

Legal & General (N) Tracker Trust
**Interim Manager's
Short Report
for the period ended
31 March 2017**

**EVERY
DAY
MATTERS.®**



Investment Objective and Policy

L&G (N) Tracker Trust aims to track the capital performance of the UK equity market, as represented by the FTSE All-Share Index, by investment in a representative sample of stocks selected from all economic sectors.

Securities in the FTSE All-Share Index will be held with weightings generally proportionate to their company's market capitalisation. From time to time non-Index constituents may be held as a result of a corporate action and these holdings will be sold or transferred as soon as reasonably practical.

Risk Profile

Market risk	Market risk arises mainly from uncertainty about future prices. It represents the potential loss the Trust may suffer through holding market positions in the face of market movements. The Manager adheres to the investment guidelines and in this way, monitors and controls the exposure to risk from any type of security, sector or issuer.
Currency risk	This Trust holds investments in overseas financial securities. The performance of the Trust may therefore be affected by changes in exchange rates. This risk may be managed by the use of forward currency contracts, which aim to manage the effect of changing exchange rates.

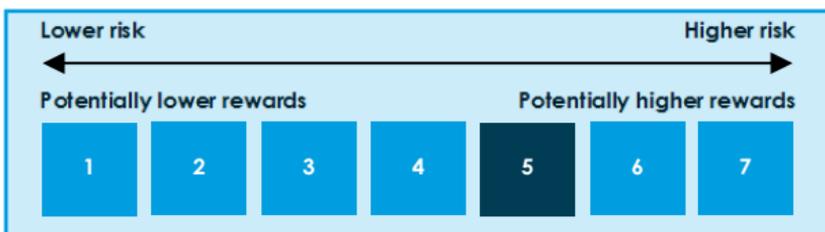
Trust Facts

Period End Dates for Distributions:	31 Mar, 30 Sep	
Distribution Dates:	31 May, 30 Nov	
Ongoing Charges Figures:	31 Mar 17	30 Sep 16
A-Class Units	1.15%	1.15%
CTF-Class Units	1.50%	1.50%
I-Class Units	0.10%	0.10%
F-Class Units	0.35%	0.35%
C-Class Units	0.06%	0.06%

The Ongoing Charges Figure (OCF) is the ratio of the Trust's total discloseable costs (excluding overdraft interest) to the average net assets of the Trust.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a trust and is calculated based on the last period's figures.

Risk and Reward Profile



- This risk and reward profile is based on historical data which may not be a reliable indication of the Trust's risk and reward category in the future.
- The category is based on the rate at which the value of the Trust has moved up and down in the past.
- This Trust is in category five because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds, cash or commercial property.
- The Trust's category is not guaranteed to remain the same and may change over time.
- Even a trust in the lowest category is not a risk free investment.

Distribution Information

A-Class

The distribution payable on 31 May 2017 is 2.2854p per unit for accumulation units.

CTF-Class

The distribution payable on 31 May 2017 is 1.8554p per unit for accumulation units.

I-Class

The distribution payable on 31 May 2017 is 3.0107p per unit for distribution units and 3.4613p per unit for accumulation units.

F-Class

The distribution payable on 31 May 2017 is 3.1589p per unit for accumulation units.

C-Class

The distribution payable on 31 May 2017 is 0.9212p per unit for distribution units and 0.9989p per unit for accumulation units.

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
A-Class Accumulation Units	905,237,894	444,379,835	203.71
CTF-Class Accumulation Units	424,303,320	218,568,427	194.13
I-Class Distribution Units	151,293,030	82,791,136	182.74
Accumulation Units	77,657,865	36,360,668	213.58
F-Class Accumulation Units	1,460	692	210.98
C-Class Distribution Units	800,973	1,449,231	55.27
Accumulation Units	134,570,683	220,878,318	60.93

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

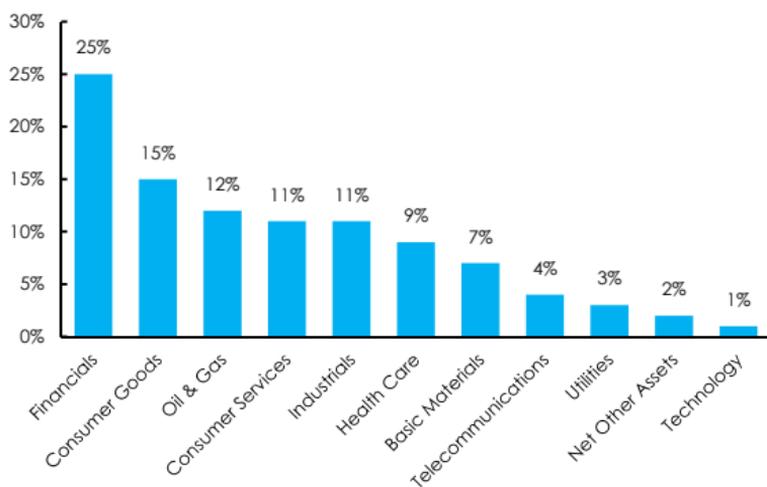
Exchange rate changes may cause the value of any overseas investments to rise or fall.

Portfolio Information

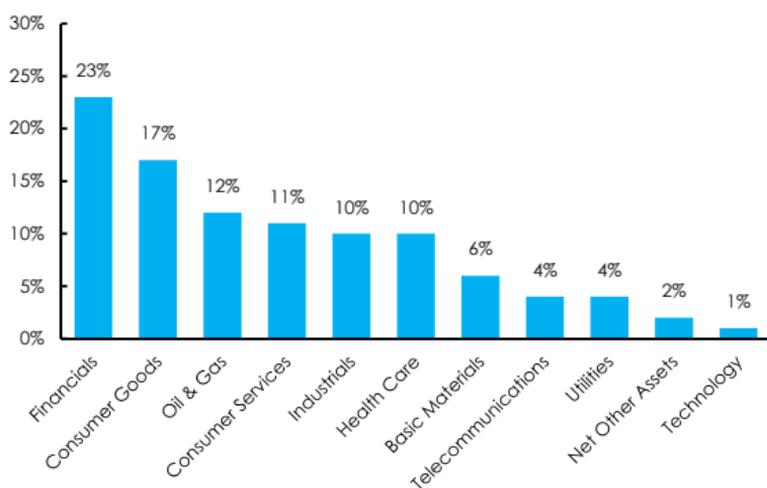
The top 10 holdings and their associated weighting at the current period end and preceding year end were:

Top 10 Holdings at 31 March 2017		Top 10 Holdings at 30 September 2016	
Holding	Percentage of Net Asset Value	Holding	Percentage of Net Asset Value
HSBC	5.41%	HSBC	5.03%
British American Tobacco	4.14%	British American Tobacco	4.11%
Royal Dutch Shell 'A'	3.91%	BP	3.75%
BP	3.70%	GlaxoSmithKline	3.55%
Royal Dutch Shell 'B'	3.51%	Royal Dutch Shell 'A'	3.52%
GlaxoSmithKline	3.44%	Royal Dutch Shell 'B'	3.50%
AstraZeneca	2.61%	AstraZeneca	2.80%
Diageo	2.42%	Vodafone Group	2.61%
Vodafone Group	2.32%	Diageo	2.49%
Unilever	2.00%	Reckitt Benckiser	2.04%

Trust Holdings as at 31 March 2017



Trust Holdings as at 30 September 2016



Manager's Investment Report

During the period under review, the bid price of the Trust's A-Class accumulation units rose by 8.06%. FTSE, the Index compiler, calculates the benchmark Index at the end of the business day using closing prices, whereas the Trust is valued using prevailing prices at 12 noon. Therefore, for tracking purposes the Trust has been revalued using closing prices. On this basis, over the review period, the Trust returned +6.28% on a capital only basis compared with the FTSE All-Share Index rise of +6.25% (Source: Bloomberg), producing a tracking difference of +0.03%.

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Exchange rate changes may cause the value of any overseas investments to rise or fall.

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Market/Economic Review

Equity markets were volatile over the last six months with a strong rally from December 2016. Equities were led higher by globally-focused large cap stocks as Sterling's marked depreciation proved to be positive for international earnings. More domestically focused mid-cap and smaller companies also performed well as indicators suggested the UK economy has weathered the post-referendum volatility well. In the US, the presidential election was the focus of attention and Donald Trump's unexpected victory led investors to discount the prospect of fiscal stimulus in the form of increased infrastructure spending and tax cuts. Although the strengthening Dollar remains a significant impediment for revenue growth, the latest quarterly earnings season has been broadly encouraging with results from leading IT and banking stocks exceeding forecasts. Financials have also been boosted by expectations that the new Republican administration will loosen the regulatory regime for the banking sector. However, indications that the incoming Trump administration would herald a protectionist approach to US trade policy preoccupied investors at the turn of the calendar year. The performance of major oil producers and mining stocks mirrored commodity prices, with the oil price rebounding to \$52 per barrel as the first quarter drew to a close. Companies also continued to place a strong emphasis on cost cutting to maintain profit margins.

The FTSE All-Share Index comprises the FTSE 100 Index (+6.14%), the FTSE 250 Index (+6.16%) and the best performing element, the FTSE SmallCap Index (+9.16%) (Source: Bloomberg).

Manager's Investment Report continued

Over the review period, major sectors such as Industrial Metals & Mining (+51.02%), Mining (+21.88%) and Forestry & Paper (+18.73%) showed the largest positive returns; whilst the most underperforming sectors were Fixed Line Telecommunications (-17.42%), Software & Computer Services (-6.45%) and Gas, Water & Multi-utilities (-5.67%).

Trust Review

Companies held within the L&G (N) Tracker Trust are held with weightings generally proportionate to those of the Index. Hence investment activity, other than to raise or invest cash, is only necessary when there are changes in the issued share capital or free float of the constituent companies, or to the constituents of the Index.

There were two Index rebalances during the period under review. At the quarterly Index review in December 2016, there were seven additions to the FTSE All-Share universe: medical product and technology company ConvaTec Group, real estate investment trust NewRiver REIT, commercial bank TBC Bank Group, student accommodation company GCP Student Living, waste management company Biffa, bowling company Hollywood Bowl Group and electrical product manufacturer firm Luceco. There were no deletions from the FTSE All-Share universe.

The largest increases in changes in free share capital were HSBC, oil exploration and refinery company Royal Dutch Shell 'A' and software company Playtech and the largest decreases being manufacturing company PZ Cussons, communications and media company WPP and real estate company Shaftesbury.

At the quarterly Index review in March 2017, there were two additions to the FTSE All-Share universe: real estate investment trust Civitas Social Housing and closed-end fund SQN Asset Finance Income Fund C shares. There were no deletions from the FTSE All-Share universe as a result of the March Index review.

At each of the Index review effective dates, the Trust's holdings were rebalanced accordingly.

Mergers and acquisitions occurring outside of the reviews included: SABMiller all cash acquisition by Anheuser-Busch InBev (Belgium) for \$103bn. E2v technologies all cash acquisition by Teledyne Technologies for £619.56m.

Outside the Index Reviews, the free float and consequently the Index weights were increased as a result of secondary placings for Worldpay, Ferrexpo, DFS Furniture, Countryside Properties, Forterra, Gym Group and On The Beach Group. Companies raising capital via rights issues included: Greencore Group, RPC, Laird Group, Cobham, SEGRO, Tullow Oil.

At the end of the review period the Trust had holdings in all of the 633 companies in the Index. The three largest stocks in the Trust at the end of the review period were Royal Dutch Shell (7.4%), HSBC (5.4%) and British American Tobacco (4.1%).

Manager's Investment Report continued

Outlook

In the immediate aftermath of the EU referendum, domestic political uncertainty diminished with the quick appointment of a new Prime Minister, a more measured approach to EU relations and the speedy reduction of interest rates to 0.25% by the Bank of England.

In the fourth quarter of 2016, Trump's election as the next US president and the Italian prime minister Matteo Renzi's referendum defeat has taken the spotlight from Brexit uncertainty. Nonetheless, UK economic data continues to surprise to the upside and it's becoming increasingly clear that the hit to activity from Brexit is much smaller than initially feared. This is noteworthy as it was one of the most important negative outliers of post Brexit data and part of the BoE's argument for cutting rates.

With a new government and a new Chancellor, a clean sheet of paper reduces the need to stick to previous austerity promises. In the Autumn budget, the Chancellor has clearly favoured longer-term infrastructure rather than some of the quick giveaways he could have opted for such as VAT cuts, income tax cuts or stamp duty changes. This policy should help boost growth in the medium to long term but the consequences of the fall in the exchange rate is expected to be felt more strongly during 2017, raising questions about future growth expectations. Given this backdrop of uncertainty the Trust remains well positioned to capture the performance of the FTSE All-Share Index.

Legal & General Investment Management Limited

(Investment Adviser)

26 April 2017

Manager's Report and Accounts

Copies of the most recent Interim and Annual Long Form Manager's Reports are available free of charge by telephoning 0370 050 0955, by writing to the Manager or are available on the internet at www.legalandgeneral.com/investments/fund-information/managers-reports.

Call charges will vary. We may record and monitor calls.

Information on Tracking Error

The 'Tracking Error' of a Trust is the measure of the volatility of the differences between the return of the Trust and the return of the benchmark Index. It provides an indication of how closely the Trust is tracking the performance of the benchmark Index after considering things such as Trust charges and taxation.

Using monthly returns, over the review period, the annualised Tracking Error of the Trust is 0.01%, whilst over the last three years to the end of March 2017, the annualised Tracking Error is 0.01%. These Tracking Errors are within the anticipated Tracking Error levels set out in the Trust's Prospectus of +/- 0.50% per annum.

Minimum Investment Amounts

The minimum initial lump sum investment amounts for each class are as follows:

A-Class	£20
CTF-Class	£1
I-Class	£1,000,000
F-Class	£20
C Class	£100,000,000

Regular monthly investments are available to those Unitholders who have a regular savings plan with the Manager. With the exception of the CTF-Class Accumulation units, the minimum regular monthly purchase of units in a unit trust is £20. With respect to CTF-Class Accumulation units, the minimum regular monthly payment is £1.

F-Class units are only available to:

- i) investors who have received advice from authorised intermediaries and platforms in relation to their investment in units in the Trust and
- ii) authorised intermediaries or distributors who the Manager reasonably considers will adequately bear the costs of marketing to and acquiring investors at no or limited cost to the Manager, and to whom the Manager has confirmed that such distributor or investor meets the criteria for investment in such units.

C-Class units are only available to distributors who actively market and distribute such units (or whom the manager believes intends to do so) and to whom the Manager has confirmed by letter that they meet the criteria for investment in such units.

The L&G (N) Tracker Trust CTF-Class units shall only be available to investors where the beneficial owner of the units is an eligible child within the definition of the requirements of the Child Trust Fund Act 2004.

Other Information

The information in this report is designed to enable unitholders to understand how the Trust has performed during the period under review and how it is invested at the period end. Further information on the activities and performance of the Trust can be obtained by telephoning 0370 050 0955 or by writing to the Manager.

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Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited

Registered in England and Wales No. 01009418

Registered office:

One Coleman Street,

London EC2R 5AA

Telephone: 0370 050 3350

Authorised and regulated by the Financial Conduct Authority

Call charges will vary. We may record and monitor calls.

Trustee

Northern Trust Global Services Limited

50 Bank Street,

Canary Wharf,

London E14 5NT

Authorised by the Prudential Regulation Authority and regulated

by the Financial Conduct Authority and the Prudential

Regulation Authority

Independent Auditors

PricewaterhouseCoopers LLP

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London SE1 2RT

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Financial Conduct Authority**

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