

PHOENIX UNIT TRUST MANAGERS

MANAGER'S ANNUAL REPORT

For the year: 1 September 2022 to 31 August 2023

PUTM BOTHWELL EMERGING MARKET DEBT UNCONSTRAINED FUND



Contents

Investment review*	2-3
Portfolio of investments*	4-13
Top ten purchases and sales	14
Statistical information*	15-19
Statements of total return & change in net assets attributable to unitholders	20
Balance sheet	21
Notes to the financial statements	22-35
Distribution tables	36
Responsibilities of the manager and the trustee	37
Trustee's report and directors' statement	38
Independent auditor's report	39-41
Appendix	42-43
Corporate information*	44-46

*These collectively comprise the Authorised Fund Manager's Report.

Investment review

Dear Investor

Welcome to the PUTM Bothwell Emerging Market Debt Unconstrained Fund Annual report for the 12 months to 31 August 2023.

Performance Review

Over the review period, the PUTM Bothwell Emerging Market Debt Unconstrained Fund returned 9.31%. (Source: Factset). This was compared to its benchmark index, which returned 6.89%. (Source: Factset, 50% JPM EMBI Global Diversified, 50% JPM GBI-EM Global Diversified, both hedged in GBP, total return, for six months to 31/08/23).

Standardised Past Performance

	Aug '22-'23 % growth	Aug '21-'22 % growth	Aug '20-'21 % growth	Aug '19-'20 % growth	Aug '18-'19 % growth
PUTM Bothwell Emerging Market Debt Unconstrained Fund	9.31	-21.33	6.76	0.07	11.92
Benchmark Index	6.89	-20.93	3.87	0.56	10.66

Source: Fund performance is from Factset to end-August for each year. Benchmark Index performance is Factset, JPM EMBI Global Diversified, 50% JPM GBI-EM Global Diversified, both hedged in GBP, total return, to end-August for each year.

Past performance is not a guide to future performance.

The value of units and the income from them can go down as well as up and is not guaranteed. You may not get back the full amount invested.

Please note that all past performance figures are calculated without taking the initial charge into account.

Investment review

Market Review

Inflation has fallen rapidly in several emerging market (EM) economies over the 12-month review period. This has allowed some central banks to begin easing monetary policy during 2023, causing bond yields to fall and prices to rise in domestic markets. Frontier market sovereign spreads have narrowed from an average of around 1000 basis points (bps) to 800bps in the year to 31 August as financing channels for countries began to ease and as some progress was made towards the restructuring of defaulted bonds.

The US Federal Reserve (Fed) hiked its policy rate by 75bps in September 2022, as risk assets experienced losses in a deteriorating macroeconomic environment. In October, another stronger-than-expected US consumer price index print caused markets to price in another 75bp hike at the Fed meeting in November and yields on two-year US Treasuries rose to their highest level since 2007. Risk assets rallied in November at the prospect of a Fed pivot, which caused US Treasury yields to markedly decline. The Fed, European Central Bank (ECB), and Bank of England all raised interest rates by 50bps in their December meetings. The moves marked a deceleration in the pace of monetary tightening, with each bank having raised rates by 0.75% in their previous meetings. In January 2023, EMs were supported by positive economic news out of the US, lower energy prices in an unseasonably warm Europe and China's reopening continuing in full force. February saw a marked change in tone from what had been a very strong January. US Treasury yields increased as the market became more concerned about the persistence of inflation and the possibility that the Fed would need to continue hiking further than anticipated.

In March, the failure of Silicon Valley Bank (SVB) and Signature Bank in the US was followed by the rescue of Credit Suisse through a merger with UBS. Following the collapse of the US banks, wider contagion fears pushed Credit Suisse's credit default swap spread to a level implying imminent bankruptcy. The Swiss regulator intervened and orchestrated its merger with UBS. These events led to a large rally in Treasury yields as market expectations of a recession heightened. Despite fears of a slowdown, the Fed increased the federal funds rate by 25bps to a 4.75-5% target range. EMs calmed in April, with focus shifting back towards the outlook for US economic growth and the future path of interest rates. The tone in May was driven by further concerns about the health of US regional banks; continued tightening by the Fed and the ECB; and negotiations to extend the US debt ceiling (a debt-ceiling deal was subsequently agreed). Overall, EM returns were weaker in May on concerns about stubborn inflation, weaker growth numbers, weaker Chinese activity data and a lower oil price.

June and July were better due to stronger economic growth and softer US consumer price inflation (CPI). By July, the market view had shifted from a probable US recession to expectations of a 'soft landing'. US interest rates were hiked by 25 bps, and US CPI was at its

weakest level since February 2021. Other developed market (DM) central banks followed the Fed's lead, with the ECB hiking by 25bps to 3.75%. Risk assets struggled in August, largely driven by a sell-off in US Treasuries. The 10-year Treasury reached 4.36% at the peak, a level last reached in 2007. Euro area data contributed to a more downbeat economic picture compared to the US. Another key driver of market sentiment was the weakening outlook for China's economy, with further difficulties in the property sector. EMs suffered from continued outflows, as the 'higher-for-longer' narrative in DM interest rates limited the relative attractiveness of EMs while driving a stronger US dollar. Energy commodities were strong in August, with Brent crude oil prices increasing 1.52% to close at US\$86.86 per barrel.

Market Outlook and Fund Strategy

Spreads are well below the levels seen in March to May 2023 (during the SVB crisis) as optimism about the prospects of a soft landing leads markets to price out the probability of a recession (currently 60% probability of a US recession according to Bloomberg). Wider concerns about the economic outlook in developed market credit could harm EM relative valuations as spreads move to price in expectations of a recession. However, a lower Fed terminal rate and the end of US growth exceptionalism could be beneficial for EMs. We remain selective in our positioning. Our emphasis is on credits that we perceive to be less reliant on imminent market access (which remains out of the question for many high yield issuers), and those credits with a more resilient balance sheet, with largely fixed rate debt, that are less exposed to the higher cost of capital that we expect to prevail for many issuers for some time. A large portion of countries in the index have spreads of over 1,000bps, so refinancing needs are top of mind, with many issuers preferring to access cheaper multilateral financing. As the market continues to attempt to decipher the path for US monetary policy from the language of Fed speakers and the raft of mixed economic data, the dollar has strengthened, which has weighed on EM FX, though EM rates continue to perform well. As well as reducing our overweight to high yield, we have also added duration in EM local markets where central banks are ahead of the curve and we believe that inflation has peaked, such as Mexico, Peru and the Philippines.

Softer data persists out of China. This has disappointed the expectation that had been held at the beginning of the year of a Chinese recovery that could help to boost global growth, which could present a challenge for those countries which have a large volume of exports to China. The 'Goldilocks' for EMs scenario combines the current rate path for the Fed with the realisation of Fed Chairman Powell's forecast for a soft landing, resulting in weaker US growth and a weaker US dollar. The two scenarios that could lead to a risk-off environment would be a higher terminal rate due to stickier US inflation, or markedly lower bond yields due to financial stability risks.

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Argentina (31/08/22 - 1.23%)		1.15
	Government Bonds (31/08/22 - 1.23%)		1.15
\$ 68,820,600	Argentina (Republic of) 0.125% 09/01/2038	19,003	0.69
\$ 11,191,200	Argentina (Republic of) 0.125% 09/07/2041	2,726	0.10
\$ 42,502,930	Argentina (Republic of) 0.125% 09/07/2046	9,955	0.36
	Armenia (31/08/22 - 1.75%)		0.09
	Government Bonds (31/08/22 - 1.75%)		0.09
\$ 3,119,000	Armenia (Republic of) 7.15% 26/03/2025	2,480	0.09
	Bahamas (31/08/22 - 0.37%)		0.41
	Government Bonds (31/08/22 - 0.37%)		0.41
\$ 12,824,000	Bahamas (Government of) 6% 21/11/2028	8,283	0.30
\$ 4,753,000	Commonwealth Of Bahamas (Government of) 6% 21/11/2028	3,070	0.11
	Bahrain (31/08/22 - 0.96%)		1.01
	Government Bonds (31/08/22 - 0.71%)		1.01
\$ 13,214,000	Bahrain (Government of) 6% 19/09/2044	8,373	0.31
\$ 14,870,000	Bahrain (Government of) 7% 26/01/2026	11,915	0.44
\$ 8,870,000	Bahrain (Government of) 7.75% 18/04/2035	7,172	0.26
	Corporate Bonds (31/08/22 - 0.25%)		0.00
	Bermuda (31/08/22 - 0.10%)		0.05
	Government Bonds (31/08/22 - 0.10%)		0.05
\$ 2,001,000	Bermuda (Government of) 2.375% 20/08/2030	1,291	0.05
	Brazil (31/08/22 - 7.62%)		8.88
	Government Bonds (31/08/22 - 7.62%)		8.88
BRL 88,133	Brazil Notas do Tesouro Nacional 10% 01/01/2025	13,918	0.51
BRL 249,779	Brazil Notas do Tesouro Nacional 10% 01/01/2027	39,356	1.44
BRL 514,723	Brazil Notas do Tesouro Nacional 10% 01/01/2029	79,367	2.90
BRL 570,753	Brazil Notas do Tesouro Nacional 10% 01/01/2031	86,522	3.16
BRL 159,711	Brazil Notas do Tesouro Nacional 10% 01/01/2033	23,853	0.87
	Government Index-Linked (31/08/22 - 0.00%)		0.00
BRL 79	Brazil (Government of) 6% Index Link 15/05/2035	55	0.00
	Cayman Islands (31/08/22 - 1.68%)		1.41
	Corporate Bonds (31/08/22 - 1.68%)		1.41
\$ 9,457,000	Bioceanico Sovereign Certificate Ltd 0% 05/06/2034	4,689	0.17
\$ 24,411,000	ICD Sukuk Company Ltd 5% 01/02/2027	19,160	0.70
\$ 8,751,000	IHS Holding 6.25% 29/11/2028	5,559	0.20
\$ 11,706,000	MAF Global Securities Ltd 7.875% VRN Perpetual	9,351	0.34
	Channel Islands (31/08/22 - 1.65%)		0.45
	Government Bonds (31/08/22 - 1.18%)		0.12
\$ 564,000	Ivory Coast (Government of) 6.125% 15/06/2033	380	0.01
€ 5,275,000	Ivory Coast (Government of) 6.625% 22/03/2048	3,149	0.11
	Corporate Bonds (31/08/22 - 0.47%)		0.33
\$ 14,615,000	Galaxy Pipeline Assets Bidco Ltd 2.625% 31/03/2036	9,150	0.33
	Chile (31/08/22 - 4.95%)		1.86
	Government Bonds (31/08/22 - 4.95%)		1.42
CLP 31,780,000,000	Bonos de la Tesoreria de la Republic 5.8% 01/06/2024	29,104	1.06
\$ 13,989,000	Chile (Republic of) 3.5% 31/01/2034	9,549	0.35
CLP 180,000,000	Chile (Republic of) 4.7% 01/09/2030	157	0.01

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Corporate Bonds (31/08/22 - 0.00%)		0.44
\$ 20,557,000	Corporacion Nacional del Cobre de Chile 3.7% 30/01/2050	11,384	0.42
\$ 793,000	Empresa Nacional del Petroleo 3.45% 16/09/2031	517	0.02
	Colombia (31/08/22 - 3.87%)		3.54
	Government Bonds (31/08/22 - 3.87%)		2.66
\$ 1,239,000	Colombia (Republic of) 3% 30/01/2030	776	0.03
\$ 12,803,000	Colombia (Republic of) 5.2% 15/05/2049	7,084	0.26
\$ 345,000	Colombia (Republic of) 10% 7.375% 18/09/2037	263	0.01
\$ 15,789,000	Colombia (Republic of) 8% 20/04/2033	12,882	0.47
COP 13,340,700,000	Colombia (Republic of) 10% 24/07/2024	2,619	0.10
COP 86,046,200,000	Colombian TES 7% 26/03/2031	13,747	0.50
COP 951,600,000	Colombian TES 7% 26/03/2031	152	0.01
COP 51,765,900,000	Colombian TES 7.25% 18/10/2034	7,808	0.29
COP 94,125,600,000	Colombian TES 7.25% 26/10/2050	12,421	0.45
COP 74,197,100,000	Titulos De Tesoreria 7.5% 26/08/2026	13,449	0.49
COP 8,538,900,000	Titulos 7.75% 18/09/2030	1,452	0.05
	Corporate Bonds (31/08/22 - 0.00%)		0.88
\$ 17,688,000	Ecopetrol 8.875% 13/01/2033	14,152	0.52
\$ 5,181,000	Empresas Publicas de Medellin ES 4.25% 18/07/2029	3,320	0.12
\$ 10,890,000	Empresas Publicas de Medellin ES 4.375% 15/02/2031	6,671	0.24
	Czech Republic (31/08/22 - 0.54%)		0.68
	Government Bonds (31/08/22 - 0.54%)		0.68
CZK 573,910,000	Czech (Republic of) 1% 26/06/2026	18,392	0.67
CZK 14,380,000	Czech (Republic of) 1.5% 24/04/2040	331	0.01
	Dominican Republic (31/08/22 - 2.26%)		2.62
	Government Bonds (31/08/22 - 2.26%)		2.62
\$ 10,563,000	Dominican (Republic of) 5.3% 21/01/2041	6,496	0.24
\$ 8,631,000	Dominican (Republic of) 5.5% 22/02/2029	6,360	0.23
\$ 40,717,000	Dominican (Republic of) 5.875% 30/01/2060	24,618	0.90
\$ 10,786,000	Dominican (Republic of) 5.95% 25/01/2027	8,317	0.30
\$ 525,000	Dominican (Republic of) 6% 22/02/2033	381	0.01
\$ 987,000	Dominican (Republic of) 6.4% 05/06/2049	652	0.02
DOP 683,100,000	Dominican (Republic of) 9.75% 05/06/2026	9,550	0.35
DOP 921,100,000	Dominican (Republic of) 13.625% 03/02/2033	15,723	0.57
	Ecuador (31/08/22 - 1.05%)		0.40
	Government Bonds (31/08/22 - 1.05%)		0.40
\$ 28,859,039	Ecuador (Republic of) 0.5% 31/07/2030	11,087	0.40
	Egypt (31/08/22 - 1.73%)		0.92
	Government Bonds (31/08/22 - 1.73%)		0.92
€ 22,063,000	Egypt (Republic of) 5.625% 16/04/2030	10,343	0.38
\$ 13,128,000	Egypt (Republic of) 5.75% 29/05/2024	9,437	0.34
\$ 512,000	Egypt (Republic of) 5.8% 30/09/2027	267	0.01
\$ 11,308,000	Egypt (Republic of) 8.50% 31/01/2047	4,712	0.17
\$ 1,495,000	Egypt (Republic of) 8.875% 29/05/2050	629	0.02
	Georgia (31/08/22 - 1.47%)		1.29
	Government Bonds (31/08/22 - 1.41%)		0.78
\$ 30,183,000	Georgia (Republic of) 2.75% 22/04/2026	21,346	0.78
	Corporate Bonds (31/08/22 - 0.06%)		0.51
\$ 20,574,000	Georgian Railway JSC 4% 17/06/2028	14,017	0.51

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Ghana (31/08/22 - 0.40%)		1.01
	Government Bonds (31/08/22 - 0.40%)		1.01
\$ 11,794,000	Ghana (Republic of) 7.75% 07/04/2029	3,979	0.15
\$ 5,257,000	Ghana (Republic of) 7.875% 11/02/2035	1,825	0.07
\$ 48,121,000	Ghana (Republic of) 8.125% 26/03/2032	16,406	0.60
\$ 15,719,000	Ghana (Republic of) 8.627% 16/06/2049	5,117	0.19
	Guatemala (31/08/22 - 0.35%)		1.03
	Government Bonds (31/08/22 - 0.35%)		1.03
\$ 23,252,000	Guatemala (Government of) 3.7% 07/10/2033	14,765	0.54
\$ 577,000	Guatemala (Government of) 4.375% 05/06/2027	428	0.02
\$ 283,000	Guatemala (Government of) 4.65% 07/10/2041	175	0.01
\$ 769,000	Guatemala (Government of) 5.25% 10/08/2029	575	0.02
\$ 13,634,000	Guatemala (Government of) 6.125% 01/06/2050	9,794	0.36
\$ 2,764,000	Guatemala (Government of) 6.6% 13/06/2036	2,181	0.08
	Hungary (31/08/22 - 0.67%)		0.68
	Government Bonds (31/08/22 - 0.67%)		0.68
\$ 20,647,000	Hungary (Government of) 5.5% 16/06/2034	15,439	0.56
\$ 3,946,000	Hungary (Government of) 6.75% 25/09/2052	3,156	0.12
	India (31/08/22 - 1.17%)		1.65
	Government Bonds (31/08/22 - 1.17%)		1.60
INR 69,280,000	India (Republic of) 5.74% 15/11/2026	634	0.02
INR 2,109,140,000	India (Republic of) 6.97% 06/09/2026	19,995	0.73
INR 2,395,550,000	India (Republic of) 7.36% 12/09/2052	22,783	0.83
INR 58,570,000	India (Republic of) 7.72% 25/05/2025	563	0.02
	Public Authorities (31/08/22 - 0.00%)		0.05
\$ 1,526,000	Export-Import Bank of India 2.25% 13/01/2031	955	0.03
\$ 970,000	Export-Import Bank of India 3.25% 15/01/2030	664	0.02
	Indonesia (31/08/22 - 5.63%)		5.76
	Government Bonds (31/08/22 - 5.17%)		5.76
\$ 1,520,000	Indonesia (Government of) 5.25% 17/01/2042	1,180	0.04
IDR 695,569,000,000	Indonesia (Government of) 6.125% 15/05/2028	35,852	1.31
IDR 39,565,000,000	Indonesia (Government of) 6.5% 15/02/2031	2,061	0.08
IDR 34,321,000,000	Indonesia (Government of) 7% 15/05/2027	1,819	0.07
IDR 356,406,000,000	Indonesia (Government of) 7% 15/09/2030	19,100	0.70
IDR 368,204,000,000	Indonesia (Government of) 9% 15/03/2029	21,387	0.78
IDR 35,231,000,000	Indonesia (Government of) 8.375% 15/09/2026	1,929	0.07
IDR 7,763,000,000	Indonesia (Government of) 8.375% 15/03/2034	458	0.02
IDR 851,520,000,000	Indonesia Treasury Bond 7% 15/02/2033	45,968	1.68
IDR 478,673,000,000	Indonesia Treasury Bond 7.125% 15/06/2043	26,014	0.95
\$ 2,145,000	Perusahaan Penerbit SBSN 4.55% 29/03/2026	1,664	0.06
	Corporate Bonds (31/08/22 - 0.46%)		0.00
	Iraq (31/08/22 - 1.64%)		0.26
	Government Bonds (31/08/22 - 1.64%)		0.26
\$ 17,529,000	Iraq (Republic of) 5.8% 15/01/2028	7,141	0.26
	Jordan (31/08/22 - 0.60%)		0.41
	Government Bonds (31/08/22 - 0.60%)		0.41
\$ 1,005,000	Jordan (Kingdom of) 4.95% 07/07/2025	772	0.03
\$ 15,236,000	Jordan (Kingdom of) 7.375% 10/10/2047	10,491	0.38

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Kazakstan (31/08/22 - 0.55%)		1.52
	Government Bonds (31/08/22 - 0.00%)		0.05
\$ 1,668,000	Kazakhstan (Republic of) 6.5% 21/07/2045	1,379	0.05
	Corporate Bonds (31/08/22 - 0.04%)		1.11
\$ 7,597,000	KazmunayGas National 5.75% 19/04/2047	4,843	0.18
\$ 38,441,000	KazmunayGas National 6.375% 24/10/2048	25,458	0.93
	Public Authorities (31/08/22 - 0.51%)		0.36
KZT 6,728,500,000	Development Bank of Kazakhstan 10.95% 06/05/2026	9,770	0.36
	Kenya (31/08/22 - 0.37%)		0.94
	Government Bonds (31/08/22 - 0.37%)		0.94
\$ 22,125,000	Kenya (Republic of) 7% 22/05/2027	15,452	0.56
\$ 17,787,000	Kenya (Republic of) 8.25% 28/02/2048	10,458	0.38
	Luxembourg (31/08/22 - 0.15%)		0.40
	Government Bonds (31/08/22 - 0.00%)		0.34
\$ 11,723,000	Chile Electricity Lux MPC Sarl 6.01% 20/01/2033	9,388	0.34
	Corporate Bonds (31/08/22 - 0.15%)		0.06
\$ 3,821,000	MHP Lux 6.95% 03/04/2026	1,719	0.06
	Malaysia (31/08/22 - 3.72%)		3.60
	Government Bonds (31/08/22 - 3.47%)		3.60
MYR 91,997,000	Malaysia (Government of) 2.632% 15/04/2031	14,383	0.53
MYR 79,144,000	Malaysia (Government of) 3.582% 15/07/2032	13,162	0.48
MYR 38,823,000	Malaysia (Government of) 3.757% 22/05/2040	6,290	0.23
MYR 31,787,000	Malaysia (Government of) 3.899% 16/11/2027	5,464	0.20
MYR 93,975,000	Malaysia (Government of) 3.9% 30/11/2026	16,159	0.59
MYR 245,849,000	Malaysia (Government of) 3.906% 15/07/2026	42,289	1.54
MYR 1,130,000	Malaysia (Government of) 4.059% 30/09/2024	193	0.01
MYR 2,714,000	Malaysia (Government of) 4.935% 30/09/2043	501	0.02
	Corporate Bonds (31/08/22 - 0.25%)		0.00
	Mauritius (31/08/22 - 0.36%)		0.24
	Corporate Bonds (31/08/22 - 0.36%)		0.24
\$ 8,674,000	HTA Group 7% 18/12/2025	6,460	0.24
	Mexico (31/08/22 - 7.76%)		7.97
	Government Bonds (31/08/22 - 3.04%)		3.54
MXN 9,066,685	Mexican Bonos 7.75% 13/11/2042	36,330	1.33
MXN 566,545	Mexican Bonos 8% 24/05/2035	2,423	0.09
MXN 12,233,821	Mexican Bonos 8.5% 18/11/2038	53,292	1.95
\$ 7,511,000	Mexico (State of) 4.6% 10/02/2048	4,753	0.17
	Corporate Bonds (31/08/22 - 4.72%)		4.43
\$ 6,007,000	Cemex 5.45% 19/11/2029	4,554	0.17
\$ 10,696,000	Orbia Advance Corporation 5.875% 17/09/2044	7,383	0.27
\$ 5,105,000	Petroleos Mexicanos 5.95% 28/01/2031	2,916	0.11
\$ 39,845,000	Petroleos Mexicanos 6.35% 12/02/2048	18,905	0.69
\$ 639,000	Petroleos Mexicanos 6.5% 13/03/2027	441	0.02
\$ 51,356,000	Petroleos Mexicanos 6.75% 21/09/2047	25,085	0.92
\$ 9,672,000	Petroleos Mexicanos 6.84% 23/01/2030	6,057	0.22
\$ 1,203,000	Petroleos Mexicanos 6.95% 28/01/2060	588	0.02
MXN 4,062,683	Petroleos Mexicanos 7.19% 12/09/2024	17,790	0.65
MXN 6,212,844	Petroleos Mexicanos 7.47% 12/11/2026	24,578	0.90
\$ 19,719,000	Trust F/1401 6.39% 15/01/2050	12,514	0.46

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Morocco (31/08/22 - 1.01%)		1.04
	Government Bonds (31/08/22 - 0.67%)		0.75
\$ 10,038,000	Morocco (Government of) 3% 15/12/2032	6,178	0.23
\$ 12,360,000	Morocco (Government of) 4% 15/12/2050	6,365	0.23
\$ 11,873,000	Morocco (Government of) 5.5% 11/12/2042	7,930	0.29
	Corporate Bonds (31/08/22 - 0.34%)		0.29
\$ 8,470,000	OCP 3.75% 23/06/2031	5,507	0.20
\$ 3,468,000	Office Chérifien des Phosphates 6.875% 25/04/2044	2,456	0.09
	Mozambique (31/08/22 - 0.00%)		0.54
	Government Bonds (31/08/22 - 0.00%)		0.54
\$ 25,012,000	Mozambique (Government of) 5% 15/09/2031	14,878	0.54
	Netherlands (31/08/22 - 0.57%)		0.48
	Government Bonds (31/08/22 - 0.57%)		0.26
€ 9,621,000	BOI Finance 7.5% 16/02/2027	7,038	0.26
	Corporate Bonds (31/08/22 - 0.00%)		0.22
\$ 4,099,000	IHS Netherlands Holdco 8% 18/09/2027	2,895	0.11
€ 3,376,000	Teva Pharmaceutical 7.875% 15/09/2031	3,026	0.11
	Nigeria (31/08/22 - 1.61%)		1.56
	Government Bonds (31/08/22 - 1.61%)		1.56
\$ 10,133,000	Nigeria (Government of) 7.143% 23/02/2030	6,497	0.24
\$ 5,894,000	Nigeria (Government of) 7.625% 21/11/2025	4,420	0.16
\$ 5,698,000	Nigeria (Government of) 7.625% 28/11/2047	3,092	0.11
\$ 32,596,000	Nigeria (Government of) 8.375% 24/03/2029	22,637	0.83
\$ 8,966,000	Nigeria (Government of) 8.747% 21/01/2031	6,156	0.22
	Other African (31/08/22 - 5.12%)		3.61
	Government Bonds (31/08/22 - 5.12%)		3.61
\$ 18,178,000	Angolan (Government of) 8% 26/11/2029	11,814	0.43
\$ 7,764,000	Angola (Republic of) 9.375% 08/05/2048	4,671	0.17
€ 11,199,000	Benin (Government of) 4.875% 19/01/2032	7,146	0.26
€ 3,332,000	Benin (Government of) 6.875% 19/01/2052	1,969	0.07
€ 32,424,000	Cameroon (Republic of) 5.95% 07/07/2032	19,094	0.70
\$ 11,549,000	Gabon (Republic of) 6.625% 06/02/2031	6,601	0.24
\$ 5,518,000	Gabonese (Republic of) 6.95% 16/06/2025	3,654	0.13
\$ 45,523,000	Ruwanda (Republic of) 5.5% 09/08/2031	27,730	1.01
\$ 4,225,000	Senegal (Government of) 6.25% 23/05/2033	2,720	0.10
\$ 24,827,000	Senegal (Government of) 6.75% 13/03/2048	13,596	0.50
	Other Caribbean (31/08/22 - 0.10%)		0.61
	Government Bonds (31/08/22 - 0.10%)		0.61
\$ 11,191,000	Honduras (Government of) 5.625% 24/06/2030	7,584	0.28
\$ 12,086,000	Honduras (Government of) 6.25% 19/01/2027	9,035	0.33
	Other South America (31/08/22 - 0.00%)		0.24
	Government Bonds (31/08/22 - 0.00%)		0.24
\$ 10,613,000	Paraguay (Republic of) 2.739% 29/01/2033	6,588	0.24
	Pakistan (31/08/22 - 1.40%)		0.81
	Government Bonds (31/08/22 - 1.40%)		0.81
\$ 3,989,000	Pakistan (Government of) 6% 08/04/2026	1,633	0.06
\$ 30,207,000	Pakistan (Government of) 6.875% 05/12/2027	12,073	0.44
\$ 18,657,000	Pakistan (Government of) 7.375% 08/04/2031	6,751	0.25
\$ 4,379,000	Pakistan (Government of) 8.875% 08/04/2051	1,512	0.06

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Panama (31/08/22 - 0.14%)		0.06
	Corporate Bonds (31/08/22 - 0.14%)		0.06
\$ 2,275,000	Global Bank Corporation 5.25% VRN 16/04/2029	1,685	0.06
	Peru (31/08/22 - 1.79%)		2.87
	Government Bonds (31/08/22 - 1.79%)		2.87
PEN 181,072,000	Peru (Government of) 5.4% 12/08/2034	34,523	1.26
PEN 111,501,000	Peru (Government of) 6.9% 12/08/2037	23,822	0.87
PEN 91,404,000	Peru (Government of) 7.3% 12/08/2033	20,315	0.74
	Philippines (31/08/22 - 0.20%)		2.34
	Government Bonds (31/08/22 - 0.20%)		2.34
\$ 1,579,000	Philippine (Government of) 2.65% 10/12/2045	805	0.03
\$ 5,181,000	Philippine (Government of) 3.556% 29/09/2032	3,653	0.13
\$ 600,000	Philippine (Government of) 3.95% 20/01/2040	394	0.01
\$ 12,891,000	Philippine (Government of) 5.609% 13/04/2033	10,584	0.39
\$ 13,088,000	Philippine (Government of) 5.95% 13/10/2047	10,920	0.40
PHP 825,410,000	Philippine (Government of) 6.625% 17/08/2033	11,733	0.43
PHP 1,821,330,000	Philippine (Government of) 6.75% 15/09/2032	26,043	0.95
	Qatar (31/08/22 - 2.97%)		2.78
	Government Bonds (31/08/22 - 2.97%)		2.78
\$ 32,133,000	Qatar (Government of) 4% 14/03/2029	24,458	0.89
\$ 44,372,000	Qatar (Government of) 4.4% 16/04/2050	30,752	1.12
\$ 1,108,000	Qatar (Government of) 4.625% 02/06/2046	801	0.03
\$ 27,179,000	Qatar (Government of) 4.817% 14/03/2049	19,966	0.73
\$ 428,000	Qatar (Government of) 5.103% 23/04/2048	323	0.01
	Romania (31/08/22- 0.75%)		3.91
	Government Bonds (31/08/22 - 0.75%)		3.91
€ 17,174,000	Romania (Government of) 2.625% 02/12/2040	9,028	0.33
€ 906,000	Romania (Government of) 2.75% 14/04/2041	477	0.02
€ 560,000	Romania (Government of) 3.624% 26/05/2030	422	0.02
\$ 19,462,000	Romania (Government of) 4% 14/02/2051	10,499	0.38
RON 133,310,000	Romania (Government of) 4.75% 24/02/2025	22,640	0.83
RON 146,965,000	Romania (Government of) 4.85% 25/07/2029	23,458	0.86
€ 295,000	Romania (Government of) 5% 27/09/2026	254	0.01
\$ 4,252,000	Romania (Government of) 5.125% 15/06/2048	2,784	0.10
\$ 7,232,000	Romania (Government of) 7.625% 17/01/2053	6,128	0.22
RON 164,470,000	Romania (Government of) 8.25% 29/09/2032	31,252	1.14
	Saudi Arabia (31/08/22 - 2.97%)		2.29
	Government Bonds (31/08/22 - 1.95%)		1.61
\$ 34,532,000	Saudi (Government of) 2.25% 02/02/2033	21,592	0.79
\$ 17,832,000	Saudi (Government of) 3.75% 21/01/2055	10,060	0.37
\$ 1,763,000	Saudi (Government of) 4.5% 26/10/2046	1,172	0.04
\$ 11,636,000	Saudi (Government of) 4.625% 04/10/2047	7,776	0.28
\$ 562,000	Saudi (Government of) 5% 17/04/2049	395	0.01
\$ 4,622,000	Saudi (Government of) 5.25% 16/01/2050	3,363	0.12
	Corporate Bonds (31/08/22 - 1.02%)		0.68
\$ 5,702,000	Saudi Arabian Oil 3.25% 24/11/2050	3,002	0.11
\$ 24,379,000	Saudi Arabian Oil 4.375% 16/04/2049	15,726	0.57

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Serbia (31/08/22 - 1.03%)		1.11
	Government Bonds (31/08/22 - 1.03%)		1.11
€ 1,149,000	Serbia (Government of) 1% 23/09/2028	775	0.03
€ 20,634,000	Serbia (Government of) 1.5% 26/06/2029	13,896	0.51
€ 3,236,000	Serbia (Government of) 1.65% 03/03/2033	1,871	0.07
\$ 17,404,000	Serbia (Government of) 6.5% 26/09/2033	13,539	0.50
	South Africa (31/08/22 - 7.25%)		6.28
	Government Bonds (31/08/22 - 6.67%)		6.28
ZAR 2,135,773,400	South Africa (Republic of) 8.25% 31/03/2032	75,351	2.75
ZAR 410,206,700	South Africa (Republic of) 8.5% 31/01/2037	13,058	0.48
ZAR 2,588,884,400	South Africa (Republic of) 9% 31/01/2040	82,371	3.01
ZAR 25,838,300	South Africa (Republic of) 10.5% 21/12/2026	1,125	0.04
	Public Authorities (31/08/22 - 0.58%)		0.00
	South Korea (31/08/22 - 0.00%)		1.83
	Government Bonds (31/08/22 - 0.00%)		1.83
KRW 81,499,370,000	Korea Treasury Bond 4.25% 10/12/2032	50,122	1.83
	Supranational (31/08/22 - 0.00%)		0.99
	Supranational Bonds (31/08/22 - 0.00%)		0.99
INR 2,140,300,000	Asian Infrastructure Investment Bank 6.65% 30/06/2033	20,312	0.74
INR 740,000,000	Inter-American Development Bank 7% 17/04/2033	6,854	0.25
	Thailand (31/08/22 - 1.95%)		1.25
	Government Bonds (31/08/22 - 0.00%)		0.02
THB 18,111,000	Thailand (Government of) 3.3% Index Link 17/06/2038	422	0.02
	Government Index-Linked (31/08/22 - 1.95%)		1.23
THB 1,390,581,000	Thailand (Government of) 1.2% Index Link 12/03/2028	33,639	1.23
	Tunisia (31/08/22- 1.54%)		1.59
	Government Bonds (31/08/22 - 0.08%)		0.22
\$ 11,100,000	Banque Centrale de Tunisie Inter 5.75% 30/01/2025	5,958	0.22
	Public Authorities (31/08/22 - 1.46%)		1.37
€ 26,506,000	Banque Centrale de Tunisie Inter 5.625% 17/02/2024	19,381	0.71
€ 8,250,000	Banque Centrale de Tunisie Inter 6.375% 15/07/2026	4,182	0.15
€ 9,886,000	Banque Centrale de Tunisie Inter 6.75% 31/10/2023	8,113	0.30
€ 6,920,000	Banque Centrale de Tunisie Inter 6.75% 31/10/2023	5,679	0.21
	Ukraine (31/08/22 - 0.11%)		0.22
	Government Bonds (31/08/22 - 0.11%)		0.22
\$ 10,243,000	Ukraine (Government of) 6.875% 09/11/2026	2,253	0.08
\$ 17,647,000	Ukraine (Government of) 7.253% 15/03/2035	3,672	0.13
\$ 967,000	Ukraine (Government of) 7.75% 01/09/2023	242	0.01
	United Arab Emirates (31/08/22 - 0.53%)		0.36
	Corporate Bonds (31/08/22 - 0.53%)		0.36
\$ 14,014,000	Abu Dhabi Crude Oil Pipeline 4.6% 02/11/2047	9,853	0.36
	United Kingdom (31/08/22 - 0.41%)		0.19
	Corporate Bonds (31/08/22 - 0.41%)		0.19
\$ 6,117,000	Liquid Telecommunications Financing 5.5% 04/09/2026	2,993	0.11
\$ 6,268,000	Ukraine Railways 8.25% 09/07/2024	2,092	0.08

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Uruguay (31/08/22 - 2.58%)		1.03
	Government Bonds (31/08/22 - 0.49%)		1.03
UYU 185,542,500	Uruguay (Government of) 8.25% 21/05/2031	3,673	0.13
UYU 764,329,000	Uruguay (Government of) 8.5% 15/03/2028	15,544	0.57
UYU 416,178,400	Uruguay (Government of) 9.75% 20/07/2033	9,002	0.33
	Government Index-Linked (31/08/22 - 2.09%)		0.00
	Uzbekistan (31/08/22 - 1.79%)		1.15
	Government Bonds (31/08/22 - 1.79%)		1.15
\$ 9,818,000	Uzbekistan (Republic of) 3.7% 25/11/2030	6,237	0.23
\$ 30,751,000	Uzbekistan (Republic of) 3.9% 19/10/2031	19,509	0.71
\$ 7,314,000	Uzbekistan (Republic of) 4.75% 20/02/2024	5,694	0.21
	Venezuela (31/08/22 - 0.27%)		0.42
	Government Bonds (31/08/22 - 0.25%)		0.42
\$ 21,900,000	Venezuela (Government of) 7% 01/12/2049	1,965	0.07
\$ 19,714,000	Venezuela (Government of) 7.65% 21/04/2025	1,485	0.05
\$ 33,019,000	Venezuela (Government of) 9.25% 15/09/2027	2,671	0.10
\$ 8,123,600	Venezuela (Government of) 9.25% 07/05/2028	657	0.02
\$ 30,944,600	Venezuela (Government of) 11.75% 21/10/2026	2,454	0.09
\$ 29,060,200	Venezuela (Government of) 11.95% 05/08/2031	2,350	0.09
	Corporate Bonds (31/08/22 - 0.02%)		0.00
	Vietnam (31/08/22 - 0.00%)		0.85
	Government Bonds (31/08/22 - 0.00%)		0.85
\$ 30,000,000	Vietnam (Socialist Republic of) 4.8% 19/11/2024	23,154	0.85
	Zambia (31/08/22 - 0.71%)		1.02
	Government Bonds (31/08/22 - 0.71%)		1.02
\$ 29,768,000	Zambia (Republic of) 8.5% 14/04/2024	12,398	0.45
\$ 37,604,000	Zambia (Republic of) 8.97% 30/07/2027	15,469	0.57
	Fixed Interest Funds (31/08/22 - 2.25%)		0.48
CNH 999,298	Aberdeen Standard - China Onshore Bond Fund Class Z CNH+	13,045	0.48
	Money Market Funds (31/08/22 - 1.65%)		1.06
€ 308	Aberdeen Standard Liquidity Fund (LUX) - Euro Fund Class Z-3+	260	0.01
£ 28,766	Aberdeen Standard Liquidity Fund (LUX) - Sterling Fund+	28,755	1.05
	Forward Foreign Exchange Contracts (31/08/22 - (3.46%))		(0.69)
USD 31,514,578	USD Forward Currency Contract 22/09/2023	24,868	0.91
(CLP 25,472,521,996)	CLP Forward Currency Contract 22/09/2023	(23,406)	(0.85)
CLP 25,020,537,000	CLP Forward Currency Contract 22/09/2023	22,990	0.84
(USD 31,232,726)	USD Forward Currency Contract 22/09/2023	(24,645)	(0.90)
HUF 12,599,516,000	HUF Forward Currency Contract 22/09/2023	28,148	1.03
(USD 36,006,537)	USD Forward Currency Contract 22/09/2023	(28,412)	(1.04)
HUF 3,895,689,000	HUF Forward Currency Contract 22/09/2023	8,703	0.32
(USD 11,132,989)	USD Forward Currency Contract 22/09/2023	(8,785)	(0.32)
USD 174,621,261	USD Forward Currency Contract 22/09/2023	137,793	5.03
(EUR 161,060,305)	EUR Forward Currency Contract 22/09/2023	(138,076)	(5.04)
THB 1,145,320,000	THB Forward Currency Contract 22/09/2023	25,862	0.94
(USD 33,427,381)	USD Forward Currency Contract 22/09/2023	(26,377)	(0.96)
MXN 1,151,956,170	MXN Forward Currency Contract 22/09/2023	53,812	1.96
(USD 65,522,119)	USD Forward Currency Contract 22/09/2023	(51,703)	(1.89)
INR 444,357,000	INR Forward Currency Contract 22/09/2023	4,236	0.15
(USD 5,370,782)	USD Forward Currency Contract 22/09/2023	(4,238)	(0.15)
USD 3,273,749	USD Forward Currency Contract 22/09/2023	2,583	0.09

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
(RON 15,084,000)	RON Forward Currency Contract 22/09/2023	(2,614)	(0.10)
THB 1,145,000,000	THB Forward Currency Contract 22/09/2023	25,855	0.94
(USD 33,414,803)	USD Forward Currency Contract 22/09/2023	(26,367)	(0.96)
CZK 620,000,000	CZK Forward Currency Contract 22/09/2023	22,014	0.80
(USD 28,034,307)	USD Forward Currency Contract 22/09/2023	(22,122)	(0.81)
CZK 620,176,328	CZK Forward Currency Contract 22/09/2023	22,020	0.80
(USD 28,067,650)	USD Forward Currency Contract 22/09/2023	(22,148)	(0.81)
USD 114,798,027	USD Forward Currency Contract 22/09/2023	90,587	3.31
(PEN 422,451,000)	PEN Forward Currency Contract 22/09/2023	(90,029)	(3.29)
PLN 79,129,788	PLN Forward Currency Contract 22/09/2023	15,134	0.55
(USD 19,138,368)	USD Forward Currency Contract 22/09/2023	(15,102)	(0.55)
USD 35,030,802	USD Forward Currency Contract 22/09/2023	27,643	1.01
(ZAR 657,000,000)	ZAR Forward Currency Contract 22/09/2023	(27,330)	(1.00)
USD 35,059,409	USD Forward Currency Contract 22/09/2023	27,665	1.01
(ZAR 657,650,000)	ZAR Forward Currency Contract 22/09/2023	(27,357)	(1.00)
EUR 17,305,000	EUR Forward Currency Contract 22/09/2023	14,835	0.54
(GBP 14,875,009)	GBP Forward Currency Contract 22/09/2023	(14,875)	(0.54)
USD 19,271,019	USD Forward Currency Contract 22/09/2023	15,207	0.56
(GBP 15,280,590)	GBP Forward Currency Contract 22/09/2023	(15,280)	(0.56)
USD 27,766,795	USD Forward Currency Contract 22/09/2023	21,911	0.80
(HUF 9,757,213,000)	HUF Forward Currency Contract 22/09/2023	(21,799)	(0.80)
USD 29,505,883	USD Forward Currency Contract 22/09/2023	23,283	0.85
(CLP 23,888,553,000)	CLP Forward Currency Contract 22/09/2023	(21,950)	(0.80)
USD 4,278,184	USD Forward Currency Contract 22/09/2023	3,376	0.12
(MXN 74,175,000)	MXN Forward Currency Contract 22/09/2023	(3,465)	(0.13)
USD 10,862,116	USD Forward Currency Contract 22/09/2023	8,571	0.31
(ZAR 204,387,000)	ZAR Forward Currency Contract 22/09/2023	(8,502)	(0.31)
CZK 166,665,000	CZK Forward Currency Contract 22/09/2023	5,918	0.22
(USD 7,691,549)	USD Forward Currency Contract 22/09/2023	(6,069)	(0.22)
IDR 218,521,734,000	IDR Forward Currency Contract 22/09/2023	11,318	0.41
(USD 14,562,262)	USD Forward Currency Contract 22/09/2023	(11,491)	(0.42)
ZAR 167,461,000	ZAR Forward Currency Contract 22/09/2023	6,966	0.25
(USD 8,899,840)	USD Forward Currency Contract 22/09/2023	(7,023)	(0.26)
INR 485,821,000	INR Forward Currency Contract 22/09/2023	4,631	0.17
(USD 5,905,052)	USD Forward Currency Contract 22/09/2023	(4,660)	(0.17)
MXN 224,827,000	MXN Forward Currency Contract 22/09/2023	10,503	0.38
(USD 12,962,141)	USD Forward Currency Contract 22/09/2023	(10,228)	(0.37)
CZK 121,367,000	CZK Forward Currency Contract 22/09/2023	4,309	0.16
(USD 5,575,509)	USD Forward Currency Contract 22/09/2023	(4,400)	(0.16)
COP 23,853,194,000	COP Forward Currency Contract 22/09/2023	4,564	0.17
(USD 5,570,736)	USD Forward Currency Contract 22/09/2023	(4,396)	(0.16)
THB 716,898,000	THB Forward Currency Contract 22/09/2023	16,188	0.59
(USD 20,260,341)	USD Forward Currency Contract 22/09/2023	(15,987)	(0.58)
PLN 27,869,000	PLN Forward Currency Contract 22/09/2023	5,330	0.19
(USD 6,802,703)	USD Forward Currency Contract 22/09/2023	(5,368)	(0.20)
GBP 42,551,322	GBP Forward Currency Contract 22/09/2023	42,551	1.55
(USD 55,793,906)	USD Forward Currency Contract 22/09/2023	(44,027)	(1.61)
RON 82,804,000	RON Forward Currency Contract 22/09/2023	14,350	0.52
(USD 18,758,039)	USD Forward Currency Contract 22/09/2023	(14,802)	(0.54)
RON 82,500,000	RON Forward Currency Contract 22/09/2023	14,298	0.52
(USD 18,689,159)	USD Forward Currency Contract 22/09/2023	(14,748)	(0.54)
USD 8,546,908	USD Forward Currency Contract 22/09/2023	6,744	0.25
(MXN 145,850,000)	MXN Forward Currency Contract 22/09/2023	(6,813)	(0.25)

Portfolio of investments (unaudited)

Investments held at 31 August 2023

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
MXN 61,576,000	MXN Forward Currency Contract 22/09/2023	2,876	0.11
(USD 3,635,363)	USD Forward Currency Contract 22/09/2023	(2,869)	(0.10)
USD 16,364,358	USD Forward Currency Contract 22/09/2023	12,913	0.47
(ZAR 306,049,000)	ZAR Forward Currency Contract 22/09/2023	(12,731)	(0.46)
USD 7,905,996	USD Forward Currency Contract 22/09/2023	6,239	0.23
(CLP 6,776,150,000)	CLP Forward Currency Contract 22/09/2023	(6,226)	(0.23)
IDR 184,343,483,000	IDR Forward Currency Contract 22/09/2023	9,548	0.35
(USD 12,126,265)	USD Forward Currency Contract 22/09/2023	(9,569)	(0.35)
THB 164,874,000	THB Forward Currency Contract 22/09/2023	3,723	0.14
(USD 4,779,766)	USD Forward Currency Contract 22/09/2023	(3,772)	(0.14)
USD 7,360,091	USD Forward Currency Contract 22/09/2023	5,808	0.21
(PEN 27,250,000)	PEN Forward Currency Contract 22/09/2023	(5,807)	(0.21)
USD 3,269,097	USD Forward Currency Contract 22/09/2023	2,580	0.09
(HUF 1,182,037,000)	HUF Forward Currency Contract 22/09/2023	(2,641)	(0.10)
CZK 320,089,000	CZK Forward Currency Contract 22/09/2023	11,365	0.41
(USD 14,559,526)	USD Forward Currency Contract 22/09/2023	(11,489)	(0.42)
USD 43,757,750	USD Forward Currency Contract 22/09/2023	34,529	1.26
(GBP 34,306,601)	GBP Forward Currency Contract 22/09/2023	(34,307)	(1.25)
GBP 2,748,020,096	GBP Forward Currency Contract 16/11/2023	2,748,020	100.35
(USD 3,506,223,573)	USD Forward Currency Contract 16/11/2023	(2,766,683)	(101.03)
USD 56,059,361	USD Forward Currency Contract 16/11/2023	44,235	1.62
(GBP 44,003,754)	GBP Forward Currency Contract 16/11/2023	(44,004)	(1.61)
USD 22,612,753	USD Forward Currency Contract 16/11/2023	17,843	0.65
(GBP 17,840,000)	GBP Forward Currency Contract 16/11/2023	(17,840)	(0.65)
USD 31,514,578	USD Forward Currency Contract 22/09/2023	33,367	1.22
(CLP 25,472,521,996)	CLP Forward Currency Contract 22/09/2023	(33,242)	(1.21)
Portfolio of investments ^		2,533,353	92.51
Net other assets		205,217	7.49
Net assets		2,738,570	100.00

Unless otherwise stated, all investments with the exception of Forward Foreign Exchange Contracts are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

The counterparties for the Forward Foreign Exchange Contracts are BNP Paribas, Citibank, Credit Agricole, Goldman Sachs, JP Morgan, Merrill Lynch, Morgan Stanley, Royal Bank of Canada, Societe Generale Paris, State Street and UBS.

^ Includes investment liabilities.

+SICAVs (open ended investment schemes registered outside the UK).

Credit Ratings	£000	%
Investment grade	729,869	29.09
Non-investment grade	1,071,196	42.69
Unrated	708,190	28.22
Total investment in bonds	2,509,255	100.00

Top ten purchases and sales

For the year ended 31 August 2023

Purchases	Cost £000	Sales	Proceeds £000
Aberdeen Standard Liquidity Fund (LUX) – Sterling Fund	383,486	Aberdeen Standard Liquidity Fund (LUX) – Sterling Fund	375,864
Aberdeen Standard Liquidity Fund (Lux) – Euro Fund Class Z-3	332,161	Aberdeen Standard Liquidity Fund (Lux) – Euro Fund Class Z-3+	332,508
South Africa (Republic of) 8.25% 31/03/2032	64,336	Chile (Republic of) 4.7% 01/09/2030	32,714
South Africa (Republic of) 9% 31/01/2040	57,148	Uruguay (Republic of) 4.375% Index Link 15/12/2028	27,167
Korea Treasury Bond 4.25% 10/12/2032	57,019	Colombian TES 7.25% 26/10/2050	26,082
Mexican Bonos 8.5% 18/11/2038	54,767	Iraq (Republic of) 5.8% 15/01/2028	24,572
Brazil Notas do Tesouro Nacional 10% 01/01/2031	47,300	Mexico Bonos Desarr 5.75% 05/03/2026	22,829
Indonesia Treasury Bond 7% 15/02/2033	46,764	Hungary (Government of) 5.5% 16/06/2034	22,729
Colombian TES 7.25% 26/10/2050	39,659	Aberdeen Standard - China Onshore Bond Fund Class Z CNH	21,058
Brazil (Republic of) 10% 01/01/2027	35,945	Colombian TES 7% 26/03/2031	20,842
Subtotal	1,118,585	Subtotal	906,365
Other purchases	1,671,131	Other sales	489,499
Total purchases for the year	2,789,716	Total sales for the year	1,395,864

Statistical information

Comparative tables

	31/08/23 pence	Class 'A' Accumulation 31/08/22 pence	31/08/21 pence
Change in net assets per unit			
Opening net asset value per unit	82.27	105.35	100.06
Return before operating charges*	8.15	(22.02)	6.46
Operating charges	(0.97)	(1.06)	(1.17)
Return after operating charges*	7.18	(23.08)	5.29
Distributions on accumulation units	(5.62)	(5.29)	(4.44)
Retained distributions on accumulation units	5.62	5.29	4.44
Closing net asset value per unit	89.45	82.27	105.35
*after direct transaction costs of: ^	0.00	0.00	0.00

Performance

Return after charges	8.73%	(21.91%)	5.29%
----------------------	-------	----------	-------

Other information

Closing net asset value (€000)	13,715	16,220	18,779
Closing number of units	15,333,684	19,716,139	17,824,692
Operating charges	1.13%	1.13%	1.13%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	99.21	113.90	115.99
Lowest unit price (pence)	76.69	77.88	97.62

^ The direct transaction costs includes clearing house fees on swaps.

+ High and low price disclosures are based on quoted unit prices. Therefore, the opening and closing NAV prices may fall outside the high/low price threshold.

Statistical information

Comparative tables

	31/08/23 pence	Class 'B' Accumulation 31/08/22 pence	31/08/21 pence
Change in net assets per unit			
Opening net asset value per unit	96.51	122.22	114.79
Return before operating charges*	9.61	(25.68)	7.47
Operating charges	(0.03)	(0.03)	(0.04)
Return after operating charges*	9.58	(25.71)	7.43
Distributions on accumulation units	(7.74)	(7.37)	(6.33)
Retained distributions on accumulation units	7.74	7.37	6.33
Closing net asset value per unit	106.09	96.51	122.22
*after direct transaction costs of: ^	0.00	0.00	0.00

Performance

Return after charges	9.93%	(21.04%)	6.47%
----------------------	-------	----------	-------

Other information

Closing net asset value (£000)	2,724,855	1,278,333	785,933
Closing number of units	2,568,489,044	1,324,581,441	643,053,284
Operating charges	0.03%	0.03%	0.03%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	109.44	122.86	124.28
Lowest unit price (pence)	90.57	91.71	112.00

^ The direct transaction costs includes clearing house fees on swaps.

+ High and low price disclosures are based on quoted unit prices. Therefore, the opening and closing NAV prices may fall outside the high/low price threshold.

Statistical information

Investment objective

The Fund aims to provide returns from capital appreciation and foreign currency movements by outperforming the benchmark (before fees) by 1.5% to 2.5% per annum over any given 3 year period.

The benchmark is 50% JPM EMBI Global Diversified (US\$) (EMD) and 50% JPM GBI-EM Global Diversified (US\$) (EM LC D) (the "Composite Index").

Investment policy

The Fund aims to achieve this objective by investing in, or take exposure to, a portfolio of bonds that are issued by governments, quasi-government entities or corporations in emerging markets countries and emerging market currencies or which, in the opinion of the manager, carry out a substantial part of their operations in emerging market countries. The Fund will hold a varying proportion of the portfolio directly but will also have the ability to gain exposure to the markets by indirect means, which will be taking long or short net exposures to foreign currency exchange and the use of appropriate derivative instruments.

The Fund may use one or more counterparties for gaining exposure to over-the-counter financial derivatives. In all circumstances, however, the Fund will comply with the investment restrictions and limits set out in the Prospectus.

Substantial cash holdings of up to 100% of the portfolio may arise as a balance to the desired exposures being achieved through derivatives.

In order to pursue its investment policy, the Fund may also invest the Fund's assets in near cash, deposits, warrants and/or money market instruments and collective investment schemes (and use may be made of stocklending (including repos) and borrowing).

The Fund will use derivative and forward transactions for investment purposes and for efficient portfolios management only.

Investment strategy

The Fund will seek to generate positive returns by taking views on the rates or spread of a particular issuer, the shape of an issuer's yield curve or a country's rates curve, the level of a country's exchange rate, or the spread between such levels, amongst other opportunities.

It is often the case that movements in commodity prices, the bonds issued by G10 countries, currencies and stock indices drive emerging market debt market movements, and trading these developed market instruments or their derivatives can represent cheap and liquid hedges to emerging market debt portfolio positions. The Fund may transact in these areas and also in any other markets and countries that they consider appropriate to gain the necessary exposure to meet the Fund's objectives. As a result, trading may occur in an instrument traded on a particular eligible market in order to gain underlying exposure to an emerging market.

The Fund will not be constrained by any index weightings and will not concentrate on any particular country or sector or have regard to market capitalisation.

Active exposures to emerging market issuers, rates and foreign exchange will be achieved through exposure to physical instruments or over-the-counter derivatives such as credit default swaps, credit linked notes, global depositary notes, interest rate swaps, deliverable or nondeliverable forward foreign exchange contracts, futures and options. Long exposure may be held through a combination of direct investment in securities and/or derivatives. Short exposure will be taken through derivative positions.

Statistical information

The Fund will seek to minimise the impact of exchange rate fluctuations between the operating currency of the portfolio, US Dollars, and the base currency, sterling, through currency hedging of USD to GBP. This includes investments in other currencies that are made with regards to the operating currency. Currency hedging is a process that aims to lower the risk from exchange rate movements on the Fund.

Revenue distribution and pricing

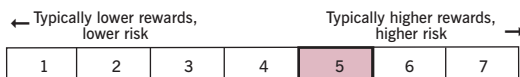
Units of the Fund are available as either Class 'A' Accumulation or 'B' Accumulation (where revenue is reinvested to enhance the unit price).

There will be two potential distributions in each accounting year: an interim distribution as at the last day of February and a final distribution as at 31 August.

At each distribution the net revenue after deduction of expenses, from the investments of the Fund, is apportioned amongst the unitholders. Unitholders receive a tax voucher giving details of the distribution and the Manager's Report no later than two months after these dates.

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.



This unit class is ranked at 5 (31/08/22: 4) because funds of this type have experienced average rises and falls in value in the past. The above figure applies to the following unit class:

- Class 'A' Accumulation
- Class 'B' Accumulation

Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. Please note the Fund's risk category may change in the future. The indicator does not take into account the following risks of investing in this Fund:

- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency rates will reduce the value of your investment. The Investment Manager does, however, use transactions to offset and reduce this risk.
- Emerging markets tend to be less stable than more established stock markets so your money is at greater risk.
- Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts.
- This Fund can use derivatives in order to meet its investment objectives. This may lead to greater and more frequent rises and falls in the Fund's unit price.

Statistical information

- Investing in derivatives carries the risk of substantial loss and/or increased volatility in adverse market conditions.
- There may be cases where the organisation from which we buy an asset (usually a financial institution such as a bank) fails to carry out its obligations, which could cause losses to the Fund.
- It may be more difficult to sell or value certain bonds within the Fund. There are fewer investors in these bonds and it may be harder to buy and sell them at the best time.

For more information on the Risk and Reward profiles of our Funds, please refer to the most up to date relevant fund and Unit Class Key Investor Information Documents (KIIDs). These are available online at www.phoenixunittrust.co.uk.

Annual financial statements

For the year ended 31 August 2023

Statement of total return

Notes	31/08/23		31/08/22	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)	4		77,707	(373,087)
Revenue	5	178,309	85,149	
Expenses	6	(920)	(531)	
Interest payable and similar charges		<u>(134)</u>	<u>(80)</u>	
Net revenue before taxation		177,255	84,538	
Taxation	7	<u>(955)</u>	<u>(829)</u>	
Net revenue after taxation		<u>176,300</u>	<u>83,709</u>	
Total return/(deficit) before distributions		254,007	(289,378)	
Distributions	8	(176,965)	(83,969)	
Change in net assets attributable to unitholders from investment activities		<u>77,042</u>	<u>(373,347)</u>	

Statement of change in net assets attributable to unitholders

	31/08/23		31/08/22	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		1,294,553		804,712
Amounts receivable on issue of units		1,404,797		782,138
Amounts payable on cancellation of units		<u>(226,382)</u>		<u>(12,418)</u>
		1,178,415		769,720
Change in net assets attributable to unitholders from investment activities		77,042		(373,347)
Retained distributions on accumulation units		188,560		93,468
Closing net assets attributable to unitholders		<u>2,738,570</u>		<u>1,294,553</u>

Annual financial statements

As at 31 August 2023

Balance sheet

	Notes	31/08/23 £000	31/08/22 £000
Assets:			
Fixed assets:			
Investments		2,559,039	1,255,644
Current assets:			
Debtors	9	66,753	33,811
Cash and bank balances	10	<u>155,692</u>	<u>81,818</u>
Total current assets		222,445	115,629
Total assets		<u>2,781,484</u>	<u>1,371,273</u>
Liabilities:			
Investment liabilities		(25,686)	(62,682)
Creditors:			
Bank overdraft	11	(4,516)	(7,202)
Other creditors	12	<u>(12,712)</u>	<u>(6,836)</u>
Total creditors		(17,228)	(14,038)
Total liabilities		(42,914)	(76,720)
Net assets attributable to unitholders		<u>2,738,570</u>	<u>1,294,553</u>

Notes to the financial statements

Note 1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in compliance with Financial Reporting Standard (FRS 102) and in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by The Investment Association ('IA') in May 2014, and as amended in June 2017.

These financial statements are prepared on a going concern basis. The Manager has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made for a period of 12 months from when the financial statements are authorised for issue and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience.

(b) Valuation of investments

The quoted investments of the Fund have been valued at bid dealing prices as at close of business on 31 August 2023, the last valuation point in the accounting year, in accordance with the Trust Deed.

Investments in collective investment schemes have been valued at bid price for dual priced funds or the single price for single priced funds. Where these investments are managed by the Manager or an associate of the Manager, the holdings have been valued at the cancellation price for dual priced funds or the single price for single priced funds. This price is the last available published price at the year end.

Over-the-counter derivatives are priced at fair value using valuation models or data sourced from market data providers.

(c) Foreign exchange

Transactions in foreign currencies during the year are translated into Sterling (the functional currency of the Fund), at the rates of exchange ruling on the transaction date. Amounts held in foreign currencies have been translated at the rate of exchange ruling at close of business, 31 August 2023, the last valuation point in the accounting year.

(d) Revenue

Interest receivable on bank deposits is accounted for on a receipts basis and money market funds is accounted for on an accruals basis. Interest receivable from debt securities is accounted for on an effective interest rate basis. Accrued interest purchased or sold is excluded from the cost of the security and is accounted for as revenue.

Any commission arising from stocklending is recognised on an accruals basis and is disclosed net of fees.

Interest received from or paid to the Fund from over-the-counter derivatives designed to protect income is treated as revenue. Interest received from or paid to the Fund from over-the-counter derivatives designed to protect capital is treated as capital.

Any reported revenue from an offshore fund in excess of any distributions is recognised as revenue after the end of the reporting period, no later than the date when the reporting fund makes this information available.

(e) Expenses

Expenses are accounted for on an accruals basis. Expenses of the Fund are charged against revenue, except for the safe custody charge and costs associated with the purchase and sale of investments, which are charged to capital.

Notes to the financial statements

Note 1 Accounting policies (continued)

(f) Taxation

The Fund satisfied the rules of SI 2006/964, Reg 19 throughout the period. All distributions made are therefore made as interest distributions. The Fund has no corporate tax liability as interest distributions are tax deductible.

(g) Deferred taxation

Deferred tax is provided at current rates of corporation tax on all timing differences which have originated but not reversed by the Balance sheet date. Deferred tax is not recognised on permanent differences.

Deferred tax assets are recognised only to the extent that the Manager considers it is more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

Note 2 Distribution policies

(a) Basis of distribution

Revenue produced by the Fund's investments accumulates during each accounting period. If, at the end of each accounting period, revenue exceeds expenses, the net revenue of the Fund is available to be accumulated to unitholders.

(b) Unclaimed distributions

Distributions remaining unclaimed after six years are paid into the Fund as part of the capital property.

(c) Apportionment to multiple unit classes

With the exception of the Manager's periodic charge, the allocation of revenue and expenses to each unit class is based upon the proportion of the Fund's assets attributable to each unit class on the day the revenue is earned or the expense is suffered. The Manager's periodic charge is specific to each unit class. Tax will be allocated between the unit classes according to income. Consequently, the revenue available to distribute for each unit class will differ.

(d) Interest from debt securities

Future cash flows on all assets are considered when calculating revenue on an effective interest rate basis and where, in the Manager's view there is doubt as to the final maturity value, an estimate of the final redemption proceeds will be made in determining those cash flows. The impact of this will be to reduce the revenue from debt securities, and therefore the revenue distributed, whilst preserving capital within the Fund.

(e) Expenses

In determining the net revenue available for distribution, charges in relation to the legal fees, safe custody of investments are ultimately borne by capital.

Note 3 Risk management policies

The risks arising from the Fund's financial instruments are market price risk, interest rate risk, foreign currency risk, liquidity risk, credit risk and counterparty risk. The Manager's policies for managing these risks are summarised below and have been applied throughout the year.

(a) Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to market fluctuations which are monitored by the Manager in pursuit of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed,

Notes to the financial statements

Note 3 Risk management policies (continued)

the Prospectus and in the Collective Investment Schemes Sourcebook ("the Sourcebook") mitigates the risk of excessive exposure to any particular type of security or issuer.

(b) Interest rate risk

The Fund's assets are comprised of mainly fixed interest rate securities. There is therefore a risk that the capital value of investments will vary as a result of the market's sentiment regarding future interest rates.

Expectations of future rates may result in an increase or decrease in the value of investments held. In general, if interest rates rise the revenue potential of the Fund also rises but the value of fixed interest rate securities will decline. A decline in interest rates will in general have the opposite effect.

Any transactions in fixed interest securities must be used in accordance with the investment objective of the Fund and must be deemed by the Investment Manager to be economically appropriate. Regular production of portfolio risk reports highlight concentrations of risk, including interest rate risk, for this Fund.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

(c) Foreign currency risk

A substantial proportion of the Fund's investment portfolio is invested in overseas securities and the Balance sheet can be (significantly) affected by movements in foreign exchange rates. The Fund may be subject to short term exposure to exchange rate movements between placing the purchase or sale of securities and agreeing a related currency transaction albeit usually the two transactions are agreed at the same time.

Any such currency transactions must be used in accordance with the investment objective of the Fund and must be deemed by the Investment Manager to be economically appropriate. Regular production of portfolio risk reports highlight concentrations of risk, including currency risk, for the Fund.

(d) Liquidity risk

The Fund's assets are comprised of mainly readily realisable securities. If insufficient cash is available to finance unit holder redemptions then securities held by the Fund may need to be sold. The risk of low market liquidity, through reduced trading volumes, may affect the ability of the Fund to trade financial instruments at values previously indicated by financial brokers. From time to time, liquidity may also be affected by stock specific or economic events. To manage these risks the Manager performs market research in order to achieve the best price for any transactions entered into on behalf of the Fund. All stocks are valued daily but those stocks identified as being less liquid are reviewed on a regular basis for pricing accuracy.

(e) Credit risk

At the Balance sheet date some 11.21% (31/08/22: 10.90%) of the Fund's assets were held in corporate bonds, 1.78%(31/08/22: 2.55%) in public authorities and 76.45% (31/08/22: 74.22%) in government bonds.

Corporate and government bonds involve the risk that the bond issuer will be unable to meet its liability to pay interest or redeem the bond. The Fund Manager selects bonds taking into account the credit rating, bearing in mind the Fund's objective.

Notes to the financial statements

Note 3 Risk management policies (continued)

(f) Counterparty risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. This list is reviewed annually.

(g) Derivatives

Derivative transactions may be used by the Fund for the purposes of meeting its investment objectives and also for hedging. In doing so the Manager may make use of a variety of derivative instruments in accordance with the Sourcebook. The use of derivatives for investment purposes means that the net asset value of the Fund may at times have high volatility, although derivatives will not be used with the intention of raising the risk profile of the Fund. Where derivatives are used for hedging this will not compromise the risk profile of the Fund. Use of derivatives will not knowingly contravene any relevant investment objective or limits.

The Manager has used forward foreign currency contracts to hedge the currencies which are physically owned during the year. The purpose of undertaking these contracts is to protect the portfolio as far as possible from a movement in the value of exchange rates.

The derivative counterparties are shown at the bottom of the Portfolio of investments on page 13.

Note 4 Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31/08/23	31/08/22
	£000	£000
Losses on non-derivative securities	(108,240)	(169,873)
Gains/(losses) on derivative contracts	212,844	(221,831)
Currency (losses)/gains	(26,885)	18,624
Handling charges	(12)	(7)
Net capital gains/(losses)	<u>77,707</u>	<u>(373,087)</u>

Note 5 Revenue

	31/08/23	31/08/22
	£000	£000
Overseas dividends	1	3
Interest on debt securities	170,700	84,781
Stocklending commission	339	32
Bank interest	449	136
Liquidity interest	<u>6,820</u>	<u>197</u>
Total revenue	<u>178,309</u>	<u>85,149</u>

Notes to the financial statements

Note 6 Expenses	31/08/23 £000	31/08/22 £000
(a) Payable to the Manager or associates of the Manager and agents of either of them: Manager's periodic charge	301	261
	<u>301</u>	<u>261</u>
(b) Payable to the Trustee or associates of the Trustee and agents of either of them: Trustee's fees	49	31
(c) Other expenses: Audit fee	10	10
Safe custody charges	500	221
Printing & stationery	-	1
FTSE licence fees	8	-
Professional fees	52	7
	<u>570</u>	<u>239</u>
Total expenses	<u>920</u>	<u>531</u>

Note 7 Taxation	31/08/23 £000	31/08/22 £000
(a) Analysis of tax charge for the year		
Corporation tax	57	113
Double tax relief	(57)	(113)
Overseas withholding tax	1,169	758
Reclaimable tax written off	(381)	32
Overseas capital gains tax	167	62
Total taxation	<u>955</u>	<u>852</u>
Deferred tax on overseas capital gains (Note 7(c))	-	(23)
Total taxation (Note 7 (b))	<u>955</u>	<u>829</u>

(b) Factors affecting the tax charge for the year
The tax assessed for the year is lower than that calculated when the standard rate of corporation tax for Authorised Unit Trusts is applied to total revenue return. The differences are explained below:

Net revenue before taxation	177,255	84,538
Corporation tax at 20% (31/08/22: 20%)	35,451	16,908
Effects of:		
Double tax relief	(57)	(113)
Overseas withholding tax	1,169	758
Deductible interest distributions	(35,394)	(16,795)
Reclaimable tax written off now recovered	(381)	32
Overseas capital gains tax	167	39
Total tax charge for the year (Note 7(a))	<u>955</u>	<u>829</u>

Authorised Unit Trusts are exempt from tax on capital gains in the UK.

(c) Provision for deferred taxation		
	31/08/23 £000	31/08/22 £000
Provision at the start of the year	-	23
Deferred tax charge/(credit) in year (Note 7(a))	-	(23)
Provision at the end of the year	<u>-</u>	<u>-</u>

The deferred tax liability relates to unrealised capital gains on overseas assets.

Notes to the financial statements

Note 8 Distributions

The distributions take account of amounts added on the issue of units and amounts deducted on the cancellation of units, and comprise:

	31/08/23	31/08/22
	£000	£000
Interim	83,918	41,809
Final	104,641	51,659
	<u>188,559</u>	<u>93,468</u>
Amounts deducted on cancellation of units	5,470	2,005
Amounts added on issue of units	(17,064)	(11,504)
Net distribution for the year	<u>176,965</u>	<u>83,969</u>
Net revenue after taxation	176,300	83,709
Expenses taken to capital	500	221
Overseas capital gains tax	167	39
Movement of undistributed revenue	(2)	-
Net distribution for the year	<u>176,965</u>	<u>83,969</u>

Details of the distribution per unit are set out in the tables on page 36.

Note 9 Debtors

	31/08/23	31/08/22
	£000	£000
Creations awaiting settlement	17,460	5,293
Sales awaiting settlement	-	5,193
Accrued income	49,199	23,232
Overseas tax recoverable	94	93
Total debtors	<u>66,753</u>	<u>33,811</u>

Note 10 Cash and bank balances

	31/08/23	31/08/22
	£000	£000
Cash and bank balances	9,735	44,698
Swaps collateral	50,433	37,120
Time deposits	95,524	-
Total cash and bank balances	<u>155,692</u>	<u>81,818</u>

Note 11 Bank overdraft

	31/08/23	31/08/22
	£000	£000
Bank overdraft	1,516	-
Swaps collateral	3,000	7,202
Total bank overdraft	<u>4,516</u>	<u>7,202</u>

Note 12 Other creditors

	31/08/23	31/08/22
	£000	£000
Cancellations awaiting settlement	10,533	1,320
Purchases awaiting settlement	1,845	5,348
Manager's periodic charge payable	27	61
Trustee's fees payable	18	12
Safe custody charges payable	266	68
Audit fee payable	10	10
Handling charges payable	13	2
Overdraft interest payable	-	15
Total other creditors	<u>12,712</u>	<u>6,836</u>

Notes to the financial statements

Note 13 Reconciliation of units

	Class 'A' Accumulation	Class 'B' Accumulation
Opening units issued at 01/09/22	19,716,139	1,324,581,441
Unit movements in year:		
Units issued	114,402	1,464,011,765
Units cancelled	(4,496,857)	(220,104,161)
Closing units at 31/08/23	<u>15,333,684</u>	<u>2,568,489,045</u>

Note 14 Contingencies and commitments

At 31 August 2023 the Fund had no outstanding calls on partly paid shares, no potential underwriting commitments or any other contingent liabilities (31/08/22: £nil).

Note 15 Stocklending

The total value of securities on loan at the Balance sheet date was £53,972,591 (31/08/22: £66,925,102). Collateral was held in the following form:

	31/08/23 £000	31/08/22 £000
Government bonds	56,780	70,185
UK Equities	<u>25</u>	<u>275</u>
	<u>56,805</u>	<u>70,460</u>

The gross earnings and fees paid for the year were £413,099 (31/08/22: £39,392) and £74,358 (31/08/22: £7,091) respectively.

The gross earnings were split by the lending agent as follows:

- 82% to the Lender (PUTM Bothwell EMD Unconstrained Fund)
- 8% to the Manager (Phoenix Unit Trust Managers Limited)
- 10% retained by the Lending Agent (eSec)

The counterparties for the securities on loan are shown in the appendix on page 42.

Note 16 Unitholders' funds

There are two unit classes in issue within the Fund. These are Class 'A' and Class 'B'.

The Manager's periodic charge in respect of Class 'A' or Class 'B' units is expressed as an annual percentage of the value of the property of the Fund attributable to each unit class and is currently 1.1050% in respect of Class 'A' units and 0.0050% in respect of Class 'B' units.

Consequently, the level of net revenue attributable to each unit class will differ. Should it be necessary to wind-up the Fund, each unit class will have the same rights as regards to the distribution of the property of the Fund.

Notes to the financial statements

Note 17 Related party transactions

The Manager is a related party to the Fund by virtue of its controlling influence.

The Manager is part of the Phoenix Group. Phoenix Life Limited which is also part of the Phoenix Group, is a material unitholder in the Fund and therefore a related party, holding 100% of the units in Class 'A' Accumulation at the year end 31/08/22: 100%) and 100% of the units in Class 'B' Accumulation at the year end (31/08/22: 100%).

Manager's periodic charge paid to the Manager, Phoenix Unit Trust Managers Limited, or its associates, is shown in Note 6(a) and details of the units issued and cancelled by the Manager are shown in the Statement of change in net assets attributable to unitholder and Note 8.

Any balances due to/from the Manager or its associates at 31 August 2023 in respect of these transactions are shown in Notes 9 and 11.

Note 18 Financial instruments

In accordance with the investment objective, the Fund holds certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- derivative transactions which the Fund may also enter into, the purpose of which is to manage the currency and market risks arising from the Fund's investment activities; and
- cash and short term debtors and creditors arising directly from operations.

Counterparty exposure

At 31 August 2023, the Fund had the following counterparty exposure on open Forward Foreign Exchange Contracts:

BNP Paribas	£69
Citibank	£558
DBK	£387
Goldman Sachs	£3,604
Lloyds Bank	£624
Merrill Lynch	£1
Morgan Stanley	£781
Royal Bank of Canada	£1,501
UBS	£201

Notes to the financial statements

Note 18 Financial instruments (continued)

Currency exposure

An analysis of the monetary assets and liabilities at the year end is shown below:

Currency	Monetary exposure	Net currency assets/(liabilities)			Net currency assets/(liabilities)		
		31/08/23			31/08/22		
	£000	Non-monetary exposure £000	Total exposure £000	Monetary exposure £000	Non-monetary exposure £000	Total exposure £000	
Sterling	5,984	2,726,388	2,732,372	(988)	1,301,874	1,300,886	
Brazilian Real	4,407	243,070	247,477	1,863	61,634	63,497	
Colombian Peso	3,915	56,211	60,126	1,129	38,383	39,512	
Czech Koruna	133	84,349	84,482	108	41,620	41,728	
Indian Rupee	1,915	80,009	81,924	531	12,057	12,588	
Indonesian Rupiah	3,953	175,453	179,406	1,474	70,896	72,370	
Kazakhstani Tenge	402	9,770	10,172	-	-	-	
Malaysian Ringgit	725	98,443	99,168	313	59,558	59,871	
Mexican Peso	4,880	191,326	196,206	1,524	74,891	76,415	
Philippine Peso	813	37,776	38,589	-	-	-	
Polish Zloty	-	20,464	20,464	-	18,825	18,825	
Romanian new leu	2,856	103,383	106,239	-	-	-	
South African Rand	4,049	102,951	107,000	1,678	92,307	93,985	
South Korean Wong	463	50,122	50,585	-	-	-	
Thai Baht	194	105,688	105,882	149	50,090	50,239	
US Dollar	158,704	(1,607,355)	(1,448,651)	87,421	(722,535)	(635,114)	
Uruguay Peso	808	28,219	29,027	-	-	-	
Other foreign currencies*	11,016	27,086	38,102	6,389	93,362	99,751	
	205,217	2,533,353	2,738,570	101,591	1,192,962	1,294,553	

* foreign currencies included within 'other foreign currencies' above amounts to less than 10% (31/08/22: less than 10%) of the net asset value of the Fund.

Income received in other currencies is converted to Sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid, movement risk on accrued income.

Notes to the financial statements

Note 18 Financial instruments (continued)

Interest profile

The interest rate risk profile of financial assets and liabilities at 31 August 2023 was:

Currency	Fixed rate financial assets £000	Floating rate financial assets £000	Financial assets not carrying interest £000	Total £000
Sterling	–	–	2,870,073	2,870,073
Australian Dollar	–	3	–	3
Brazilian Real	243,015	55	4,407	247,477
Chilean Peso	29,261	–	23,417	52,678
Chinese Yuan	–	–	13,045	13,045
Colombian Peso	51,647	431	8,048	60,126
Czech Koruna	18,723	–	65,759	84,482
Dominican Peso	25,273	–	349	25,622
Euro	115,844	4,329	18,663	138,836
Hungarian Forint	–	–	36,852	36,852
Indian Rupee	71,141	18	10,765	81,924
Indonesian Rupiah	154,588	–	24,818	179,406
Kazakhstani Tenge	9,770	–	402	10,172
Malaysian Ringgit	98,443	–	725	99,168
Mexican Peso	134,412	1,650	70,422	206,484
Peruvian Sol	78,659	2,087	513	81,259
Philippine Peso	37,776	–	813	38,589
Polish Zloty	–	–	20,464	20,464
Romanian new leu	77,349	–	31,504	108,853
South African Rand	171,905	–	11,015	182,920
South Korean Wong	50,122	–	463	50,585
Thai Baht	422	33,639	71,838	105,899
US Dollar	1,010,304	215,860	531,464	1,757,628
Uruguay Peso	28,219	–	808	29,027
	2,406,873	258,072	3,816,627	6,481,572

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	(528)	(137,173)	(137,701)
Chilean Peso	–	(51,582)	(51,582)
Euro	(260)	(138,076)	(138,336)
Hungarian Forint	–	(24,439)	(24,439)
Mexican Peso	–	(10,278)	(10,278)
Peruvian Sol	–	(95,836)	(95,836)
Romanian new leu	–	(2,614)	(2,614)
South African Rand	–	(75,920)	(75,920)
Thai Baht	(17)	–	(17)
US Dollar	(3,711)	(3,202,568)	(3,206,279)
	(4,516)	(3,738,486)	(3,743,002)

Notes to the financial statements

Note 18 Financial instruments (continued)

Interest profile (continued)

The interest rate risk profile of financial assets and liabilities at 31 August 2022 was:

Currency	Fixed rate financial assets £000	Floating rate financial assets £000	Financial assets not carrying interest £000	Total £000
Sterling	–	2,006	1,362,071	1,364,077
Australian Dollar	–	4	–	4
Brazilian Real	98,584	50	1,863	100,497
Chilean Peso	53,402	–	1,129	54,531
Chinese Yuan	–	–	39,968	39,968
Colombian Peso	45,966	8	1,670	47,644
Czech Koruna	6,954	–	34,774	41,728
Euro	94,232	946	24,446	119,624
Hungarian Forint	–	–	36,675	36,675
Indian Rupee	15,165	20	511	15,696
Indonesian Rupiah	66,876	–	5,494	72,370
Kazakhstani Tenge	7,016	–	299	7,315
Malaysian Ringgit	44,916	–	14,955	59,871
Mexican Peso	60,650	–	32,802	93,452
Peruvian Sol	23,191	–	91	23,282
Polish Zloty	–	–	18,825	18,825
South African Rand	86,316	25	7,644	93,985
Thai Baht	–	25,187	25,052	50,239
US Dollar	488,690	115,360	351,950	956,000
Uruguay Peso	6,282	27,049	506	33,837
	1,098,240	170,655	1,960,725	3,229,620

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	(6,830)	(56,361)	(63,191)
Brazilian Real	–	(37,000)	(37,000)
Chilean Peso	–	(15,019)	(15,019)
Colombian Peso	–	(34,730)	(34,730)
Euro	(372)	(115,778)	(116,150)
Hungarian Forint	–	(17,847)	(17,847)
Indian Rupee	–	(3,108)	(3,108)
Mexican Peso	–	(17,037)	(17,037)
Peruvian Sol	–	(39,871)	(39,871)
US Dollar	–	(1,591,114)	(1,591,114)
	(7,202)	(1,927,865)	(1,935,067)

Interest rates earned/paid on deposits are earned/paid at a rate linked to SONIA (Sterling Overnight Index Average) or international equivalent.

Interest was also earned on the investments in the Aberdeen Standard Liquidity Fund.

Notes to the financial statements

Note 18 Financial instruments (continued)

Sensitivity analysis

Interest rate risk sensitivity

Changes in interest rates or changes in expectation of future interest rates may result in an increase or decrease in the the market value of the investments held. A one percent increase in interest rates (based on current parameters used by the Manager's Investment Risk department) would have the effect of decreasing the return and net assets by £154,729,205 (31/08/22: £65,374,927). A one percent decrease would have an equal and opposite effect.

Foreign currency risk sensitivity

A five percent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £309,955 (31/08/22: £316,642). A five percent decrease would have an equal and opposite effect.

Market price risk sensitivity

A five percent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £126,667,626 (31/08/22: £59,648,097). A five percent decrease would have an equal and opposite effect.

Note 19 Fair value of investments

The fair value of the Fund's investments has been determined using the hierarchy below.

This complies with the 'Amendments to FRS 102 - Fair value hierarchy disclosures' issued by the Financial Reporting Council in March 2016.

- | | |
|---------|---|
| Level 1 | The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date. |
| Level 2 | Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. |
| Level 3 | Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability. |

Notes to the financial statements

Note 19 Fair value of investments (continued)

For the year ended 31/08/23

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	2,193,800	306,494	8,961	2,509,255
Derivatives	–	7,724	–	7,724
Money markets/Time deposits	42,060	–	–	42,060
	2,235,860	314,218	8,961	2,559,039
Investment liabilities	£000	£000	£000	£000
Derivatives	–	(25,686)	–	(25,686)
	–	(25,686)	–	(25,686)

For the year ended 31/08/22

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	1,044,715	140,620	1,743	1,187,078
Derivatives	–	17,937	–	17,937
Money markets/Time deposits	50,629	–	–	50,629
	1,095,344	158,557	1,743	1,255,644
Investment liabilities	£000	£000	£000	£000
Derivatives	–	(62,682)	–	(62,682)
	–	(62,682)	–	(62,682)

Note 20 Portfolio transaction costs

For the year ended 31/08/23

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Bond transactions	2,066,103	–	–	–	–	–	–	2,066,103
Money markets	722,027	–	–	–	–	–	–	722,027
Corporate actions	1,586	–	–	–	–	–	–	1,586
Total	2,789,716	–	–	–	–	–	–	2,789,716
Analysis of total sales costs								
Bond transactions	613,427	–	–	–	–	–	–	613,427
Money markets	729,431	–	–	–	–	–	–	729,431
Corporate actions	53,006	–	–	–	–	–	–	53,006
Total	1,395,864	–	–	–	–	–	–	1,395,864

The Fund has paid £521 as commission on purchases and sales of derivatives transactions for the year ended 31/08/23.

Commission, taxes and other expenses as % of average net assets:

Commission	0.00%
Taxes	0.00%
Other expenses	0.00%

Notes to the financial statements

Note 20 Portfolio transaction costs (continued)

For the year ended 31/08/22							
	Value	Commission		Taxes		Other	Total
Analysis of total purchases costs	£000	£000	%	£000	%	expenses	costs
						£000	£000
Bond transactions	1,027,448	-	-	-	-	-	1,027,448
Money markets	208,794	-	-	-	-	-	208,794
Corporate actions	308	-	-	-	-	-	308
Total	<u>1,236,550</u>	<u>-</u>		<u>-</u>		<u>-</u>	<u>1,236,550</u>

For the year ended 31/08/22							
	Value	Commission		Taxes		Other	Total
Analysis of total sales costs	£000	£000	%	£000	%	expenses	costs
						£000	£000
Bond transactions	417,354	-	-	-	-	-	417,354
Money markets	182,789	-	-	-	-	-	182,789
Corporate actions	10,119	-	-	-	-	-	10,119
Total	<u>610,262</u>	<u>-</u>		<u>-</u>		<u>-</u>	<u>610,262</u>

The Fund has paid £330 as commission on purchases and sales of derivatives transactions for the year ended 31/08/22. Commission, taxes and other expenses as % of average net assets:

Commission	0.00%
Taxes	0.00%
Other expenses	0.00%

The purchases and sales of securities incurred no direct transaction costs during the year or prior year.

Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

Direct transaction costs: Broker commissions, fees and taxes.

Indirect transaction costs: "Dealing spread" - the difference between buying and selling prices of the underlying investments.

At the Balance sheet date the portfolio dealing spread was 0.73% (31/08/22: 0.87%) being the difference between the respective bid and offer prices for the Fund's investments.

Distribution tables

For the year ended 31 August 2023

Interest distributions

Interim distribution in pence per unit

Group 1: units purchased prior to 1 September 2022

Group 2: units purchased 1 September 2022 to 28 February 2023

	Gross income	Equalisation	2023 pence per unit paid 30 Apr	2022 pence per unit paid 30 Apr
Class 'A' Accumulation				
Group 1	2.6856	—	2.6856	2.4668
Group 2	1.9102	0.7754	2.6856	2.4668
Class 'B' Accumulation				
Group 1	3.6877	—	3.6877	3.5141
Group 2	2.9170	0.7707	3.6877	3.5141

Final distribution in pence per unit

Group 1: units purchased prior to 1 March 2023

Group 2: units purchased 1 March 2023 to 31 August 2023

	Gross income	Equalisation	2023 pence per unit payable 31 Oct	2022 pence per unit paid 31 Oct
Class 'A' Accumulation				
Group 1	2.9385	—	2.9385	2.8211
Group 2	2.9385	—	2.9385	2.8211
Class 'B' Accumulation				
Group 1	4.0565	—	4.0565	3.8580
Group 2	2.0510	2.0055	4.0565	3.8580

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of the units for capital gains tax purposes.

Responsibilities of the manager and the trustee

- a) The Manager of the Fund is required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the Sourcebook') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund at the end of that period and the net revenue or expense and the net gains or losses on the property of the Fund for the period then ended.

In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Fund in accordance with the Trust Deed, the Prospectus and the Sourcebook, maintain proper financial records to enable them to ensure that the financial statements comply with the Statement of Recommended Practice for Authorised Funds as issued by the IA in May 2014 (amended June 2017) and the Sourcebook and take reasonable steps for the prevention and detection of fraud and other irregularities.

- b) The Depositary in its capacity as Trustee of the PUTM Bothwell Emerging Market Debt Unconstrained Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Trustee's report and directors' statement

Statement of the Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Unitholders of the PUTM Bothwell Emerging Market Debt Unconstrained Fund of the PUTM Bothwell Range of Unit Trusts ("the Trust") for the period ended 31 August 2023.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the Trust; and
- ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

21 December 2023

Directors' statement

In accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of the Directors of Phoenix Unit Trust Managers Limited.

Birmingham
21 December 2023

Craig Baker, Director
Brid Meaney, Director

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Market Debt Unconstrained Fund

Opinion

We have audited the financial statements of the PUTM Bothwell Emerging Market Debt Unconstrained Fund ("the Fund") for the year ended 31 August 2023 which comprise the Statement of Total Return, the Statement of Change in Net Assets attributable to Unitholders, the Balance Sheet, the Distribution Tables and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 31 August 2023 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Fund Manager's ("the Manager") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Market Debt Unconstrained Fund

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority ("the FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Trust Deed;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 37, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud.

The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Market Debt Unconstrained Fund

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, the Investment Management Association Statement of Recommended practice (the "IMA SORP"), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrator and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the unitholders of the Fund, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

Our audit work has been undertaken so that we might state to the unitholders of the Fund those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the unitholders of the Fund as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
21 December 2023

Appendix (unaudited)

The Fund carried out stocklending activities for the purpose of efficient portfolio management and in order to generate income.

Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	% of total lendable assets*
Securities	2.16

Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£53,972,591	1.97

* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

All collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £000
France (Government of) 1.25% 25/05/2036	50,000,000	33,876
NOTE AG 1.25% 2026	19,588,700	13,933
France (Government of) 1.5% 25/05/2031	10,934,800	8,471
Japan (Government of) 0.5% 20/06/2038	81,100,000	405
France (Government of) 2.75% 25/10/2027	109,833	96
Salesforce	147	25
Japan (Government of) 1.0% 20/03/2062	50,000	–

All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £000
Credit Suisse Securities (Europe) Limited	53,563
UBS AG (London Branch)	409

Appendix (unaudited)

Aggregate Data

Type and quality of collateral

Type	Quality*	Fair value £000
Bonds	Investment grade	56,780
Equities	n/a	25
		56,805

* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

Maturity	Fair value £000
Rolling Maturity	56,805
	56,805

Currency of collateral

Currency	Fair value £000
Sterling	56,805
	56,805

Maturity tenor of SFTs

Maturity	Fair value £000
Rolling Maturity	53,973
	53,973

Country in which counterparties are established

Counterparty

All counterparties are UK based

Return and cost

	Gross return £000	Cost £000	% of overall returns	Net return £000
Fund	413	74	82.00	339
	413	74		339

The gross earnings were split by the lending agent as follows:

- 82% to the Lender (PUTM Bothwell EMD Unconstrained Fund)
- 8% to the Manager (Phoenix Unit Trust Managers Limited)
- 10% retained by the Lending Agent (eSec)

Corporate information (unaudited)

The information in this report is designed to enable unitholders to make an informed judgement on the activities of the Fund during the period it covers and the results of those activities at the end of the period.

Phoenix Unit Trust Managers Limited is part of the Phoenix Group.

Unit prices appear daily on our website www.phoenixunittrust.co.uk

Administration & Dealing: 0345 584 2803 (between the hours of 9am & 5pm).

Remuneration

The Manager has adopted a remuneration policy, up-to-date details of which can be found on www.phoenixunittrust.co.uk. This statement describes how remuneration and benefits are calculated and identifies the committee which oversees and controls this policy. A paper copy of these details can be requested free of charge from the Manager.

This statement fulfils Phoenix Unit Trust Managers Limited's ('the Manager') obligations as an authorised UK UCITS Manager in respect of compliance with the UCITS V Remuneration Code and contains relevant remuneration disclosures.

PUTM Unit Trusts are managed by Phoenix Unit Trust Managers Limited, which is a subsidiary of Phoenix Life Limited, part of The Phoenix Group plc ('the Group').

The Remuneration Committee ('the Committee') of the Group has established a Remuneration Policy which applies to all entities of the Group. The guiding principles of this policy ensure sound and effective risk management so as not to encourage risk-taking outside of the Group's risk appetite, and support management in the operation of their business through identification of minimum control standards and key controls. The Committee approves the list of UK UCITS Code Staff annually and identified UK UCITS Code Staff are annually notified of their status and the associated implications.

Further information on the Group Remuneration Policy can be found in the Group annual reports and accounts which can be found on www.phoenixgroup.com.

The below table provides detail of remuneration provided, split between fixed and variable remuneration, for UK UCITS Code Staff (defined as all staff whose professional activities have material impact on the risk profiles of the fund it manages).

As at 31 December 2022

	Headcount	Total remuneration
Phoenix Unit Trust Managers	2	99,305.63
of which		
Fixed Remuneration	2	65,211.04
Variable Remuneration	1	34,094.59
Carried Interest	n/a	
Highest paid Director's Remuneration		39,922.40

Corporate information (unaudited)

The Directors are employed by fellow entities of the Group. The total compensation paid to the Directors of the Manager is in respect of services to the Manager, irrespective of which entity within the Phoenix Group has paid the compensation.

Please note that due to the employment structure and resourcing practices of the Group, the staff indicated in this table may also provide services to other companies in the Group.

The table states the actual number of employees who are fully or partly involved in the activities of the Manager, no attempt has been made to apportion the time spent specifically in support of each fund as this data is not captured as part of the Manager's normal processes.

The remuneration disclosed is the total remuneration for the year and has been apportioned between the provisions of services to the Manager and not the Fund.

Total remuneration can include any of the following;

- Fixed pay and annual/long term incentive bonuses.
- Where fixed pay is directly attributable to PUTM Unit Trusts (for example, fees for Phoenix Unit Trust Managers Limited), 100% of those fees.
- For other individuals, pro-rated using the average AUM of PUTM Unit Trusts (as a proportion of the aggregate average AUM of The Phoenix Group plc) as proxy.

Senior Management includes – PUTM Board and PUTM Executive Committees.

Other Code Staff includes all other UK UCITS Code Staff not covered by the above.

Assessment of Value

We are required to perform an annual assessment of the value for money for each unit class of PUTM Bothwell Emerging Market Debt Unconstrained Fund. This has been performed based on the information available as at 31 August 2023.

We have performed this review having regard to a wide range of factors. In doing so, we have made comparison with the other unit classes of the relevant fund, with the unit classes and sub-funds within our fund ranges and also with comparable unit classes and sub-funds in the rest of the market.

Broadly speaking, assessment of value requires consideration of a combination of factors, including the return achieved, the price paid, the risk taken and the quality and range of services provided by the asset manager. This also needs to be considered in the context of the investment objectives and policy for the Fund, the target investor and the recommended holding period.

In considering cost, regard needs to be had to the total cost of investing, including any adviser charges, platform charges, adviser fees and the on-going annual management charge. Regard also needs to be had to the degree of active management; as an investor, you would not be receiving value, if you were being charged fees for active portfolio management, where in fact, the Fund's composition of performance is staying very close to a benchmark. These factors also need to be considered in the context of the size of the portfolio and the ability of larger funds to benefit from economies of scale. As regards performance, it is important that performance is considered over an appropriate timescale given the Fund's objectives, and should be measured net of fees.

Based on our assessment of the value of each unit class, PUTM can confirm that the Fund meets all of the required Assessment of Value criteria. No immediate action is required.

Further details of the Assessment of Value can be found at the following link;

<http://www.phoenixunittrust.co.uk/report-and-accounts.aspx>

Fund Climate Report

We're working towards a more sustainable way of investing. For the latest information about what we're doing and our fund climate report, go to phoenix-unit-trust-managers.co.uk/fund-climate-report.

Risks

The price of units and the revenue from them can go down as well as up and investors may not get back the amount they invested, particularly in the case of early withdrawal. Tax levels and reliefs are those currently applicable and may change. The value of any tax relief depends on personal circumstances.

Management charges on some funds are charged to capital and therefore a reduction in capital may occur.

Depending on the fund, the value of your investment may change with currency movements.

Corporate information (unaudited)

Manager

Phoenix Unit Trust Managers Limited (PUTM)
1 Wythall Green Way
Wythall
Birmingham B47 6WG
Tel: 0345 584 2803
Registered in England – No.03588031
Authorised and regulated by the Financial Conduct Authority.

Directors

Brid Meany PUTM Director, Chief Executive
Phoenix Life;

Craig Baker PUTM Director, Head of
Policyholder Assets;

Timothy Harris Non Executive Director of PUTM;

Nick Poyntz-Wright Non Executive Director of PUTM.

Registrar and correspondence address

Phoenix Unit Trust Managers Limited
Floor 1, 1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Abrdn Investment Management Limited
1 George Street
Edinburgh EH2 2LL
Registered in Scotland – No.SC101825
Authorised and regulated by the Financial Conduct Authority.

Trustee

HSBC Bank plc
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
Authorised by the Prudential Regulation Authority
and regulated by the Financial Conduct Authority and the
Prudential Regulation Authority.

Independent Auditor

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

Authorised status

This Fund is an Authorised Unit Trust scheme under section 243 of the Financial Services & Markets Act 2000 and is categorised under the Collective Investment Schemes Sourcebook as a UK UCITS fund.

Notes

Notes

Contact: **Client Services**

Call: **0345 584 2803**

Correspondence Address: **Floor 1, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland**

Visit: **phoenixunittrust.co.uk**

Telephone calls may be monitored and/or recorded for the purposes of security, internal training, accurate account operation, internal customer monitoring and to improve the quality of service.

Please note the Key Investor Information Document (KIID), the Supplementary Information Document (SID) and the full prospectus are available free of charge. These are available by contacting Client Services on 0345 584 2803.

Phoenix Unit Trust Managers Limited does not accept liability for any claims or losses of any nature arising directly or indirectly from use of the data or material in this report. The information supplied is not intended to constitute investment, tax, legal or other advice.

Phoenix Unit Trust Managers Limited* is a Phoenix Group Company. Registered in England No 3588031.
Registered office: 1 Wythall Green Way, Wythall, Birmingham B47 6WG.

*Authorised and regulated by the Financial Conduct Authority.