154.15
Return before operating charges*	4.42	2.92	(4.38)	(3.86)
Operating charges	(0.28)	(0.56)	(0.58)	(0.64)
Return after operating charges*	4.14	2.36	(4.96)	(4.50)
Distributions on income units	(2.25)	(4.48)	(4.30)	(3.91)
Closing net asset value per unit	136.25	134.36	136.48	145.74

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 3.08% 1.73% (3.40)% (2.92)%

**Other information**

Closing net asset value (£)	44,421,609	46,544,524	53,226,497	67,402,131
Closing number of units	32,604,063	34,641,882	39,000,799	46,248,630
Operating charges	0.41% <sup>B</sup>	0.42%	0.42%	0.42%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	140.94	138.75	147.53	158.30
Lowest unit price	133.85	130.14	132.68	148.13

**P Accumulation units**

<b>Change in net assets per unit</b>	<b>Period to 20.08.2024</b>	<b>Year to 20.02.2024</b>	<b>Year to 20.02.2023</b>	<b>Year to 20.02.2022</b>
	<b>pence</b>	<b>pence</b>	<b>pence</b>	<b>pence</b>
Opening net asset value per unit	196.29	192.77	199.58	205.71
Return before operating charges*	6.45	4.32	(6.00)	(5.27)
Operating charges	(0.41)	(0.80)	(0.81)	(0.86)
Return after operating charges*	6.04	3.52	(6.81)	(6.13)
Distributions on income units	(3.29)	(6.38)	(5.93)	(5.24)
Retained distributions on accumulation units	3.29	6.38	5.93	5.24
Closing net asset value per unit	202.33	196.29	192.77	199.58

\* after direct transaction costs of: - - - -

**Performance**

Return after charges<sup>A</sup> 3.08% 1.83% (3.41)% (2.98)%

**Other information**

Closing net asset value (£)	111,733,525	159,272,482	197,320,134	226,458,606
Closing number of units	55,223,380	81,142,514	102,362,788	113,465,174
Operating charges	0.41% <sup>B</sup>	0.42%	0.42%	0.42%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

**Prices (pence per unit)**

Highest unit price	205.75	199.19	201.92	212.14
Lowest unit price	195.39	186.83	184.27	199.98

<sup>A</sup> The return after charges is calculated using the underlying investments bid prices.

<sup>B</sup> These figures have been annualised.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each unit class in the period. Where it is considered unsuitable to use the total expenses paid by each unit class in the period to calculate the OCF because of material changes to the Fund's charges an estimate will be calculated instead. The OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, [www.ifslfunds.com](http://www.ifslfunds.com)) give an estimate of future costs.

Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the fund. These amounts are expressed as a percentage of the average net asset value over the period and the average units in issue for the pence per unit figures.

**IFSL MARLBOROUGH GLOBAL BOND FUND**

**SYNTHETIC RISK AND REWARD INDICATOR** (all unit classes)



This indicator aims to give you a measure of the price movement of the Fund based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio are used.

The Fund has been measured as 4 because its investments have experienced moderate volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

**IFSL MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 August 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>AUSTRALIA</b> (20 February 2024 - 2.01%)				
AUD	1,100,000	Australia (Commonwealth of) 0.25% 21.11.24	563,717	0.33
AUD	5,200,000	Australia (Commonwealth of) 2.75% 21.05.41	2,201,287	1.30
AUD	1,070,000	General Property Trust 3.657% 24.08.26	540,709	0.32
USD	500,000	Glencore Funding 6.375% 06.10.30	409,807	0.24
USD	650,000	Xstrata Finance Canada 6% 15.11.41	504,656	0.30
Total Australia			4,220,176	2.49
<b>AUSTRIA</b> (20 February 2024 - 0.14%)				
EUR	472,428	Kaerntner Ausgleichszahlungs-Fonds 0% 14.01.32	318,971	0.19
Total Austria			318,971	0.19
<b>BELGIUM</b> (20 February 2024 - 0.30%)				
USD	512,000	Anheuser-Busch InBev Worldwide 4.439% 06.10.48	357,863	0.21
USD	400,000	Anheuser-Busch InBev Worldwide 4.95% 15.01.42	304,454	0.18
Total Belgium			662,317	0.39
<b>CANADA</b> (20 February 2024 - 2.88%)				
CAD	3,300,000	Canada 3% 01.06.34	1,853,412	1.09
USD	1,200,000	Canadian Pacific Railway 2.875% 15.11.29	851,929	0.50
USD	850,000	Nutrien 4.125% 15.03.35	599,929	0.35
GBP	1,600,000	Royal Bank of Canada 1.375% 09.12.24	1,579,104	0.93
USD	2,000,000	Royal Bank of Canada 4.24% 03.08.27	1,529,014	0.90
USD	1,000,000	Toronto-Dominion Bank 3.625% 15.09.31	744,134	0.44
USD	500,000	Toronto-Dominion Bank 4.994% 05.04.29	390,943	0.23
Total Canada			7,548,465	4.44
<b>CHINA</b> (20 February 2024 - 0.47%)				
USD	1,400,000	Industrial & Commercial Bank of China 1.2% 09.09.25	1,042,375	0.61
Total China			1,042,375	0.61
<b>CZECH REPUBLIC</b> (20 February 2024 - 0.21%)				
USD	650,000	CEZ 5.625% 03.04.42	464,543	0.27
Total Czech Republic			464,543	0.27
<b>DENMARK</b> (20 February 2024 - 0.40%)				
GBP	1,500,000	Danske Bank 6.5% 23.08.28	1,571,250	0.93
Total Denmark			1,571,250	0.93
<b>FINLAND</b> (20 February 2024 - 0.27%)				
USD	725,000	UPM-Kymmene 7.45% 26.11.27	592,115	0.35
Total Finland			592,115	0.35
<b>FRANCE</b> (20 February 2024 - 6.13%)				
<b>GERMANY</b> (20 February 2024 - 4.26%)				
USD	1,100,000	Bayer US Finance II 5.5% 15.08.25	843,484	0.50
DKK	10,000,000	Deutsche Finance (Netherlands) 0% 18.11.26	1,027,059	0.60
USD	410,000	E.ON International Finance 6.65% 30.04.38	348,255	0.21
EUR	4,345,000	Germany (Federal Republic of) 0.1% 15.04.33	4,343,540	2.56
EUR	18,914,000	Germany (Federal Republic of) 2.2% 15.02.34	16,089,517	9.47
EUR	4,000,000	Germany (Federal Republic of) 2.5% 15.08.54	3,430,008	2.02
EUR	1,150,000	Germany (Federal Republic of) 2.6% 15.08.34	1,010,227	0.59
GBP	550,000	innogy Finance 6.25% 03.06.30	586,597	0.35
USD	650,000	Rheinland-Pfalz Bank 6.875% 23.02.28	533,246	0.31
EUR	700,000	Volkswagen International Finance 3.875% Perp	579,413	0.34
Total Germany			28,791,346	16.95

**IFSL MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 August 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
		<b>ISRAEL</b> (20 February 2024 - 0.10%)		
EUR	253,000	Teva Pharmaceutical Finance Netherlands II 4.5% 01.03.25	215,017	0.13
		Total Israel	<u>215,017</u>	<u>0.13</u>
		<b>ITALY</b> (20 February 2024 - 3.70%)		
EUR	400,000	Enel Finance International 0.875% 17.06.36	248,699	0.15
USD	500,000	Enel Finance International 5.5% 15.06.52	373,446	0.22
		Total Italy	<u>622,145</u>	<u>0.37</u>
		<b>JAPAN</b> (20 February 2024 - Nil)		
JPY	1,302,250,000	Japan 2.2% 20.06.54	6,939,757	4.09
		Total Japan	<u>6,939,757</u>	<u>4.09</u>
		<b>MEXICO</b> (20 February 2024 - 0.29%)		
		<b>NETHERLANDS</b> (20 February 2024 - 1.52%)		
USD	400,000	Koninklijke Philips 6.875% 11.03.38	350,208	0.21
		Total Netherlands	<u>350,208</u>	<u>0.21</u>
		<b>NEW ZEALAND</b> (20 February 2024 - 0.09%)		
NZD	457,000	New Zealand 3% 20.04.29	208,267	0.12
		Total New Zealand	<u>208,267</u>	<u>0.12</u>
		<b>NORWAY</b> (20 February 2024 - 0.14%)		
USD	365,000	Norsk Hydro 7.25% 23.09.27	303,149	0.18
		Total Norway	<u>303,149</u>	<u>0.18</u>
		<b>QATAR</b> (20 February 2024 - 0.98%)		
USD	400,000	Ooredoo International Finance 3.875% 31.01.28	301,251	0.18
USD	174,300	Ras Laffan Liquefied Natural Gas III 5.838% 30.09.27	135,116	0.08
		Total Qatar	<u>436,367</u>	<u>0.26</u>
		<b>REPUBLIC OF IRELAND</b> (20 February 2024 - 1.03%)		
USD	1,000,000	Avolon Holdings Funding 4.375% 01.05.26	756,800	0.45
USD	925,000	Smurfit Kappa Treasury Funding 7.5% 20.11.25	728,691	0.43
		Total Republic of Ireland	<u>1,485,491</u>	<u>0.88</u>
		<b>SINGAPORE</b> (20 February 2024 - 0.12%)		
		<b>SOUTH KOREA</b> (20 February 2024 - 0.63%)		
USD	1,000,000	Export-Import Bank of Korea 3.25% 10.11.25	756,982	0.45
AUD	1,200,000	Export-Import Bank of Korea 4% 07.06.27	612,969	0.36
		Total South Korea	<u>1,369,951</u>	<u>0.81</u>
		<b>SPAIN</b> (20 February 2024 - 2.78%)		
		<b>SWEDEN</b> (20 February 2024 - 0.29%)		
GBP	667,000	Svenska Handelsbanken 4.625% 23.08.32	647,824	0.38
		Total Sweden	<u>647,824</u>	<u>0.38</u>
		<b>SWITZERLAND</b> (20 February 2024 - 0.58%)		
EUR	800,000	Holcim Finance (Luxembourg) 0.5% 03.09.30	572,593	0.34
		Total Switzerland	<u>572,593</u>	<u>0.34</u>
		<b>UKRAINE</b> (20 February 2024 - Nil)		
USD	247,671	Avangardco Investments Public 10% 29.10.18	206	-
		Total Ukraine	<u>206</u>	<u>-</u>

**IFSL MARLBOROUGH GLOBAL BOND FUND**

**PORTFOLIO STATEMENT**

as at 20 August 2024

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>UNITED ARAB EMIRATES (20 February 2024 - 0.01%)</b>				
USD	11,900	Emirates Airline 4.5% 06.02.25	9,094	0.01
		Total United Arab Emirates	9,094	0.01
<b>UNITED KINGDOM (20 February 2024 - 17.32%)</b>				
GBP	1,000,000	Aberdeen 5.25% Perp	860,000	0.51
GBP	250,000	Anglian Water (Osprey) Financing 4% 08.03.26	235,163	0.14
USD	650,000	Ashtead Capital 4% 01.05.28	481,745	0.28
USD	1,600,000	AstraZeneca Finance 2.25% 28.05.31	1,070,309	0.63
USD	1,000,000	AstraZeneca Finance 4.85% 26.02.29	783,993	0.46
GBP	550,000	Barclays 3% 08.05.26	532,818	0.31
USD	1,000,000	Barclays 4.972% 16.05.29	769,730	0.45
USD	1,500,000	British Telecommunications 3.25% 08.11.29	1,079,750	0.64
USD	200,000	British Telecommunications 9.125% 15.12.30	192,082	0.11
GBP	750,000	Bruntwood Bond 2 6% 25.02.25	739,808	0.44
GBP	198,000	Centrica 7% 19.09.33	223,447	0.13
GBP	120,000	Coventry Building Society 12.125% PIBS	207,600	0.12
GBP	500,000	CRH Finance (UK) 4.125% 02.12.29	487,495	0.29
USD	1,000,000	HSBC Holdings 5.402% 11.08.33	785,269	0.46
GBP	500,000	InterContinental Hotels Group 3.375% 08.10.28	470,955	0.28
GBP	37,599	Johnston Press Bond 8.625% 01.06.19 <sup>A</sup>	-	-
USD	500,000	Lloyds Banking Group 3.574% 07.11.28	370,619	0.22
USD	1,000,000	Lloyds Banking Group 4.976% 11.08.33	763,058	0.45
GBP	700,000	NatWest Group 3.125% 28.03.27	679,875	0.40
USD	500,000	NatWest Group 7.472% 10.11.26	393,313	0.23
GBP	500,000	Next 3.625% 18.05.28	481,125	0.28
GBP	850,000	NGG Finance 5.625% 18.06.73	847,875	0.50
USD	330,000	Reynolds American 8.125% 01.05.40	298,024	0.18
GBP	1,000,000	Santander UK Group Holdings 7.098% 16.11.27	1,037,610	0.61
GBP	256,000	Telereal Securitisation 4.9741% 10.09.27	253,980	0.15
EUR	1,650,000	Thomas Cook Group 6.25% 15.06.22	12,304	0.01
GBP	3,000,000	UK Treasury 3.25% 22.01.44	2,551,785	1.50
GBP	1,000,000	UK Treasury 4.375% 31.07.54	982,045	0.58
GBP	6,250,000	UK Treasury 4.625% 31.01.34	6,577,156	3.87
		Total United Kingdom	24,168,933	14.23
<b>UNITED STATES (20 February 2024 - 43.37%)</b>				
USD	1,000,000	AbbVie 4.4% 06.11.42	707,673	0.42
USD	750,000	AbbVie 4.75% 15.03.45	548,887	0.32
USD	1,650,000	Aflac 6.45% 15.08.40	1,402,554	0.83
USD	1,500,000	Amazon.com 4.95% 05.12.44	1,172,684	0.69
USD	750,000	American Honda Finance 2.15% 10.09.24	575,629	0.34
USD	500,000	American Tower 5.25% 15.07.28	391,228	0.23
USD	500,000	American Tower 5.55% 15.07.33	398,518	0.23
USD	657,000	Amgen 2.77% 01.09.53	326,728	0.19
USD	1,500,000	Andeavor 5.125% 15.12.26	1,132,703	0.67
USD	1,400,000	Aon 4.5% 15.12.28	1,071,927	0.63
USD	170,000	Appalachian Power 6.375% 01.04.36	140,109	0.08
USD	480,000	Appalachian Power 7% 01.04.38	426,329	0.25
USD	1,050,000	AvalonBay Communities 3.3% 01.06.29	766,570	0.45
USD	750,000	Bank of America 4.183% 25.11.27	566,546	0.33
USD	1,000,000	Boardwalk Pipelines 4.45% 15.07.27	762,522	0.45
EUR	1,400,000	Celanese US Holdings 1.25% 11.02.25	1,177,631	0.69
USD	1,000,000	Centene 4.625% 15.12.29	745,953	0.44
USD	300,000	CenterPoint Energy Resources 4% 01.04.28	226,291	0.13
USD	1,170,000	CenterPoint Energy Resources 5.85% 15.01.41	934,133	0.55
USD	1,500,000	CF Industries 4.5% 01.12.26	1,141,585	0.67
USD	1,200,000	CNA Financial 3.9% 01.05.29	889,281	0.52

**IFSL MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 August 2024

Holding or nominal value		Bid value £	Percentage of total net assets %	
<b>UNITED STATES</b> (continued)				
USD	750,000	CVS Health 6.125% 15.09.39	602,154	0.35
USD	1,107,000	Dell 8.1% 15.07.36	1,046,211	0.62
USD	1,000,000	Delta Air Lines 2.9% 28.10.24	762,295	0.45
USD	500,000	DTE Energy 4.875% 01.06.28	388,519	0.23
USD	1,600,000	Eastern Gas Transmission and Storage 3% 15.11.29	1,138,395	0.67
GBP	800,000	Ford Motor Credit Co 4.535% 06.03.25	793,304	0.47
USD	1,600,000	Georgia Power 3.25% 01.04.26	1,205,464	0.71
USD	500,000	Hilton Domestic Operating Company 4.875% 15.01.30	374,899	0.22
EUR	400,000	IBM 3.625% 06.02.31	348,926	0.21
USD	1,100,000	Las Vegas Sands 3.9% 08.08.29	790,974	0.47
USD	800,000	Liberty Mutual Group 3.951% 15.10.50	427,466	0.25
USD	1,000,000	McDonald's 6.3% 01.03.38	863,053	0.51
USD	1,362,000	Microsoft 2.921% 17.03.52	757,100	0.45
USD	1,238,000	Microsoft 3.45% 08.08.36	868,329	0.51
USD	600,000	Molson Coors Brewing 5% 01.05.42	441,842	0.26
USD	500,000	Morgan Stanley 5.164% 20.04.29	389,553	0.23
USD	500,000	Morgan Stanley 5.25% 21.04.34	390,614	0.23
EUR	600,000	Netflix 3.625% 15.06.30	516,812	0.30
USD	1,500,000	NVIDIA 2% 15.06.31	1,009,331	0.59
USD	1,000,000	Owens Corning 7% 01.12.36	893,016	0.53
USD	927,000	Packaging Corp of America 3.65% 15.09.24	711,587	0.42
USD	1,600,000	PepsiCo 1.4% 25.02.31	1,025,614	0.60
USD	2,000,000	Pfizer 4.45% 19.05.28	1,544,801	0.91
USD	1,000,000	Prologis 3.25% 01.10.26	748,111	0.44
USD	1,500,000	Prologis 4% 15.09.28	1,133,380	0.67
USD	500,000	Realty Income 3.1% 15.12.29	357,458	0.21
EUR	500,000	Realty Income 4.875% 06.07.30	450,389	0.27
USD	1,000,000	Roche Holdings 2.607% 13.12.51	504,667	0.30
USD	1,100,000	Rockies Express Pipeline 4.95% 15.07.29	806,802	0.47
GBP	500,000	Rolls-Royce 5.75% 15.10.27	508,845	0.30
USD	817,000	Seagate HDD Cayman 4.091% 01.06.29	592,166	0.35
USD	1,000,000	Sempra Energy 3.4% 01.02.28	738,973	0.43
USD	800,000	TerraForm Power Operating 5% 31.01.28	598,300	0.35
USD	400,000	Time Warner Cable 6.55% 01.05.37	301,336	0.18
USD	500,000	T-Mobile USA 4.8% 15.07.28	386,413	0.23
USD	500,000	Toyota Motor Credit 4.55% 20.09.27	386,397	0.23
USD	750,000	Unum Group 6.75% 15.12.28	604,874	0.36
USD	6,000,000	US Treasury 3.25% 15.05.42	4,051,794	2.38
USD	6,000,000	US Treasury 3.5% 15.02.33	4,494,463	2.65
USD	1,600,000	US Treasury 3.875% 15.08.34	1,230,053	0.72
USD	1,006,000	US Treasury 4% 31.07.29	781,979	0.46
USD	21,083,000	US Treasury 4.375% 15.05.34	16,856,794	9.92
EUR	500,000	VF 0.625% 25.02.32	305,543	0.18
USD	700,000	Visa 4.15% 14.12.35	523,871	0.31
USD	550,000	WRKCo 4% 15.03.28	413,009	0.24
USD	550,000	WRKCo 4.2% 01.06.32	407,967	0.24
USD	1,200,000	Xilinx 2.375% 01.06.30	823,828	0.47
		<b>Total United States</b>	<b>70,803,152</b>	<b>41.66</b>
<b>VENEZUELA</b> (20 February 2024 - 0.02%)				
<b>SUPRANATIONAL</b> (20 February 2024 - 0.84%)				
CAD	1,644,000	European Bank for Rec & Dev 0.5% 20.12.28	806,703	0.47
SEK	4,000,000	European Investment Bank 1.25% 12.05.25	295,806	0.17
USD	1,000,000	International Bank for Rec & Dev 2.33% 31.05.26	736,656	0.43
		<b>Total Supranational</b>	<b>1,839,165</b>	<b>1.07</b>
<b>Portfolio of stock investments</b>		<b>155,182,877</b>	<b>91.36</b>	

**IFSL MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 August 2024

Holding or nominal value	Bid value £	Percentage of total net assets %
<b>Counterparty</b>		
<b>Foreign Currency Hedges (20 February 2024 - 0.17%)</b>		
HSBC Sell AUD 3,243,080 for NZD 3,600,000 - 07 November 2024	18,595	0.01
HSBC Sell CAD 3,317,788 for USD 2,400,000 - 10 October 2024	(31,797)	(0.02)
HSBC Sell EUR 5,000,000 for GBP 4,293,661 - 29 August 2024	31,365	0.02
HSBC Sell EUR 4,000,000 for GBP 3,451,052 - 05 September 2024	40,320	0.02
HSBC Sell EUR 3,500,000 for GBP 3,020,766 - 12 September 2024	35,591	0.02
HSBC Sell EUR 5,300,000 for USD 5,774,311 - 28 August 2024	(77,603)	(0.05)
HSBC Sell EUR 6,000,000 for GBP 5,090,975 - 19 September 2024	(27,811)	(0.02)
HSBC Sell EUR 7,500,000 for USD 8,216,109 - 31 October 2024	(94,493)	(0.06)
HSBC Sell EUR 3,000,000 for JPY 483,790,470 - 17 October 2024	(1,923)	-
HSBC Sell GBP 4,303,870 for EUR 5,000,000 - 29 August 2024	(41,574)	(0.02)
HSBC Sell GBP 6,000,000 for EUR 5,130,494 - 19 September 2024	(11,708)	(0.01)
HSBC Sell GBP 1,695,771 for EUR 2,000,000 - 05 September 2024	9,595	0.01
HSBC Sell GBP 1,685,250 for NZD 3,600,000 - 07 November 2024	14,337	0.01
HSBC Sell GBP 3,916,918 for USD 5,000,000 - 17 October 2024	(73,778)	(0.04)
HSBC Sell USD 5,000,000 for GBP 4,014,230 - 22 August 2024	169,112	0.10
HSBC Sell USD 5,000,000 for GBP 3,981,536 - 29 August 2024	136,741	0.08
HSBC Sell USD 4,000,000 for GBP 3,182,472 - 05 September 2024	106,896	0.06
HSBC Sell USD 5,000,000 for GBP 3,973,594 - 12 September 2024	129,448	0.08
HSBC Sell USD 5,000,000 for GBP 3,972,187 - 19 September 2024	128,365	0.08
HSBC Sell USD 5,750,000 for GBP 4,507,615 - 26 September 2024	87,457	0.05
HSBC Sell USD 5,000,000 for GBP 3,927,909 - 03 October 2024	84,451	0.05
HSBC Sell USD 5,000,000 for GBP 3,937,591 - 10 October 2024	94,292	0.06
HSBC Sell USD 5,000,000 for GBP 3,947,992 - 17 October 2024	104,851	0.06
HSBC Sell USD 5,000,000 for GBP 3,896,102 - 24 October 2024	53,114	0.03
HSBC Sell USD 3,845,560 for EUR 3,500,000 - 31 October 2024	35,353	0.02
HSBC Sell USD 5,000,000 for GBP 3,886,765 - 14 November 2024	44,211	0.03
HSBC Sell USD 8,000,000 for GBP 6,276,226 - 21 November 2024	128,333	0.07
<b>Net value of all derivative positions</b>	<b>1,091,740</b>	<b>0.64</b>
<b>Portfolio of investments and derivative positions<sup>B</sup></b>	<b>156,274,617</b>	<b>92.00</b>
<b>Net other assets (excluding derivative positions)</b>	<b>13,587,994</b>	<b>8.00</b>
<b>Total net assets</b>	<b>169,862,611</b>	<b>100.00</b>

<sup>A</sup> Johnston Press 8.625% 01.06.19 is a defaulted bond with no price available and is therefore valued at nil.

<sup>B</sup> Net of investment liabilities.

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

**Portfolio split by investment grade**

Investments of investment grade	72,406,628	42.63
Investments below investment grade:	7,688,921	4.53
Unrated	75,087,328	44.20
<b>Portfolio of stock investments</b>	<b>155,182,877</b>	<b>91.36</b>
<b>Net value of all derivative positions</b>	<b>1,091,740</b>	<b>0.64</b>
<b>Net other assets (excluding derivative positions)</b>	<b>13,587,994</b>	<b>8.00</b>
<b>Total net assets</b>	<b>169,862,611</b>	<b>100.00</b>

**PORTFOLIO TRANSACTIONS**

for the six month period ended 20 August 2024

	£
Total purchases costs, including transaction charges	81,418,758
Total sales proceeds, net of transaction charges	127,598,843

**IFSL MARLBOROUGH GLOBAL BOND FUND**

**STATEMENT OF TOTAL RETURN**

for the six month period ended 20 August 2024

	20 August 2024		20 August 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		2,288,511		(11,077,621)
Revenue	3,594,018		4,643,049	
Expenses	(448,685)		(600,122)	
Net revenue before taxation	<u>3,145,333</u>		<u>4,042,927</u>	
Taxation	<u>(750)</u>		<u>(1,174)</u>	
Net revenue after taxation		<u>3,144,583</u>		<u>4,041,753</u>
Total return before distributions		5,433,094		(7,035,868)
Distributions		(3,144,583)		(4,041,753)
Change in net assets attributable to unitholders from investment activities		<u><u>2,288,511</u></u>		<u><u>(11,077,621)</u></u>

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

for the six month period ended 20 August 2024

	20 August 2024		20 August 2023	
	£	£	£	£
Opening net assets attributable to unitholders		<sup>A</sup> 220,477,399		273,969,168
Amounts receivable on issue of units	7,894,472		4,419,763	
Amounts payable on cancellation of units	(62,786,563)		(49,422,321)	
Amounts payable on unit class conversions	<u>6</u>		<u>(7,031)</u>	
		(54,892,085)		(45,009,589)
Dilution adjustment		78,910		-
Change in net assets attributable to unitholders from investment activities		2,288,511		(11,077,621)
Retained distribution on accumulation units		1,909,876		2,727,092
Closing net assets attributable to unitholders		<u><u>169,862,611</u></u>		<sup>A</sup> <u><u>220,609,050</u></u>

<sup>A</sup> These figures are not the same because the comparatives are taken from the preceding interim period and not the last final accounts.

## IFSL MARLBOROUGH GLOBAL BOND FUND

### BALANCE SHEET

as at 20 August 2024

	20 August 2024 £	20 February 2024 £
<b>Assets:</b>		
<b>Fixed Assets:</b>		
Investment assets	156,635,304	200,934,009
<b>Current Assets:</b>		
Debtors	1,649,624	2,697,679
Cash and bank balances	13,828,125	18,365,537
Total assets	<u>172,113,053</u>	<u>221,997,225</u>
<b>Liabilities:</b>		
Investment liabilities	360,687	166,454
<b>Creditors:</b>		
Distribution payable on income units	814,431	879,597
Other creditors	1,075,324	473,775
Total liabilities	<u>2,250,442</u>	<u>1,519,826</u>
<b>Net assets attributable to unitholders</b>	<u>169,862,611</u>	<u>220,477,399</u>

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 20 August 2024

#### Basis for preparation

The interim financial statements have been prepared in compliance with UK Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

The interim financial statements are prepared in sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest pound.

The interim financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

#### Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 20 February 2024 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 20 August 2024.

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