

MANAGED INVESTMENT FUNDS ICVC

INTERIM LONG REPORT FOR THE SIX MONTH PERIOD
ENDED 31 OCTOBER 2016
(UNAUDITED)



Scottish Widows Managed Investment Funds ICVC

The Company and Head Office

Scottish Widows Managed Investment Funds ICVC
15 Dalkeith Road
Edinburgh
EH16 5WL

Incorporated in Great Britain under registered number IC000171. Authorised and regulated by the Financial Conduct Authority.

Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM) and Registrar

Scottish Widows Unit Trust Managers Limited

Registered Office:

Charlton Place

Andover

SP10 1RE

Head Office:

15 Dalkeith Road

Edinburgh

EH16 5WL

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.

Investment Adviser

Aberdeen Asset Investments Limited

Registered Office:

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Correspondence Address:

40 Princes Street

Edinburgh

EH2 2BY

Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.

Depository

State Street Trustees Limited

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

525 Ferry Road

Edinburgh

EH5 2AW

Authorised and regulated by the Financial Conduct Authority.

Independent Auditors

PricewaterhouseCoopers LLP

Level 4, Atria One

144 Morrison Street

Edinburgh

EH3 8EX

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

About the Company

Welcome to the Interim Long Report for the Scottish Widows Managed Investment Funds ICVC (the "Company") covering the period ended 31 October 2016 (the "Report"). The Authorised Corporate Director (the "ACD") and Alternative Investment Fund Manager (the "AIFM") of the Company is Scottish Widows Unit Trust Managers Limited, a private company limited by shares which was incorporated in England and Wales on 19 April 1982. Its ultimate holding company is Lloyds Banking Group plc ("Lloyds"), which is incorporated in Scotland.

The Company is an Open-Ended Investment Company ("OEIC") with variable capital, incorporated in Great Britain under registration number IC000171 and is authorised and regulated by the Financial Conduct Authority "the FCA" (previously the Financial Services Authority "the FSA") under regulation 12 of the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) ("the OEIC Regulations"), with effect from 19 April 2002.

Shareholders are not liable for the debts of the Company.

The Company is a non-UCITS retail scheme which complies with the rules contained in the Financial Conduct Authority's Collective Investment Schemes Sourcebook (the "COLL Sourcebook") and the Investment Funds Sourcebook (the "FUND Sourcebook").

The Company is structured as an umbrella fund, in that the scheme property of the Company is currently divided among 12 sub-funds, each with different investment objectives. The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to the sub-fund. The investment objective and policies and a review of the investment activities during the period are disclosed in the Financial Statements of the individual sub-funds. New sub-funds may be established from time to time by the ACD with the approval of the FCA and Depositary.

Each sub-fund would, if it were a separate investment company with variable capital, also be a non-UCITS retail scheme which complies with Chapter 5 of the COLL Sourcebook.

The assets of each Fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other sub-fund and shall not be available for such purpose.

Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investments provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance.

The Financial Statements have been prepared on an individual basis including the 12 sub-funds in existence during the period covered by this Interim Long Report, as permitted by the OEIC Regulations and the COLL Sourcebook.

As required by the OEIC Regulations and the COLL Sourcebook, information for each of the 12 sub-funds has also been included.

The Report of the Authorised Corporate Director is defined as those items highlighted in the contents page in accordance with paragraph 4.5.9 of the COLL Sourcebook.

During the period there have been a number of changes to the Company. These changes are detailed in the section Prospectus changes below.

Prospectus changes

During the period and up to the date of this report, the following changes were made to the Company and therefore the following changes were reflected in the Prospectus of Scottish Widows Managed Investment Funds ICVC:

- With effect from 11 December 2015 Protected Capital Solutions Fund 6 commenced the process of being terminated and was therefore no longer available for further investment and had a termination completion date of 25 April 2016. The ACD has now issued the termination statements to impacted Shareholders and on 9 September 2016 references to this Fund were removed from the Prospectus and Instrument of Incorporation.
- With effect from 31 March 2016 Protected Capital Solutions Fund 7 commenced the process of being terminated and was therefore no longer available for further investment and had a termination completion date of 25 April 2016. The ACD has now issued the termination statements to impacted Shareholders and on 9 September 2016 references to this Fund were removed from the Prospectus and Instrument of Incorporation.
- On 28 July 2016 a new Share Class was introduced in the Prospectus and Instrument of the Company: A Class G net income share and a Class G net accumulation share. The Class G net accumulation share class will only be available in the Balanced Growth Portfolio and is expected to be available for investment from 26 November 2016. The Class G net income share is currently not available for investment in any Fund.
- With effect from 28 July 2016 changes were made to the Instrument and Prospectus of the Company to correct an error in the name of the benchmark index of the International Equity Tracker Fund as stated in the investment objective of this Fund so that it refers to the FTSE All-World ex UK Index rather than the FTSE World ex UK Index.
- With effect from 28 July 2016 changes were made to the Prospectus of the Company to make it clear that the International Equity Tracker Fund can invest in another Fund of the Company.

A copy of the Prospectus is available on request.

Holdings in other Sub-Funds of the Company

As at 31 October 2016 there were no shares in sub-funds of the Scottish Widows Managed Investment Funds ICVC held by other sub-funds of the Company.

Report of the Authorised Corporate Director

In accordance with the requirements of the COLL Sourcebook as issued and amended by the Financial Conduct Authority, I hereby certify the Report on behalf of Scottish Widows Unit Trust Managers Limited, the Authorised Corporate Director.

Ronald Taylor
Director
Scottish Widows Unit Trust Managers Limited
21 December 2016

Summary of Significant Accounting Policies

for the six month period ended 31 October 2016 (unaudited)

The Interim financial statements for each of the sub-funds have been prepared under the historical cost basis as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association (previously the Investment Management Association (IMA)) in May 2014 and FRS 102. The accounting and distribution policies applied are consistent with those of the financial statements for the year ended 30 April 2016 and are described in those annual financial statements.

Balanced Growth Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

The Fund aims to provide long term growth by mainly investing in regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group. The Fund will primarily invest in a balance of fixed interest and equity funds.

Important Note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

The Fund will provide exposure to UK and overseas equities, sterling denominated fixed interest securities and overseas bonds. The Fund may also invest in other investments permitted by FCA Rules for this type of scheme that are consistent with the Fund's objectives. Non-sterling investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 31 August 2016.	← Typically lower rewards, lower risks							Typically higher rewards, higher risks →						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Balanced Growth Portfolio A Accumulation	11.49	(2.98)	7.51	2.67	12.13	0.00

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The UK stock market performed well over the period, producing double-digit returns. Although there was a severe bout of market volatility following the UK vote to leave the European Union, share prices bounced back swiftly. In part this was a result of the Bank of England's economic stimulus measures which were intended to instil confidence in the economy following the 'Brexit' vote.

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post Brexit collapse in the pound increases the value of these profits in sterling terms.

The fall in the value of the pound also boosted the returns from global stock markets for sterling based investors. Although the UK market was one of the best performers in local currency terms, the effects of currency movements meant that global equity markets, especially those in some emerging markets, provided even better returns.

Bond markets were boosted by the uncertainty in the run-up to the EU referendum. Bonds, especially those issued by governments, often prove investors' asset class of choice during turbulent periods due to their perceived safety. This is because governments are seen as very reliable borrowers and relatively unlikely to miss payments to investors (or to "default"). However, the popularity of government bonds in recent years has been so great that prices have risen to record highs and yields fallen to record lows (yields and prices always move in the opposite direction).

The low yields available from government bonds encouraged investors to look for other sources of income. Corporate bonds were a popular choice and the asset class performed well over the review period.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The Fund produced a return of 11.49% during the six months under review. Holdings in global equities in particular helped to boost returns. The Fund held relatively large allocations in global equities, especially in emerging markets. Holdings in UK equities also made a positive contribution to performance.

We held a relatively small position in cash throughout the period, with interest rates at record lows we thought the money could be put to better use in other asset classes. This proved to be case with equities and bonds both outperforming the near-zero return from cash.

Stock selection had a small negative effect on performance. This stemmed from the small position in high yield bonds which provided a positive return but failed to rise by the same extent as the wider high yield corporate bond market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

Within bond markets we think that corporate bonds continue to have better prospects than government bonds which offer little in the way of capital protection, nor any significant income with prices at record highs and yields at record lows.

We think the portfolio is well positioned to participate in any future stock market gains, while potentially offering some protection via its holdings in bond markets.

Aberdeen Asset Investments Limited

November 2016

Balanced Growth Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.14%*)		854,930	99.28
Collective Investment Schemes			
Aberdeen Corporate Bond Fund A Inc◊	36,293,395	41,687	4.84
Aberdeen European Corporate Bond Fund I Inc◊	3,670,567	5,519	0.64
Aberdeen Global High Yield Bond Fund Z Acc◊	44,626,658	67,605	7.85
Aberdeen Liquidity Fund (Lux) - Sterling Fund‡◊	8	8	0.00
Aberdeen Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund‡◊	519,273	67,920	7.89
HBOS International Growth Fund I Inct	21,017,732	81,822	9.50
HBOS UK FTSE All-Share Index Tracking Fund I Inct	103,223,358	66,703	7.75
Scottish Widows Corporate Bond Fund W Gross Acct	139,063,824	168,406	19.56
Scottish Widows Emerging Markets Fund X Acct	2,785,006	5,857	0.68
Scottish Widows Fundamental Index Emerging Markets Equity Fund X Acct	16,972,982	20,164	2.34
Scottish Widows Fundamental Index Global Equity Fund X Acct	12,583,861	19,769	2.30
Scottish Widows Fundamental Index UK Equity Fund X Acct	28,566,120	36,565	4.25
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund X Acct	2,729,208	4,206	0.49
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acct	47,588,500	47,341	5.50
Scottish Widows Gilt Fund W Gross Acct	1,966,134	2,363	0.27
Scottish Widows Global Growth Fund X Acct	54,453,420	94,368	10.96
Scottish Widows International Bond Fund W Gross Acct	10,418,295	14,461	1.68
Scottish Widows UK All Share Tracker Fund X Acct	31,747,755	78,131	9.07
Scottish Widows UK Index-Linked Tracker Fund W Acct	9,628,626	13,740	1.59
Exchange Traded Funds			
iShares \$ TIPS UCITS	29,525	4,944	0.57
iShares USD Corporate Bond UCITS	139,726	13,351	1.55
DERIVATIVES (-0.02%*)		(407)	(0.05)
Forward Currency Contracts			
US Dollar			
Sold USD17,538,000 for GBP13,146,335 Settlement 08/12/2016		(1,242)	(0.14)
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	94	(148)	(0.02)
FTSE 100 Index Futures December 2016	123	233	0.03
German Euro Bund Futures December 2016	(117)	289	0.03
Japan Government Bond 10 Year Futures December 2016	(12)	3	0.00
Mini MSCI Emerging Markets Futures December 2016	210	32	0.00
MSCI Pacific Ex Japan Futures December 2016	(225)	(101)	(0.01)
S&P 500 E Mini Index Futures December 2016	(100)	26	0.00
TOPIX Index Futures December 2016	163	670	0.08
US Treasury Note 10 Year Futures December 2016	120	(169)	(0.02)
Portfolio of investments^		854,523	99.23
Net other assets		6,625	0.77
Total net assets		861,148	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

^Including investment liabilities.

†This investment is a related party.

‡Cash equivalents.

◊Asset managed by the Fund's Investment Adviser.

Balanced Growth Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acct	47,446	HBOS UK FTSE All-Share Index Tracking Fund I Inc†	51,006
UK Long Gilt Bond Futures September 2016	17,658	UK Long Gilt Bond Futures September 2016	17,408
TOPIX Index Futures December 2016	16,565	German Euro Bund Futures December 2016	16,108
German Euro Bund Futures September 2016	16,375	German Euro Bund Futures September 2016	15,894
Japan Government Bond 10 Year Futures September 2016	13,358	Japan Government Bond 10 Year Futures December 2016	13,379
US Treasury Note 10 Year Futures December 2016	13,206	US Treasury Note 10 Year Futures September 2016	13,303
iShares USD Corporate Bond UCITS*	12,687	Japan Government Bond 10 Year Futures September 2016	11,953
US Treasury Note 10 Year Futures September 2016	12,096	FTSE 100 Index Futures June 2016	11,534
Japan Government Bond 10 Year Futures June 2016	10,817	FTSE 100 Index Futures September 2016	10,596
Scottish Widows Fundamental Index UK Equity Fund X Acct	10,060	Scottish Widows Corporate Bond Fund W Gross Acct	10,000

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

*Exchange Traded Fund.

Balanced Growth Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	499,850	476,928	542,934	555,562
Closing number of shares	260,270,700	276,839,700	305,784,200	336,382,200
Closing net asset value per share (p)	192.05	172.28	177.55	165.16
Operating charges#	1.60%	1.59%	1.59%	1.58%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class T - Accumulation				
Closing net asset value (£'000)	361,298	317,711	314,610	275,573
Closing number of shares	198,486,450	194,653,350	187,157,550	176,366,550
Closing net asset value per share (p)	182.03	163.22	168.10	156.25
Operating charges#	1.50%	1.50%	1.50%	1.50%

#Operating charges are representative of the ongoing charges figure.

Balanced Growth Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		84,157		(41,864)
Revenue	11,994		11,909	
Expenses	(6,190)		(6,087)	
Interest payable and similar charges	(7)		(4)	
Net revenue before taxation	5,797		5,818	
Taxation	(77)		-	
Net revenue after taxation		5,720		5,818
Total return before equalisation		89,877		(36,046)
Equalisation		(83)		(57)
Change in net assets attributable to shareholders from investment activities		89,794		(36,103)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		794,639		857,544
Amounts receivable on creation of shares	7,876		8,108	
Less: Amounts payable on cancellation of shares	(31,161)		(25,337)	
		(23,285)		(17,229)
Change in net assets attributable to shareholders from investment activities		89,794		(36,103)
Closing net assets attributable to shareholders		861,148		804,212

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balanced Growth Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	788,255	717,002
Current assets		
Debtors	2,981	5,571
Cash and bank balances	5,481	5,784
Cash equivalents‡	67,928	71,419
Total assets	864,645	799,776
Liabilities		
Investment liabilities	(1,660)	(797)
Creditors		
Bank overdrafts	(11)	-
Other creditors	(1,826)	(4,340)
Total liabilities	(3,497)	(5,137)
Net assets attributable to shareholders	861,148	794,639

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Balanced Portfolio Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide long term capital growth by investing mainly in multi-manager regulated collective investment schemes. The Fund will invest in a balance of Fixed Income and Equity funds (up to a maximum of 60% in Equity funds). These investments will be diversified across a number of geographic areas including the United Kingdom and other international markets.

The Fund will invest mainly in both multi-manager Equity funds and multi-manager Fixed Income funds.

The Equity funds that are selected will aim to provide capital growth by investing primarily in equity securities and will be chosen to provide a broad diversification by country, sector and companies.

The Fixed Income funds that are selected will aim to provide income and capital growth by investing primarily in investment grade bonds issued from a number of international markets and denominated in a variety of currencies. Non-sterling fixed income investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	<p>Typically lower rewards, lower risks ← → Typically higher rewards, higher risks</p>							
	←	1	2	3	4	5	6	7

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Balanced Portfolio Fund A Accumulation	9.63	(1.42)	11.19	3.81	12.89	1.66
Mixed Investment 20-60% Shares Sector Average Return	8.36	(2.14)	8.29	3.27	12.05	(0.79)

Source: Lipper for Balanced Portfolio Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Mixed Investment 20-60% Shares Sector - Funds investing in a range of assets with the maximum equity exposure restricted to 60% of the Fund and with at least 30% invested in fixed interest and cash. There is no specific requirement to hold a minimum % of non-UK equity within the equity limits. Assets must be at least 60% in US Dollar/Sterling/Euro of which 30% must be in Sterling and equities are deemed to include convertibles.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Global equities rose over the period. Mixed economic data led the Federal Open Market Committee to keep interest rates unchanged at 0.5%, however officials strongly signalled that a rate hike was needed "fairly soon". Fed officials also lowered their economic growth forecast and trimmed the number of rate hikes they foresee in 2017 from three to two. Meanwhile, the European Central Bank (ECB) reduced its main refinancing rate to 0.0% and increased quantitative easing to €80 billion a month, whilst also initiating another targeted longer-term refinancing operation (TLTRO II). The UK's decision to leave the EU threw worldwide markets into turmoil, leading to Prime Minister David Cameron's resignation. In response, the Bank of England (BoE) pledged \$345 billion of new stimulus, cut interest rates and expanded the asset purchase programme by £60 billion to £435 billion. The BoE also introduced a "Term Funding Scheme" worth up to £100 billion for commercial banks and committed to buying up to £10 billion of UK corporate bonds.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

Bond markets rose over the period. G4 central banks kept both rates and easing policies steady, though the possibility of a US Federal Reserve (Fed) rate hike in 2016 remained. The run up to UK's EU referendum caused significant market concerns and the resultant surprise 'Brexit' vote on June 23 2016, threw worldwide markets into turmoil and pushed investor demand firmly into 'safe haven' assets. Strengthening oil prices amidst increased hope that oil producers might agree to limit output aided the high yield market, whilst some investors fretted over the outcome of the US presidential election.

The Balanced Portfolio Fund is constructed from 13 underlying Scottish Widows and Russell funds. Over the period there have been manager changes within 6 of these - Russell Global Bond Fund, Russell Japan Equity Fund, Russell US Equity Fund, Russell European Fixed Income Fund, Russell US Small Cap Fund and Russell Sterling Bond Fund.

The Balanced Portfolio holds 50% equities and 50% bonds. The Fund returned 9.63% over the period.

In our 2016 Global Market Outlook Annual report, we forecast mid-to-low single digit returns for global equities, along with a gradual rise in long-term interest rates. We're now seeing corporate profits weakening, softness in global trade and manufacturing and slightly higher risks for emerging markets. These elements all contribute to a less supportive environment for equities. That said, we're not forecasting a sustained bear market – provided the U.S. does not fall into recession.

Russell Investments Limited

November 2016

Balanced Portfolio Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.35%*)		386,821	99.50
Collective Investment Schemes			
Aberdeen Liquidity Fund (Lux) - Sterling Fund†	121	121	0.03
Russell Asia Pacific Ex Japan Fund I Acc	148,452	6,089	1.57
Russell Continental European Equity Fund I Acc	803,121	21,307	5.48
Russell Euro Fixed Income Fund I Inc	3,602,945	40,713	10.47
Russell Global Bond Euro Hedged Fund I Inc	3,769,216	40,594	10.44
Russell Global Bond Fund A Acc	2,377,230	40,508	10.42
Russell Japan Equity Fund I Acc	439,369	11,204	2.88
Russell Sterling Bond Fund I Acc	1,452,693	30,710	7.90
Russell US Bond Fund I Inc	3,850,065	40,464	10.41
Russell US Equity Fund I Acc	2,864,894	70,677	18.18
Russell US Small Cap Equity Fund I Acc	136,084	4,012	1.03
Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	17,082,379	35,275	9.07
Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	17,460,202	34,955	8.99
Scottish Widows Multi-Manager UK Equity Income Fund A Acct	3,398,270	7,248	1.86
Exchange Traded Funds			
iShares \$ TIPS UCITS	6,652	1,111	0.30
iShares USD Corporate Bond UCITS	19,184	1,833	0.47
DERIVATIVES (-0.04%*)		267	0.07
Forward Currency Contracts			
Euro			
Bought EUR3,400,000 for GBP2,910,726 Settlement 08/12/2016		152	0.04
Sold EUR3,500,000 for GBP2,950,241 Settlement 08/12/2016		(202)	(0.05)
Japanese Yen			
Bought JPY392,500,000 for GBP2,911,454 Settlement 08/12/2016		161	0.04
Sold JPY464,500,000 for GBP3,355,167 Settlement 08/12/2016		(281)	(0.07)
US Dollar			
Bought USD3,100,000 for GBP2,323,734 Settlement 08/12/2016		220	0.06
Bought USD1,000,000 for GBP821,514 Settlement 08/12/2016		(1)	0.00
Sold USD1,580,000 for GBP1,298,970 Settlement 08/12/2016		3	0.00
Sold USD1,400,000 for GBP1,088,876 Settlement 08/12/2016		(60)	(0.02)

Balanced Portfolio Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	17	(35)	(0.01)
FTSE 100 Index Futures December 2016	(27)	(84)	(0.02)
German Euro Bund Futures December 2016	(21)	53	0.01
Japan Government Bond 10 Year Futures December 2016	(2)	4	0.00
MSCI Pacific Ex Japan Futures December 2016	(34)	(16)	0.00
S&P 500 E Mini Index Futures December 2016	17	(27)	(0.01)
TOPIX Index Futures December 2016	57	282	0.07
UK Long Gilt Bond Futures December 2016	(23)	145	0.04
US Treasury Note 10 Year Futures December 2016	31	(47)	(0.01)
Portfolio of investments[^]		387,088	99.57
Net other assets		1,680	0.43
Total net assets		388,768	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Balanced Portfolio Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
S&P 500 E Mini Index Futures September 2016	6,374	Russell US Equity Fund I Acc	16,450
Russell Global Bond Fund A Acc	6,350	Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	6,900
Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	5,803	S&P 500 E Mini Index Futures September 2016	6,202
TOPIX Index Futures December 2016	5,758	FTSE 100 Index Futures September 2016	4,276
S&P 500 E Mini Index Futures December 2016	4,728	S&P 500 E Mini Index Futures December 2016	3,544
FTSE 100 Index Futures September 2016	4,213	Scottish Widows Multi-Manager UK Equity Growth Fund A Acct†	3,300
US Treasury Note 10 Year Futures December 2016	3,078	Russell Continental European Equity Fund I Acc	3,250
UK Long Gilt Bond Futures September 2016	3,046	US Treasury Note 10 Year Futures September 2016	3,101
German Euro Bund Futures September 2016	2,939	Scottish Widows Multi-Manager UK Equity Focus Fund A Acct†	3,100
Russell Sterling Bond Fund I Acc	2,900	EURO STOXX 50 Index Futures June 2016	3,063

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

‡Cash equivalents.

‡Asset managed by the Fund's Investment Adviser.

#With effect from 18 July 2016 holding moved from Aberdeen Global Liquidity Sterling Fund Advisory to Aberdeen Liquidity Fund (Lux) - Sterling Fund.

Balanced Portfolio Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	69,325	66,084	71,031	70,276
Closing number of shares	36,470,066	38,117,066	40,378,466	44,412,866
Closing net asset value per share (p)	190.09	173.37	175.91	158.23
Operating charges#	2.00%	2.02%	2.04%	2.00%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class X - Accumulation				
Closing net asset value (£'000)	319,443	305,233	328,314	310,467
Closing number of shares	143,192,000	150,862,500	161,725,000	171,934,400
Closing net asset value per share (p)	223.09	202.32	203.01	180.57
Operating charges#	0.60%	0.62%	0.64%	0.60%

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

Balanced Portfolio Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		33,364		(13,213)
Revenue	4,869		4,747	
Expenses	(1,045)		(1,044)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	3,823		3,703	
Taxation	(466)		(490)	
Net revenue after taxation		3,357		3,213
Total return before equalisation		36,721		(10,000)
Equalisation		(65)		(12)
Change in net assets attributable to shareholders from investment activities		36,656		(10,012)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		371,317		399,345
Amounts receivable on creation of shares	3,196		5,373	
Less: Amounts payable on cancellation of shares	(22,401)		(15,167)	
		(19,205)		(9,794)
Change in net assets attributable to shareholders from investment activities		36,656		(10,012)
Closing net assets attributable to shareholders		388,768		379,539

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balanced Portfolio Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	387,720	367,859
Current assets		
Debtors	1,210	186
Cash and bank balances	1,662	3,302
Cash equivalents‡	121	1,218
Total assets	390,713	372,565
Liabilities		
Investment liabilities	(753)	(335)
Creditors		
Bank overdrafts	(47)	-
Other creditors	(1,145)	(913)
Total liabilities	(1,945)	(1,248)
Net assets attributable to shareholders	388,768	371,317

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Cash Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide a level of income which is compatible with a high level of capital security through investment in financial instruments in which a non-UCITS retail scheme equivalent to a money market scheme (see Note 1) is authorised to invest.

Note 1: Being a scheme which is dedicated to investment in deposits and debentures which are not transferable securities. This type of scheme may also invest in transferable securities but not more than 5% of the scheme property can be invested in warrants, not more than 10% can be invested in appropriate collective investment schemes and the use of derivatives is restricted to efficient portfolio management.

The Fund will invest in short dated gilts, treasury bills and money market instruments such as bank and building society deposits, local authority bonds, local authority deposits, and certificates of deposit.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

The Fund is ranked at 1* because it has experienced very low levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 31 August 2016.	Typically lower rewards, lower risks							Typically higher rewards, higher risks						
	←	1	2	3	4	5	6	7	→					

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Cash Fund A Accumulation	(0.06)	0.00	(0.11)	(0.17)	0.00	0.23
Short Term Money Market Sector Average Return	0.12	0.19	0.19	0.23	0.49	0.44

Source: Lipper for Cash Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Short Term Money Market Sector - Funds which invest their assets in money market instruments and comply with the definition of a 'Short Term Money Market' Fund set out in the COLL Sourcebook.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The dominant themes of the six month review period were shifting expectations of central bank policy and the UK's referendum on membership of the European Union. In the run-up to the 23 June 2016 referendum, nervousness about the outcome gradually gave way to a consensus expectation of a 'Remain' result. This expectation was proved unfounded when the UK voted 'Leave' by 52% to 48%. As markets took stock of the unexpected result, the three major ratings agencies all moved to downgrade their ratings on UK government bonds. At the same time, banks and economists made severe cuts to their forecasts for UK gross domestic product growth. Following the referendum result, sterling fell nearly 12% against the US dollar to a 30-year low. The Bank of England announced a new programme of quantitative easing in July following the Brexit vote and this provided a degree of stability.

In the US the Federal Reserve kept its policy rate unchanged and hinted at an even more cautious approach in raising interest rates. Taken together with the softer economic data and concerns over global financial stability, market expectations of a hike were reduced. In currencies, sterling was the biggest underperformer falling to a thirty year low against the US dollar, while risk-off sentiment and steadfast policy from the Bank of Japan drove yen outperformance.

We kept the Scottish Widows Cash Fund towards the higher end of its normal range, with a weighted average maturity of between 50 and 55 days. Assets were added in the main between one and six month maturities. Recently, we have used short dated certificates of deposit and commercial paper as an alternative to overnight deposits.

Sterling funding markets have now settled after the drama of the European Union referendum outcome and subsequent UK base rate cut. Expectations of further rate cuts have now abated somewhat. As a result, three month LIBOR marginally rose in October. Consequently, with bank issue levels marginally increasing in some three month maturities, we will continue targeting these periods.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

Looking ahead, the world economy looks set to expand by 3.0% this year, its weakest pace since 2009, rising to 3.4% in 2017. Short term activity indicators have been mixed. The global purchasing managers' index survey has risen to an eight month high but other high frequency data such as the Citigroup economic surprise indices have been trending down since the summer. International trade indicators have continued to show signs of weakness, though some countries (particularly in Asia) have made modest gains. Given subdued growth and still weak inflation, the US Federal Reserve remains the only major central bank in 'tightening mode'.

Aberdeen Asset Investments Limited

November 2016

Cash Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Nominal Values	Market Value £000	Total Net Assets %
CASH EQUIVALENTS (95.37%*)		86,425	100.23
ABN AMRO Bank 0.39% 09/12/2016	GBP4,000,000	4,000	4.64
Bank of America 0.4% 12/12/2016	GBP500,000	500	0.58
Bank of America 0.5% 16/03/2017	GBP2,000,000	2,000	2.32
Bank of Tokyo-Mitsubishi 0.53% 18/04/2017	GBP2,500,000	2,500	2.90
BNP Paribas 0.3% 07/12/2016	GBP4,000,000	4,000	4.64
Credit Agricole 0.39% 13/12/2016	GBP3,000,000	3,000	3.48
Credit Industriel et Commercial 0.565% 05/04/2017	GBP4,000,000	4,001	4.64
Credit Suisse 0.56% 18/04/2017	GBP4,000,000	3,998	4.63
DZ Bank 0.41% 30/11/2016	GBP4,000,000	4,000	4.64
ING Bank 1% 04/11/2016	GBP2,000,000	2,000	2.32
KBC Bank 0.35% 21/12/2016	GBP4,000,000	4,000	4.64
La Banque Postale 0.34% 09/11/2016	GBP4,000,000	4,000	4.64
Lloyds Bank 0.51% 18/11/2016†	GBP4,000,000	4,001	4.64
Mizuho Bank 0.39% 30/11/2016	GBP4,000,000	4,000	4.64
National Bank of Abu Dhabi 0.55% 21/11/2016	GBP4,000,000	4,001	4.64
Nationwide Building Society 0.49% 03/11/2016	GBP3,000,000	3,000	3.48
Natixis 0.43% 03/01/2017	GBP4,000,000	4,000	4.64
Qatar National Bank 0.01% 18/11/2016	GBP4,000,000	3,999	4.63
Rabobank International 0.69% 13/12/2016	GBP2,000,000	2,001	2.32
Standard Chartered Bank 0.42% 09/01/2017	GBP4,000,000	4,000	4.64
Sumitomo Mitsui Banking 0.41% 30/11/2016	GBP2,000,000	2,000	2.32
Sumitomo Mitsui Trust Bank 0.22% 01/11/2016	GBP4,422,000	4,422	5.13
Sumitomo Mitsui Trust Bank 0.4% 11/11/2016	GBP2,000,000	2,000	2.32
Sumitomo Trust & Banking 0.58% 07/11/2016	GBP2,000,000	2,000	2.32
Toronto-Dominion Bank 0.95% 02/12/2016	GBP2,000,000	2,001	2.32
UBS 0.47% 30/11/2016	GBP4,000,000	4,001	4.64
Wells Fargo 0.7% 07/11/2016	GBP2,000,000	2,000	2.32
Wells Fargo 0.7% 08/11/2016	GBP1,000,000	1,000	1.16
Portfolio of investments		86,425	100.23
Net other liabilities		(201)	(0.23)
Total net assets		86,224	100.00

* Comparative figures shown in brackets relate to 30 April 2016.

† This investment is a related party.

Cash Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Total purchases		Total sales	
Sumitomo Mitsui Trust Bank	625,343	Sumitomo Mitsui Trust Bank	624,120
Mizuho Bank	186,123	Mizuho Bank	184,123
Natixis	22,935	Natixis	18,935
Bank of Tokyo Mitsubishi	17,164	Bank of Tokyo Mitsubishi	18,666
Credit Agricole	11,000	Credit Agricole	12,000
Credit Suisse	8,000	Credit Industriel et Commercial	8,000
Standard Chartered Bank	8,000	Credit Suisse	8,000
Credit Industriel et Commercial	7,994	ING Bank	8,000
Qatar National Bank	7,992	Qatar National Bank	8,000
ING Bank	6,002	Standard Chartered Bank	8,000
Bank of America	4,500	Svenska Handelsbanken	8,000
ABN AMRO Bank	4,000	Bank of America	6,000
Affilie Eses	4,000	Sumitomo Mitsui Banking	6,000
BNP Paribas	4,000	ABN AMRO Bank	4,000
DZ Bank	4,000	Affilie Eses	4,000
KBC Bank	4,000	BNP Paribas	4,000
La Banque Postale	4,000	Citibank	4,000
Lloyds Banking†	4,000	DZ Bank	4,000
National Bank of Abu Dhabi	4,000	KBC Bank	4,000
Sumitomo Mitsui Banking	4,000	Lloyds Banking†	4,000
Svenska Handelsbanken	4,000	Macquarie Bank	4,000
Tokyo Mitsubishi	4,000	National Bank of Abu Dhabi	4,000
UBS	4,000	Tokyo Mitsubishi	4,000
Wells Fargo	3,001	Nationwide Building Society	3,000
Nationwide Building Society	3,000	Nordea Bank	2,500
Nordea Bank	2,499	Sumitomo Trust and Banking	2,000
Toronto Dominion Bank	2,002	Norinchukin Bank	1,000
Rabobank International	2,000		
Sumitomo Trust and Banking	2,000		
Macquarie Bank	1,997		
Norinchukin Bank	999		

All of the above are the cumulative value of rolling short term deposits.

†This investment is a related party.

Cash Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	460	546	619	82,942
Closing number of shares	259,393	307,893	348,893	46,663,893
Closing net asset value per share (p)	177.37	177.45	177.53	177.74
Operating charges#	0.63%	0.62%	0.62%	0.62%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Income				
Closing net asset value (£'000)	670	692	743	758
Closing number of shares	672,585	694,585	745,085	759,385
Closing net asset value per share (p)	99.57	99.61	99.66	99.78
Operating charges#	0.63%	0.62%	0.62%	0.62%
	31/10/16	30/04/16	30/04/15	
Share Class X - Accumulation				
Closing net asset value (£'000)	85,094	84,941	87,231	
Closing number of shares	47,475,500	47,471,500	48,928,000	
Closing net asset value per share (p)	179.24	178.93	178.28	
Operating charges#	0.13%	0.12%	0.12%	

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

Share class X Accumulation was launched 1 May 2014.

Cash Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		6		(1)
Revenue	234		233	
Expenses	(58)		(55)	
Interest payable and similar charges	-		-	
Net revenue before taxation	<u>176</u>		<u>178</u>	
Taxation	-		-	
Net revenue after taxation		<u>176</u>		<u>178</u>
Total return before distributions		182		177
Distributions		<u>(176)</u>		<u>(178)</u>
Change in net assets attributable to shareholders from investment activities		<u>6</u>		<u>(1)</u>

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		86,179		88,593
Amounts receivable on creation of shares	4,692		4,158	
Less: Amounts payable on cancellation of shares	<u>(4,793)</u>		<u>(7,138)</u>	
		(101)		(2,980)
Change in net assets attributable to shareholders from investment activities		6		(1)
Retained distributions on accumulation shares		<u>140</u>		<u>142</u>
Closing net assets attributable to shareholders		<u>86,224</u>		<u>85,754</u>

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Cash Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Current assets		
Debtors	4,626	4,062
Cash equivalents†	86,425	82,187
Total assets	91,051	86,249
Liabilities		
Creditors		
Bank overdrafts	(101)	(12)
Distribution payable	(35)	(40)
Other creditors	(4,691)	(18)
Total liabilities	(4,827)	(70)
Net assets attributable to shareholders	86,224	86,179

†Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Cash Fund

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 May 2016

Group 2 Interim Shares purchased on or between 1 May 2016 and 31 October 2016

Share Class A - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-
Group 2 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-

Share Class A - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-
Group 2 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-

Share Class X - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	0.3694	0.0739	0.2955	-	0.2955	0.3005
Group 2 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	0.2109	0.0422	0.1687	0.1268	0.2955	0.3005

Equalisation

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

Cautious Portfolio Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide income and the prospect of capital growth over the long term by investing mainly in multi-manager regulated collective investment schemes. The Fund will invest primarily in Fixed Income funds (at least 80%) while maintaining a low exposure to Equity funds. These investments will be diversified across a number of geographic areas including the United Kingdom and other international markets.

The Fund will invest mainly in both multi-manager Fixed Income funds and multi-manager Equity funds.

The Fixed Income funds that are selected will aim to provide income and capital growth by investing primarily in investment grade bonds issued from a number of international markets and denominated in a variety of currencies. Non-sterling fixed income investments may be hedged back to sterling.

The Equity funds that are selected will aim to provide capital growth by investing primarily in equity securities and will be chosen to provide a broad diversification by country, sector and companies.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 3* because it has experienced low to medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Cautious Portfolio Fund A Accumulation	4.80	(0.06)	8.40	0.57	9.45	4.85
Global Bonds Sector Average Return	13.33	4.43	3.54	(3.46)	10.08	2.91

Source: Lipper for Cautious Portfolio Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Global Bonds Sector - Funds which invest at least 80% of their assets in fixed interest securities. All funds which contain more than 80% fixed interest investment are to be classified under this heading regardless of the fact that they may have more than 80% in a particular geographic sector, unless the geographic area is the UK, when the fund should be classified under the relevant UK (Sterling) heading.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Bond markets rose over the period. US 10-year Treasuries rose, as recent minutes from the Federal Open Market Committee's meeting showed that officials felt a rate hike is needed "fairly soon" given the overall positive trajectory of economic data. The European Central Bank (ECB) expanded its easing initiative which made corporate debt eligible for inclusion in its bond-buying purchase programme, pressing European yields lower. Meanwhile, the UK's decision to leave the EU threw markets into turmoil, leading to Prime Minister David Cameron's resignation. Additionally the pound sterling plunged to a 31-year low (against the USD). In response, the Bank of England (BoE) pledged \$345 billion of new stimulus and cut its interest rates and expanded the asset purchase programme. In Japan, Bank of Japan Governor Haruhiko Kuroda introduced new policies to his toolkit in order to tackle deflation and to spur growth. The Bank will look to set a cap on 10-year bond yields and vowed to overshoot its 2.0% inflation target.

Global equity markets rose, shaking off the general risk-off market sentiment that characterised much of the period. This was achieved by more accommodative stances by G4 central banks, encouraging economic data and slowly stabilising oil prices. Meanwhile, the Fed ended months of deliberation on whether to raise rates, with a hawkish hold in September. However, policymakers strongly signalled that "the case for a rate hike had strengthened" given the overall positive trajectory of economic data.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The Cautious Portfolio Fund is constructed from 13 underlying Scottish Widows and Russell funds. Over the period there have been manager changes within 6 of these – Russell Global Bond Fund, Russell Japan Equity Fund, Russell US Equity Fund, Russell European Fixed Income Fund, Russell US Small Cap Fund and Russell Sterling Bond Fund.

The Cautious Portfolio Fund is the most conservative portfolio in the SW Multi Manager Fund range, with 15% in equities and 85% in bonds. The Fund returned 4.80% over the period.

In our 2016 Global Market Outlook Annual report, we forecast mid-to-low single digit returns for global equities, along with a gradual rise in long-term interest rates. We're now seeing corporate profits weakening, softness in global trade and manufacturing and slightly higher risks for emerging markets. These elements all contribute to a less supportive environment for equities. That said, we're not forecasting a sustained bear market – provided the U.S. does not fall into recession.

Russell Investments Limited

November 2016

Cautious Portfolio Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.60%*)		153,228	99.40
Collective Investment Schemes			
Aberdeen Liquidity Fund (Lux) - Sterling Fund†	114	114	0.07
Russell Asia Pacific Ex Japan Fund I Inc	22,251	716	0.47
Russell Continental European Equity Fund I Inc	137,425	2,765	1.79
Russell Euro Fixed Income Fund I Inc	2,415,324	27,293	17.70
Russell Global Bond Euro Hedged Fund I Inc	2,553,787	27,504	17.84
Russell Global Bond Fund A Acc	1,616,676	27,548	17.87
Russell Japan Equity Fund I Inc	55,838	1,310	0.85
Russell Sterling Bond Fund I Inc	1,841,457	20,827	13.51
Russell US Bond Fund I Inc	2,612,927	27,462	17.82
Russell US Equity Fund I Inc	300,232	7,059	4.58
Russell US Small Cap Equity Fund I Inc	17,004	497	0.32
Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	1,831,680	3,782	2.45
Scottish Widows Multi-Manager UK Equity Growth Fund B Inc†	2,851,037	4,071	2.64
Scottish Widows Multi-Manager UK Equity Income Fund A Acct	468,362	999	0.65
Exchange Traded Funds			
iShares \$ TIPS UCITS	2,728	456	0.30
iShares USD Corporate Bond UCITS	8,637	825	0.54
DERIVATIVES (-0.02%*)		112	0.07
Forward Currency Contracts			
Euro			
Bought EUR1,300,000 for GBP1,112,925 Settlement 08/12/2016		58	0.04
Sold EUR1,500,000 for GBP1,264,389 Settlement 08/12/2016		(87)	(0.06)
Japanese Yen			
Bought JPY150,000,000 for GBP1,112,658 Settlement 08/12/2016		62	0.04
Sold JPY213,000,000 for GBP1,538,537 Settlement 08/12/2016		(129)	(0.08)
US Dollar			
Bought USD1,200,000 for GBP899,510 Settlement 08/12/2016		85	0.06

Cautious Portfolio Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	6	(12)	(0.01)
EURO STOXX 50 Index Futures December 2016	(7)	(3)	0.00
FTSE 100 Index Futures December 2016	(5)	(16)	(0.01)
German Euro Bund Futures December 2016	(8)	20	0.01
Japan Government Bond 10 Year Futures December 2016	(1)	2	0.00
MSCI Pacific Ex Japan Index December 2016	(13)	(8)	(0.01)
S&P 500 E Mini Index Futures December 2016	11	(19)	(0.01)
TOPIX Index Futures December 2016	23	114	0.07
UK Long Gilt Bond Futures December 2016	(10)	63	0.04
US Treasury Note 10 Year Futures December 2016	12	(18)	(0.01)
Portfolio of investments[^]		153,340	99.47
Net other assets		815	0.53
Total net assets		154,155	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Cautious Portfolio Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
S&P 500 E Mini Index Futures September 2016	2,619	Russell US Equity Fund I Inc	3,400
TOPIX Index Futures December 2016	2,325	S&P 500 E Mini Index Futures September 2016	2,537
Russell Global Bond Fund A Acc	1,900	Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	2,000
S&P 500 E Mini Index Futures December 2016	1,875	FTSE Index Futures September 2016	1,418
Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	1,502	UK Long Gilt Bond Futures December 2016	1,314
Russell Sterling Bond Fund I Inc	1,400	UK Long Gilt Bond Futures September 2016	1,248
FTSE Index Futures September 2016	1,396	US Treasury Note 10 Year Futures September 2016	1,200
UK Long Gilt Bond Futures September 2016	1,324	EURO STOXX 50 Index Futures June 2016	1,161
US Treasury Note 10 Year Futures December 2016	1,192	German Euro Bund Futures September 2016	1,141
German Euro Bund Futures September 2016	1,120	Japan Government Bond 10 Year Futures September 2016	1,120

Purchases and sales of Futures have been included at the value of their exposure.

‡Cash equivalents.

†Asset managed by the Fund's Investment Adviser.

#With effect from 18 July 2016 holding moved from Aberdeen Global Liquidity Sterling Fund Advisory to Aberdeen Liquidity Fund (Lux) - Sterling Fund.

Cautious Portfolio Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	54,808	54,177	55,705	54,219
Closing number of shares	30,271,248	31,361,248	32,220,348	33,997,548
Closing net asset value per share (p)	181.06	172.75	172.89	159.48
Operating charges#	1.50%	1.52%	1.56%	1.50%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Income				
Closing net asset value (£'000)	6,860	6,906	6,925	6,623
Closing number of shares	4,942,239	5,187,739	5,142,439	5,275,139
Closing net asset value per share (p)	138.80	133.13	134.67	125.55
Operating charges#	1.50%	1.52%	1.55%	1.50%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class X - Accumulation				
Closing net asset value (£'000)	92,487	90,144	100,956	101,215
Closing number of shares	46,068,939	47,232,439	53,235,939	58,279,239
Closing net asset value per share (p)	200.76	190.85	189.64	173.67
Operating charges#	0.60%	0.62%	0.65%	0.60%

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

Cautious Portfolio Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		6,434		(3,812)
Revenue	2,136		2,228	
Expenses	(701)		(698)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,435		1,530	
Taxation	(21)		(21)	
Net revenue after taxation		1,414		1,509
Total return before distributions		7,848		(2,303)
Distributions		(1,435)		(1,529)
Change in net assets attributable to shareholders from investment activities		6,413		(3,832)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		151,227		163,586
Amounts receivable on creation of shares	4,128		3,420	
Less: Amounts payable on cancellation of shares	(8,718)		(9,473)	
		(4,590)		(6,053)
Change in net assets attributable to shareholders from investment activities		6,413		(3,832)
Retained distributions on accumulation shares		1,104		1,173
Unclaimed distributions		1		1
Closing net assets attributable to shareholders		154,155		154,875

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Cautious Portfolio Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	153,518	150,075
Current assets		
Debtors	405	157
Cash and bank balances	1,078	1,037
Cash equivalents‡	114	612
Total assets	155,115	151,881
Liabilities		
Investment liabilities	(292)	(101)
Creditors		
Bank overdrafts	(18)	-
Distribution payable	(165)	(164)
Other creditors	(485)	(389)
Total liabilities	(960)	(654)
Net assets attributable to shareholders	154,155	151,227

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Cautious Portfolio Fund

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

- Group 1 First interim Shares purchased prior to 1 May 2016
 Second interim Shares purchased prior to 1 August 2016
- Group 2 First interim Shares purchased on or between 1 May 2016 and 31 July 2016
 Second interim Shares purchased on or between 1 August 2016 and 31 October 2016

Share Class A - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.5729	0.1146	0.4583	-	0.4583	0.4125
Second interim	0.6048	0.1210	0.4838	-	0.4838	0.5382
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4651	0.0930	0.3721	0.0862	0.4583	0.4125
Second interim	0.3799	0.0760	0.3039	0.1799	0.4838	0.5382

Share Class A - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4414	0.0883	0.3531	-	0.3531	0.3213
Second interim	0.4646	0.0929	0.3717	-	0.3717	0.4181
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4090	0.0818	0.3272	0.0259	0.3531	0.3213
Second interim	0.4134	0.0827	0.3307	0.0410	0.3717	0.4181

Share Class X - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	1.0694	0.2139	0.8555	-	0.8555	0.7912
Second interim	1.1325	0.2265	0.9060	-	0.9060	0.9214
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3209	0.0642	0.2567	0.5988	0.8555	0.7912
Second interim	0.6319	0.1264	0.5055	0.4005	0.9060	0.9214

Equalisation

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

Dynamic Income Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide a high level of income whilst providing the potential for capital growth over the medium to long term by mainly investing in regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group. The Fund will invest in a combination of primarily UK Equity and Fixed Interest funds.

Important note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

An equity fund may be selected if it has the aim of providing above average levels of income and/or capital growth. The equity funds selected will invest primarily in equities which have a broad diversification by country, sector and company. A Fixed Interest fund may be selected if it has the aim of providing high levels of income. The fixed interest funds selected will invest primarily in government and corporate bonds issued from a number of international markets and denominated in a variety of currencies. The Fund may also invest in other regulated collective investment schemes that are consistent with the Fund's objectives at the discretion of the ACD. Non-sterling fixed interest investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	←			→			
	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	1	2	3	4	5	6	7

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Dynamic Income Portfolio A Accumulation	8.70	(2.43)	6.45	2.23	11.90	2.14

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The UK stock market performed well over the period, producing double-digit returns. Although there was a severe bout of market volatility following the UK vote to leave the European Union, share prices bounced back swiftly. In part this was a result of the Bank of England's economic stimulus measures which were intended to instil confidence in the economy following the 'Brexit' vote.

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post Brexit collapse in the pound increases the value of these profits in sterling terms.

The fall in the value of the pound also boosted the returns from global stock markets for sterling based investors. Although the UK market was one of the best performers in local currency terms, the effects of currency movements meant that global equity markets, especially those in some emerging markets, provided even better returns.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

Bond markets were boosted by the uncertainty in the run-up to the EU referendum. Bonds, especially those issued by governments, often prove investors' asset class of choice during turbulent periods due to their perceived safety. This is because governments are seen as very reliable borrowers and relatively unlikely to miss payments to investors (or to "default"). However, the popularity of government bonds in recent years has been so great that prices have risen to record highs and yields fallen to record lows (yields and prices always move in the opposite direction).

The low yields available from government bonds encouraged investors to look for other sources of income. Corporate bonds were a popular choice and the asset class performed well over the review period.

The Fund produced a return of 8.70% during the six months under review. Holdings in global equities in particular helped to boost returns. The Fund held relatively large allocations in global equities, especially in emerging markets. Holdings in UK equities also made a positive contribution to performance.

We held a relatively small position in cash throughout the period, with interest rates at record lows we thought the money could be put to better use in other asset classes. This proved to be case with equities and bonds both outperforming the near-zero return from cash.

Stock selection had a small negative effect on performance. This stemmed from the small position in high yield bonds which provided a positive return but failed to rise by the same extent as the wider high yield corporate bond market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

Within bond markets we think that corporate bonds continue to have better prospects than government bonds which offer little in the way of capital protection, nor any significant income with prices at record highs and yields at record lows.

We think the portfolio is well positioned to participate in any future stock market gains, while potentially offering some protection via its holdings in bond markets.

Aberdeen Asset Investments Limited

November 2016

Dynamic Income Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.80%*)		420,806	99.61
Collective Investment Schemes			
Aberdeen Corporate Bond Fund A Inc◊	36,367,152	41,771	9.89
Aberdeen European Corporate Bond Fund I Inc◊	8,399,295	12,629	2.99
Aberdeen Global High Yield Bond Fund Z Acc◊	37,774,537	57,225	13.55
Aberdeen Liquidity Fund (Lux) - Sterling Fund‡◊	1	1	0.00
Aberdeen Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund‡◊	303,618	39,713	9.40
HBOS International Growth Fund I Inct	5,707,132	22,218	5.26
Scottish Widows Corporate Bond Fund W Gross Acct	68,125,704	82,500	19.53
Scottish Widows Fundamental Index Global Equity Fund X Acct	3,300,853	5,186	1.23
Scottish Widows Gilt Fund W Gross Acct	1,733,518	2,084	0.49
Scottish Widows Global Growth Fund X Acct	12,409,840	21,506	5.09
Scottish Widows International Bond Fund W Gross Acct	10,851,943	15,062	3.56
Scottish Widows UK Equity Income Fund X Acct	1,944,327	99,938	23.66
Scottish Widows UK Index-Linked Tracker Fund W Acct	8,152,205	11,633	2.75
Exchange Traded Funds			
iShares \$ TIPS UCITS	15,910	2,664	0.63
iShares USD Corporate Bond UCITS	69,863	6,676	1.58
DERIVATIVES (-0.04%*)		(419)	(0.10)
Forward Currency Contracts			
US Dollar			
Bought USD1,700,000 for GBP1,389,854 Settlement 08/12/2016		5	0.00
Sold USD9,591,000 for GBP7,189,332 Settlement 08/12/2016		(679)	(0.16)
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	41	(65)	(0.02)
FTSE 100 IDX Futures December 2016	30	36	0.01
German Euro Bund Futures December 2016	(59)	145	0.04
Japan Government Bond 10 Year Futures December 2016	(6)	1	0.00
Mini MSCI Emerging Markets Futures December 2016	105	8	0.00
MSCI Pacific Ex Japan Index Futures December 2016	(103)	(53)	(0.01)
S&P 500 E Mini Index Futures December 2016	(50)	13	0.00
TOPIX Index Futures December 2016	80	334	0.08
UK Long Gilt Bond Futures December 2016	15	(75)	(0.02)
US Treasury Note 10 Year Futures December 2016	63	(89)	(0.02)
Portfolio of investments^		420,387	99.51
Net other assets		2,055	0.49
Total net assets		422,442	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

^Including investment liabilities.

†This investment is a related party.

‡Cash equivalents.

◊Asset managed by the Fund's Investment Adviser.

Dynamic Income Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
UK Long Gilt Bond Futures September 2016	9,839	Scottish Widows UK Equity Income Fund X Acct	11,150
German Euro Bund Futures September 2016	8,257	UK Long Gilt Bond Futures September 2016	9,816
TOPIX Index Futures December 2016	8,092	German Euro Bund Futures December 2016	8,123
Japan Government Bond 10 Year Futures September 2016	6,679	German Euro Bund Futures September 2016	7,989
iShares USD Corporate Bond UCITS*	6,344	US Treasury Note 10 Year Futures September 2016	6,806
US Treasury Note 10 Year Futures December 2016	6,256	Japan Government Bond 10 Year Futures December 2016	6,689
US Treasury Note 10 Year Futures September 2016	6,184	Scottish Widows Corporate Bond Fund W Gross Acct	6,450
Japan Government Bond 10 Year Futures June 2016	5,900	Japan Government Bond 10 Year Futures September 2016	5,895
UK Long Gilt Bond Futures December 2016	4,447	Aberdeen Global High Yield Bond Fund Z Acc◇	5,350
TOPIX Index Futures September 2016	3,929	EURO STOXX 50 Index Futures June 2016	4,584

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

*Exchange Traded Fund.

◇Asset managed by the Fund's Investment Adviser.

Dynamic Income Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	330,793	323,244	365,943	377,250
Closing number of shares	148,767,217	158,006,717	174,508,217	191,533,817
Closing net asset value per share (p)	222.36	204.58	209.70	196.96
Operating charges#	1.37%	1.36%	1.37%	1.36%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Income				
Closing net asset value (£'000)	42,082	41,032	46,725	48,377
Closing number of shares	38,907,590	40,877,090	44,642,290	48,363,390
Closing net asset value per share (p)	108.16	100.38	104.66	100.03
Operating charges#	1.37%	1.36%	1.37%	1.36%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class B - Accumulation				
Closing net asset value (£'000)	2,528	2,559	2,989	2,999
Closing number of shares	1,133,459	1,246,959	1,420,959	1,517,859
Closing net asset value per share (p)	223.08	205.24	210.39	197.61
Operating charges#	1.37%	1.36%	1.37%	1.36%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class B - Income				
Closing net asset value (£'000)	47,039	46,024	53,155	56,684
Closing number of shares	43,489,566	45,850,066	50,784,966	56,666,466
Closing net asset value per share (p)	108.16	100.38	104.67	100.03
Operating charges#	1.37%	1.36%	1.37%	1.36%

#Operating charges are representative of the ongoing charges figure.

Dynamic Income Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		31,086		(20,129)
Revenue	7,396		7,198	
Expenses	(2,692)		(2,825)	
Interest payable and similar charges	(4)		(2)	
Net revenue before taxation	4,700		4,371	
Taxation	-		-	
Net revenue after taxation		4,700		4,371
Total return before distributions		35,786		(15,758)
Distributions		(4,700)		(4,370)
Change in net assets attributable to shareholders from investment activities		31,086		(20,128)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		412,859		468,812
Amounts receivable on creation of shares	1,190		1,244	
Less: Amounts payable on cancellation of shares	(25,590)		(21,139)	
		(24,400)		(19,895)
Change in net assets attributable to shareholders from investment activities		31,086		(20,128)
Retained distributions on accumulation shares		2,888		2,709
Unclaimed distributions		9		10
Closing net assets attributable to shareholders		422,442		431,508

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Dynamic Income Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	Restated 30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	381,634	370,352
Current assets		
Debtors*	892	1,647
Cash and bank balances	3,488	1,774
Cash equivalents‡	39,714	41,986
Total assets	425,728	415,759
Liabilities		
Investment liabilities	(961)	(450)
Creditors		
Bank overdrafts	(16)	-
Distribution payable*	(1,422)	(1,560)
Other creditors	(887)	(890)
Total liabilities	(3,286)	(2,900)
Net assets attributable to shareholders	422,442	412,859

*Prior year figures have been restated.

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Dynamic Income Portfolio

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1 May 2016
Second interim Shares purchased prior to 1 August 2016

Group 2 First interim Shares purchased on or between 1 May 2016 and 31 July 2016
Second interim Shares purchased on or between 1 August 2016 and 31 October 2016

Share Class A - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.5006	0.1001	0.4005	-	0.4005	0.3810
Second interim	1.8960	0.3792	1.5168	-	1.5168	1.2191
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	-	-	-	0.4005	0.4005	0.3810
Second interim	0.5328	0.1066	0.4262	1.0906	1.5168	1.2191

Share Class A - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.2455	0.0491	0.1964	-	0.1964	0.1902
Second interim	0.9286	0.1857	0.7429	-	0.7429	0.6073
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	-	-	-	0.1964	0.1964	0.1902
Second interim	0.6954	0.1391	0.5563	0.1866	0.7429	0.6073

Share Class B - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.5023	0.1005	0.4018	-	0.4018	0.3822
Second interim	1.9021	0.3804	1.5217	-	1.5217	1.2231
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4806	0.0961	0.3845	0.0173	0.4018	0.3822
Second interim	1.8640	0.3728	1.4912	0.0305	1.5217	1.2231

Distribution Tables

(continued)

for the six month period ended 31 October 2016 (unaudited)

Share Class B - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.2455	0.0491	0.1964	-	0.1964	0.1902
Second interim	0.9286	0.1857	0.7429	-	0.7429	0.6073
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	-	-	-	0.1964	0.1964	0.1902
Second interim	0.1898	0.0380	0.1518	0.5911	0.7429	0.6073

Equalisation

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

International Equity Tracker Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide a total return based on the performance of a number of underlying international equity indices (as determined by the ACD from time to time), in proportions determined by reference to the country and regional weightings contained in the FTSE All-World ex UK Index (or such other published benchmark as the ACD considers appropriate from time to time) by investing in a portfolio primarily consisting of derivative instruments.

The Fund will invest in a portfolio of derivatives instruments.

The Fund will normally invest in a combination of derivatives such as financial futures, currency forwards, warrants and other financial instruments (when permitted), cash or near cash instruments (including those in foreign currencies) and some other investments (particularly equities and units in other collective investment schemes). Various sampling techniques will be used to track the underlying country and regional equity markets. It is intended that the majority of derivatives used will be exchange traded but there may also be off-exchange derivatives.

The ACD aims to run all positions on a fully covered basis but there may be periods when a proportion is uncovered (in accordance with the FCA Rules). The types of assets which will underlie the derivatives contracts will be cash, near cash and transferable securities.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←					→	
	1	2	3	4	5	6	7

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
International Equity Tracker Fund I Accumulation	23.67	(0.37)	18.53	3.09	22.42	(6.50)
Global Growth Sector Average Return	20.32	(1.65)	15.94	6.15	18.23	(5.59)

Source: Lipper for International Equity Tracker Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Global Sector - Funds which invest at least 80% of their assets globally in equities. Funds must be diversified by geographic region.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

International equity markets were up in local currency terms over the reporting period. At the regional level the strongest performers included Latin America and China. In contrast, Europe and the US had smaller gains over the six months.

Ahead of the September meeting of the US Federal Reserve's interest rate-setting committee, a familiar sense of anticipation settled over investors as they awaited the outcome. By and large, analysts and commentators expected the Federal Open Markets Committee (FOMC) to keep the US base rate on hold at 0.5% and that's exactly what it did. At the sector level, the best performing areas of the US equity market were technology and financials. Conversely, telecoms and healthcare lagged behind.

In Europe, the strongest sectors were industrials and oil & gas. On the downside, healthcare fell over the six months. Meanwhile, the European Central Bank (ECB) kept monetary policy unchanged, frustrating investors who had expected it to expand its quantitative easing programme at its September meeting. The monetary authority left interest rates on its deposit facility at a record low of -0.4% and kept its refinancing rate at zero, while maintaining a monthly asset purchase target of €80 billion.

Chinese shares sold off in late July due to concerns about tighter regulation on certain popular investment products. More recently, there was an improvement in economic data, growth in retail sales, industrial production and fixed asset investment bounced back in August after a disappointing July. Elsewhere in Asia Japanese equities were up in yen terms over the period.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

Turning to Latin America, Brazilian lawmakers voted to move forward with the impeachment trial of suspended president Dilma Rousseff, fuelling further optimism for change. Rousseff was officially removed from office by the country's Senate in the final days of August. The Brazilian central bank recorded an increase in economic activity in June, but new President Michel Temer's economic team cautioned that a sustained recovery will depend on the government's ability to implement reforms.

Global economic activity has been picking up, with the global manufacturing purchasing managers' index rising to a two-year high. However, Donald Trump's victory in the US election has injected significant uncertainty to the outlook from here. At this stage it is unclear which of his policies will be enacted. So far, market participants have focused on tax cuts and infrastructure spending with bond yields rising in anticipation of higher growth and inflation. However, if enacted, trade tariffs, tighter monetary policy and increased deportation of illegal immigrants could offset the benefits.

Aberdeen Asset Investments Limited

November 2016

International Equity Tracker Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings or Nominal Values	Market Value £000	Total Net Assets %
FINANCIALS (9.70%*)		128,177	9.63
Collective Investment Schemes			
Aberdeen Liquidity Fund (Lux) - Sterling Fund†◇	51,963	51,963	3.90
Exchange Traded Funds			
iShares MSCI Emerging Markets	2,512,180	76,214	5.73
SHORT TERM DEPOSITS (91.53%*)‡		1,081,063	81.25
ABN AMRO Bank 0.39% 09/12/2016	GBP50,000,000	50,002	3.76
Bank of America 0.50% 16/03/2017	GBP20,000,000	20,002	1.50
BNP Paribas London 0.30% 07/12/2016	GBP31,000,000	30,999	2.33
Credit Agricole 0.39% 13/12/2016	GBP30,000,000	30,001	2.25
Credit Industriel et Commercial 0.01% 03/01/2017	GBP20,000,000	19,985	1.50
Credit Industriel et Commercial 0.57% 05/04/2017	GBP40,000,000	40,010	3.01
Credit Suisse 0.56% 18/04/2017	GBP15,000,000	14,994	1.13
Credit Suisse First Boston 0.58% 12/01/2017	GBP25,000,000	25,002	1.88
Danske Bank 0.50% 06/03/2017	GBP50,000,000	50,016	3.76
DZ Bank 0.41% 30/11/2016	GBP50,000,000	50,001	3.76
ING Bank 1.00% 04/11/2016	GBP32,000,000	32,004	2.41
KBC Bank 0.35% 21/12/2016	GBP25,000,000	24,998	1.88
La Banque Postale 0.34% 09/11/2016	GBP50,000,000	50,001	3.76
Lloyds Bank 0.51% 18/11/2016†	GBP50,000,000	50,005	3.76
Mizuho Corporate Bank 0.39% 30/11/2016	GBP25,000,000	25,001	1.88
Mizuho Corporate Bank 0.40% 02/12/2016	GBP20,000,000	20,001	1.50
National Bank of Abu Dhabi 0.55% 21/11/2016	GBP30,000,000	30,004	2.24
Nationwide Building Society 0.49% 03/11/2016	GBP25,000,000	25,001	1.88
Nationwide Building Society 0.39% 20/01/2017	GBP30,000,000	30,000	2.25
Natixis 0.43% 03/01/2017	GBP40,000,000	40,000	3.01
Qatar National Bank 0.01% 18/11/2016	GBP51,000,000	50,990	3.83
Rabobank International 0.69% 13/12/2016	GBP30,000,000	30,011	2.26
Standard Chartered Bank 0.42% 09/01/2017	GBP50,000,000	50,001	3.76
Sumitomo Mitsui Banking 0.41% 30/11/2016	GBP40,000,000	40,002	3.01
Sumitomo Mitsui Trust Bank 0.22% 31/10/2016	GBP25,508,000	25,508	1.92
Sumitomo Mitsui Trust Bank 0.22% 01/11/2016	GBP25,494,000	25,494	1.92
Sumitomo Mitsui Trust Bank 0.40% 11/11/2016	GBP25,000,000	25,000	1.88
Sumitomo Trust and Banking 0.58% 07/11/2016	GBP25,000,000	25,002	1.88
Svenska Handelsbanken 0.32% 15/11/2016	GBP45,000,000	45,000	3.38
Toronto-Dominion Bank 0.95% 02/12/2016	GBP30,000,000	30,020	2.26
UBS 0.47% 30/11/2016	GBP30,000,000	30,003	2.25
Wells Fargo 0.70% 07/11/2016	GBP30,000,000	30,003	2.25
Wells Fargo 0.70% 08/11/2016	GBP16,000,000	16,002	1.20

International Equity Tracker Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Market Value £000	Total Net Assets %
DERIVATIVES (-0.03%*)	77,780	5.84
Forward Currency Contracts		
Australian Dollar		
Bought AUD58,000,000 for GBP33,427,642 Settlement 02/12/2016	2,777	0.21
Bought AUD560,000 for GBP340,821 Settlement 02/12/2016	9	0.00
Sold AUD2,040,000 for GBP1,192,647 Settlement 02/12/2016	(81)	(0.01)
Canadian Dollar		
Bought CAD62,310,000 for GBP36,544,597 Settlement 02/12/2016	1,633	0.12
Bought CAD1,770,000 for GBP1,072,354 Settlement 02/12/2016	12	0.00
Euro		
Bought EUR153,077,500 for GBP131,205,787 Settlement 02/12/2016	6,650	0.50
Bought EUR1,210,000 for GBP1,044,183 Settlement 02/12/2016	45	0.00
Bought EUR6,010,000 for GBP5,403,086 Settlement 02/12/2016	9	0.00
Hong Kong Dollar		
Bought HKD176,220,000 for GBP17,201,942 Settlement 02/12/2016	1,447	0.11
Bought HKD7,950,000 for GBP769,362 Settlement 02/12/2016	72	0.01
Bought HKD2,740,000 for GBP283,517 Settlement 02/12/2016	6	0.00
Sold HKD4,730,000 for GBP465,999 Settlement 02/12/2016	(35)	0.00
Japanese Yen		
Bought JPY15,486,219,600 for GBP117,055,584 Settlement 02/12/2016	4,161	0.31
Bought JPY71,140,000 for GBP554,467 Settlement 02/12/2016	2	0.00
Sold JPY383,290,000 for GBP2,791,589 Settlement 02/12/2016	(209)	(0.02)
Singapore Dollar		
Bought SGD9,360,000 for GBP5,234,314 Settlement 02/12/2016	284	0.02
Sold SGD180,000 for GBP106,266 Settlement 02/12/2016~	0	0.00
Sold SGD200,000 for GBP112,089 Settlement 02/12/2016	(6)	0.00
Sold SGD190,000 for GBP104,711 Settlement 02/12/2016	(7)	0.00
Swedish Krona		
Bought SEK171,725,900 for GBP15,523,759 Settlement 02/12/2016	133	0.01
Bought SEK5,870,000 for GBP519,481 Settlement 02/12/2016	16	0.00
Bought SEK2,360,000 for GBP212,830 Settlement 02/12/2016	2	0.00
Bought SEK710,000 for GBP66,028 Settlement 02/12/2016	(1)	0.00
Swiss Franc		
Bought CHF49,990,000 for GBP39,334,918 Settlement 02/12/2016	2,233	0.17
Bought CHF2,460,000 for GBP2,019,743 Settlement 02/12/2016	26	0.00
US Dollar		
Bought USD996,225,450 for GBP752,925,201 Settlement 02/12/2016	64,565	4.85
Bought USD26,350,000 for GBP21,167,702 Settlement 02/12/2016	455	0.03
Bought USD3,710,000 for GBP2,783,753 Settlement 02/12/2016	261	0.02
Bought USD3,510,000 for GBP2,682,717 Settlement 02/12/2016	198	0.01
Sold USD10,078,000 for GBP8,146,425 Settlement 02/12/2016	(123)	(0.01)
Sold USD3,205,000 for GBP2,475,674 Settlement 02/12/2016	(154)	(0.01)

International Equity Tracker Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
Amsterdam Index Futures November 2016	197	246	0.02
CAC 40 10 Euro Futures December 2016	1,216	1,073	0.08
DAX Index Futures December 2016	210	1,276	0.10
EURO STOXX 50 Futures December 2016	177	91	0.01
FTSE MIB Index Futures December 2016	173	413	0.03
Hang Seng Index Futures November 2016	157	(357)	(0.03)
IBEX 35 Index Futures November 2016	192	633	0.05
MSCI Emerging Markets Index Futures December 2016	2,478	1,002	0.08
MSCI Sing Index Futures November 2016	286	(40)	0.00
OMX 30 Index Futures November 2016	1,291	134	0.01
S&P 500 E Mini Index Futures December 2016	2,633	(4,693)	(0.35)
S&P 500 Index Futures December 2016	1,173	(10,579)	(0.79)
S&P TSX 60 Index Futures December 2016	379	598	0.04
SPI 200 Index Futures December 2016	439	565	0.04
Swiss Market Index Futures December 2016	649	(1,724)	(0.13)
TOPIX Index Futures December 2016	1,143	4,762	0.36
Portfolio of investments[^]		1,287,020	96.72
Net other assets		43,694	3.28
Total net assets		1,330,714	100.00

All holdings are short term deposits and Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

[~]The market value of the holdings is below £500 and is therefore rounded down to £0.

International Equity Tracker Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
Sumitomo Mitsui Trust Bank#‡	5,981,644	Sumitomo Mitsui Trust Bank#‡	5,969,691
Mizuho Corporate Bank#‡	1,605,063	Mizuho Corporate Bank#‡	1,605,063
S&P 500 Index Futures December 2016	487,514	S&P 500 Index Futures September 2016	519,335
S&P 500 Index Futures September 2016	462,925	S&P 500 Index Futures June 2016	481,981
S&P 500 E Mini Index Futures December 2016	219,548	S&P 500 E Mini Index Futures September 2016	219,237
S&P 500 E Mini Index Futures September 2016	196,714	S&P 500 E Mini Index Futures June 2016	185,291
TOPIX Index Futures December 2016	113,707	TOPIX Index Futures September 2016	119,371
TOPIX Index Futures September 2016	104,027	TOPIX Index Futures June 2016	104,269
Standard Chartered Bank#‡	100,000	ING Bank#‡	95,000
Svenska Handelsbanken#‡	90,000	Natixis#‡	80,416

Purchases and sales of Futures have been included at the value of their exposure.

‡Cash equivalents.

#Represents the cumulative value of rolling short term deposits.

International Equity Tracker Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class I - Accumulation				
Closing net asset value (£'000)	16,447	14,670	16,239	14,115
Closing number of shares	6,136,199	6,769,199	7,465,199	7,691,599
Closing net asset value per share (p)	268.04	216.73	217.53	183.51
Operating charges#	0.61%	0.61%	0.61%	0.61%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class X - Accumulation				
Closing net asset value (£'000)	1,314,267	1,146,559	1,169,716	958,404
Closing number of shares	461,639,716	499,162,216	509,425,416	496,838,616
Closing net asset value per share (p)	284.70	229.70	229.61	192.90
Operating charges#	0.11%	0.11%	0.11%	0.11%

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

International Equity Tracker Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		268,095		(47,852)
Revenue	3,438		3,427	
Expenses	(755)		(687)	
Interest payable and similar charges	(126)		(204)	
Net revenue before taxation	2,557		2,536	
Taxation	(2,660)		1,417	
Net (expense)/revenue after taxation		(103)		3,953
Total return before distributions		267,992		(43,899)
Distributions		(2,496)		(2,460)
Change in net assets attributable to shareholders from investment activities		265,496		(46,359)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		1,161,229		1,185,955
Amounts receivable on creation of shares	3,038		62,037	
Less: Amounts payable on cancellation of shares	(100,960)		(17,491)	
		(97,922)		44,546
Change in net assets attributable to shareholders from investment activities		265,496		(46,359)
Retained distributions on accumulation shares		1,911		2,045
Closing net assets attributable to shareholders		1,330,714		1,186,187

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

International Equity Tracker Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	172,003	107,508
Current assets		
Debtors	1,475	2,391
Cash and bank balances	71,720	17,439
Cash equivalents‡	1,133,026	1,114,754
Total assets	1,378,224	1,242,092
Liabilities		
Investment liabilities	(18,009)	(47,093)
Provision for liabilities	(2,592)	-
Creditors		
Bank overdrafts	(438)	(1,219)
Distribution payable	(499)	(556)
Other creditors	(25,972)	(31,995)
Total liabilities	(47,510)	(80,863)
Net assets attributable to shareholders	1,330,714	1,161,229

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

International Equity Tracker Fund

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 May 2016

Group 2 Interim Shares purchased on or between 1 May 2016 and 31 October 2016

Share Class I - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-
Group 2 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	-	-	-	-	-	-

Share Class X - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 1 Interim	0.5174	0.1035	0.4139	-	0.4139	0.3855
Group 2 Interim	(p)	(p)	(p)	(p)	(p)	(p)
Group 2 Interim	0.1794	0.0359	0.1435	0.2704	0.4139	0.3855

Equalisation

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

Managed Income Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

The Fund aims to provide a high level of income by mainly investing in regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group. The Fund will primarily invest in fixed interest funds.

Important Note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

This Fund will principally invest in funds which invest in UK government bonds and other sterling denominated fixed interest securities, to a lesser extent in overseas bonds and to a limited extent in UK equities. The Fund may also invest in other investments permitted by FCA Rules for this type of scheme that are consistent with the Fund's objectives. Non-sterling investment may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

The Fund is ranked at 3* because it has experienced low to medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 31 August 2016.	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←						→
	1	2	3	4	5	6	7

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Managed Income Portfolio A Accumulation	7.41	(0.70)	5.04	(0.34)	9.46	5.01

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The portfolio is invested in bonds issued by governments and companies and also has some investments in equities.

Looking first at bonds, demand for the asset class was boosted by the uncertainty in the run-up to the EU referendum. Government bonds in particular often prove popular during turbulent periods due to their perceived safety. This is because governments are seen as very reliable borrowers and relatively unlikely to miss payments to investors (or to "default"). However, the popularity of government bonds in recent years has been so great that prices have risen to record highs and yields fallen to record lows (yields and prices always move in the opposite direction).

The low yields available from government bonds encouraged investors to look for other sources of income. Corporate bonds were a popular choice and the asset class performed well over the review period. The Fund has some investments in 'high yield' corporate bonds which are judged to be at a higher risk of defaulting on payments to investors but offer a higher yield to compensate. This part of the market also produced gains as investors viewed the rewards as being worth the risks.

However, some of the best returns within bond markets came from index-linked bonds. Unlike conventional bonds that offer fixed payments to investors, index-linked bonds vary payments in line with inflation. Economic data indicate that inflation is now starting to increase which has resulted in growing demand for this type of bond.

Equities produced the best returns of the main asset classes. Although there was a severe bout of market volatility following the UK vote to leave the European Union in June, share prices bounced back swiftly. In part, this was a result of the Bank of England's economic stimulus measures which were intended to instil confidence in the economy following the 'Brexit' vote.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post-Brexit collapse in the pound has made each dollar of revenue worth nearly 20% more in sterling terms.

The Fund produced a return of 7.41% over the six months under review. We held a relatively small position in government bonds which helped performance, as other asset classes, especially equities, produced better returns. Prices of government bonds have risen so much in recent years that we did not consider they represented a worthwhile investment. This remains the case.

Stock selection had a small negative effect on performance. This stemmed mainly from the positions in UK equities and high yield bonds, both of which provided positive returns but failed to rise by the same extent as the wider market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

Within bond markets we think that corporate bonds continue to have better prospects than government bonds which offer little in the way of capital protection, nor any significant income with prices at record highs and yields at record lows.

We think the portfolio is well positioned to continue providing a competitive level of income via its holdings in bond markets, while benefiting to some extent from any stock market growth through the holdings in equities.

Aberdeen Asset Investments Limited

November 2016

Managed Income Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.42%*)		185,180	98.91
Collective Investment Schemes			
Aberdeen Corporate Bond Fund A Inc◊	24,224,085	27,824	14.86
Aberdeen Corporate Bond Fund Z Acc◊	4,782,717	9,428	5.04
Aberdeen European Corporate Bond Fund I Inc◊	7,586,378	11,407	6.09
Aberdeen Global High Yield Bond Fund Z Acc◊	12,529,043	18,980	10.14
Aberdeen Liquidity Fund (Lux) - Sterling Fund‡◊~	0	0	0.00
Aberdeen Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund‡◊	215,421	28,177	15.05
Scottish Widows Corporate Bond Fund W Gross Acct	30,289,879	36,681	19.59
Scottish Widows Fundamental Index Global Equity Fund X Acct	588,180	924	0.49
Scottish Widows Gilt Fund W Gross Acct	5,785,045	6,953	3.71
Scottish Widows Global Growth Fund X Acct	4,754,423	8,239	4.40
Scottish Widows International Bond Fund W Gross Acct	8,062,433	11,191	5.98
Scottish Widows UK Equity Income Fund A Inc†	2,360,316	17,060	9.11
Scottish Widows UK Index-Linked Tracker Fund W Acct	2,934,643	4,188	2.24
Exchange Traded Funds			
iShares \$ TIPS UCITS	6,791	1,137	0.61
iShares USD Corporate Bond UCITS	31,298	2,991	1.60
DERIVATIVES (-0.03%*)		(173)	(0.09)
Forward Currency Contracts			
Japanese Yen			
Sold JPY69,000,000 for GBP545,842 Settlement 08/12/2016		6	0.00
US Dollar			
Sold USD4,034,000 for GBP3,023,852 Settlement 08/12/2016		(286)	(0.15)
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	20	(32)	(0.02)
FTSE 100 Index Futures December 2016	13	19	0.01
German Euro Bund Futures December 2016	(27)	67	0.04
Japan Government Bond 10 Year Futures December 2016	(3)	1	0.00
Mini MSCI Emerging Markets Futures December 2016	51	6	0.00
MSCI Pacific Ex Japan Futures December 2016	(55)	(24)	(0.01)
S&P 500 E Mini Index Futures December 2016	(22)	6	0.00
TOPIX Index Futures December 2016	36	156	0.09
UK Long Gilt Bond Futures December 2016	15	(54)	(0.03)
US Treasury Note 10 Year Futures December 2016	27	(38)	(0.02)
Portfolio of investments^		185,007	98.82
Net other assets		2,211	1.18
Total net assets		187,218	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

^Including investment liabilities.

†This investment is a related party.

‡Cash equivalents.

◊Asset managed by the Fund's Investment Adviser.

~The market value of the holding is below £500 and the total number of shares is below 0.5 therefore these have been rounded down to £0 and 0 shares respectively.

Managed Income Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
UK Long Gilt Bond Futures September 2016	3,797	UK Long Gilt Bond Futures September 2016	3,798
German Euro Bund Futures September 2016	3,779	German Euro Bund Futures December 2016	3,717
TOPIX Index Futures December 2016	3,642	Scottish Widows Corporate Bond Fund W Gross Acct	3,670
Japan Government Bond 10 Year Futures September 2016	3,339	German Euro Bund Futures September 2016	3,636
US Treasury Note 10 Year Futures December 2016	3,078	Japan Government Bond 10 Year Futures December 2016	3,345
Japan Government Bond 10 Year Futures June 2016	2,950	US Treasury Note 10 Year Futures September 2016	3,101
iShares USD Corporate Bond UCITS*	2,842	Japan Government Bond 10 Year Futures September 2016	2,947
US Treasury Note 10 Year Futures September 2016	2,819	Aberdeen Global High Yield Bond Fund Z Acc◇	2,350
FTSE 100 Index Futures September 2016	2,022	Australia 10 Year Treasury Note Futures June 2016	2,207
UK Long Gilt Bond Futures December 2016	1,930	UK Long Gilt Bond Futures June 2016	2,173

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

*Exchange Traded Fund.

◇Asset managed by the Fund's Investment Adviser.

Managed Income Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	169,516	169,452	193,649	205,765
Closing number of shares	101,754,400	109,254,400	123,952,400	138,408,000
Closing net asset value per share (p)	166.59	155.10	156.23	148.67
Operating charges#	1.37%	1.37%	1.38%	1.36%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Income				
Closing net asset value (£'000)	17,702	17,952	20,780	22,505
Closing number of shares	14,141,500	15,304,000	17,330,500	19,382,900
Closing net asset value per share (p)	125.18	117.30	119.90	116.11
Operating charges#	1.37%	1.37%	1.38%	1.36%

#Operating charges are representative of the ongoing charges figure.

Managed Income Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		12,267		(6,782)
Revenue	2,797		2,972	
Expenses	(1,217)		(1,294)	
Interest payable and similar charges	(2)		(1)	
Net revenue before taxation	1,578		1,677	
Taxation	(22)		(26)	
Net revenue after taxation		1,556		1,651
Total return before distributions		13,823		(5,131)
Distributions		(1,578)		(1,677)
Change in net assets attributable to shareholders from investment activities		12,245		(6,808)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		187,404		214,429
Amounts receivable on creation of shares	246		305	
Less: Amounts payable on cancellation of shares	(13,780)		(12,178)	
		(13,534)		(11,873)
Change in net assets attributable to shareholders from investment activities		12,245		(6,808)
Retained distributions on accumulation shares		1,102		1,190
Unclaimed distributions		1		1
Closing net assets attributable to shareholders		187,218		196,939

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Managed Income Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	157,264	155,962
Current assets		
Debtors	1,374	695
Cash and bank balances	1,740	1,177
Cash equivalents‡	28,177	30,495
Total assets	188,555	188,329
Liabilities		
Investment liabilities	(434)	(193)
Creditors		
Bank overdrafts	(5)	-
Distribution payable	(334)	(74)
Other creditors	(564)	(658)
Total liabilities	(1,337)	(925)
Net assets attributable to shareholders	187,218	187,404

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Managed Income Portfolio

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1 May 2016
Second interim Shares purchased prior to 1 August 2016

Group 2 First interim Shares purchased on or between 1 May 2016 and 31 July 2016
Second interim Shares purchased on or between 1 August 2016 and 31 October 2016

Share Class A - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4490	0.0898	0.3592	-	0.3592	0.4586
Second interim	0.8913	0.1783	0.7130	-	0.7130	0.5450
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	-	-	-	0.3592	0.3592	0.4586
Second interim	0.0563	0.0113	0.0450	0.6680	0.7130	0.5450

Share Class A - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3395	0.0679	0.2716	-	0.2716	0.3519
Second interim	0.6725	0.1345	0.5380	-	0.5380	0.4172
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3310	0.0662	0.2648	0.0068	0.2716	0.3519
Second interim	0.5101	0.1020	0.4081	0.1299	0.5380	0.4172

Equalisation

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

Momentum Income Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

The Fund aims to provide a high level of income with some potential for growth by mainly investing in regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group. The Fund will primarily invest in fixed interest funds, with some exposure to equity funds.

Important Note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

This Fund will principally invest in funds which invest in UK government bonds and other sterling denominated fixed interest securities and to a lesser extent in overseas bonds and UK equities. The Fund may also invest in other investments permitted by FCA Rules for this type of scheme that are consistent with the Fund's objectives. Non-sterling investment may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 3* because it has experienced low to medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks			
	←			→			
	1	2	3	4	5	6	7

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Momentum Income Portfolio A Accumulation	7.41	(1.83)	6.03	0.59	10.76	4.37

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The portfolio is invested in bonds issued by governments and companies and also has some investments in equities.

Looking first at bonds, demand for the asset class was boosted by the uncertainty in the run-up to the EU referendum. Government bonds in particular often prove popular during turbulent periods due to their perceived safety. This is because governments are seen as very reliable borrowers and relatively unlikely to miss payments to investors (or to "default"). However, the popularity of government bonds in recent years has been so great that prices have risen to record highs and yields fallen to record lows (yields and prices always move in the opposite direction).

The low yields available from government bonds encouraged investors to look for other sources of income. Corporate bonds were a popular choice and the asset class performed well over the review period. The Fund has some investments in 'high yield' corporate bonds which are judged to be at a higher risk of defaulting on payments to investors but offer a higher yield to compensate. This part of the market also produced gains as investors viewed the rewards as being worth the risks.

However, some of the best returns within bond markets came from index-linked bonds. Unlike conventional bonds that offer fixed payments to investors, index-linked bonds vary payments in line with inflation. Economic data indicate that inflation is now starting to increase which has resulted in growing demand for this type of bond.

Equities produced the best returns of the main asset classes. Although there was a severe bout of market volatility following the UK vote to leave the European Union in June, share prices bounced back swiftly. In part, this was a result of the Bank of England's economic stimulus measures which were intended to instil confidence in the economy following the 'Brexit' vote.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post-Brexit collapse in the pound has made each dollar of revenue worth nearly 20% more in sterling terms.

The Fund produced a return of 7.41% over the six months under review. We held a relatively small position in government bonds, which helped performance, as other asset classes, especially equities, produced better returns. Prices of government bonds have risen so much in recent years that we did not consider they represented a worthwhile investment. This remains the case.

Stock selection had a small negative effect on performance. This stemmed mainly from the positions in UK equities and high yield bonds, both of which provided positive returns but failed to rise by the same extent as the wider market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

Within bond markets we think that corporate bonds continue to have better prospects than government bonds which offer little in the way of capital protection, nor any significant income with prices at record highs and yields at record lows.

We think the portfolio is well positioned to continue providing a competitive level of income via its holdings in bond markets, while benefiting to some extent from any stock market growth through the holdings in equities.

Aberdeen Asset Investments Limited

November 2016

Momentum Income Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.59%*)		602,556	99.17
Collective Investment Schemes			
Aberdeen Corporate Bond Fund A Inc◊	79,158,428	90,921	14.96
Aberdeen Corporate Bond Fund Z Acc◊	18,606,106	36,676	6.04
Aberdeen Global High Yield Bond Fund Z Acc◊	42,429,714	64,277	10.58
Aberdeen Liquidity Fund (Lux) - Sterling Fund‡◊	6	6	0.00
Aberdeen Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund‡◊	554,156	72,483	11.93
Scottish Widows Corporate Bond Fund W Gross Acct	103,996,866	125,940	20.73
Scottish Widows Fundamental Index Global Equity Fund X Acct	1,470,451	2,310	0.38
Scottish Widows Gilt Fund W Gross Acct	12,862,051	15,460	2.55
Scottish Widows Global Growth Fund X Acct	11,795,341	20,441	3.36
Scottish Widows International Bond Fund W Gross Acct	13,170,395	18,281	3.01
Scottish Widows UK Equity Income Fund A Inc†	13,198,029	95,395	15.70
Scottish Widows UK Index-Linked Tracker Fund W Acct	32,959,660	47,034	7.74
Exchange Traded Funds			
iShares \$ TIPS UCITS	22,211	3,719	0.61
iShares USD Corporate Bond UCITS	100,603	9,613	1.58
DERIVATIVES (-0.02%*)		(837)	(0.14)
Forward Currency Contracts			
US Dollar			
Bought USD1,700,000 for GBP1,396,573 Settlement 08/12/2016		(2)	0.00
Sold USD13,636,000 for GBP10,221,429 Settlement 08/12/2016		(966)	(0.16)
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	68	(107)	(0.02)
FTSE 100 Index Futures December 2016	(10)	(32)	(0.01)
German Euro Bund Futures December 2016	(86)	212	0.04
Japan Government Bond 10 Year Futures December 2016	(9)	2	0.00
Mini MSCI Emerging Markets Futures December 2016	156	19	0.00
MSCI Pacific Ex Japan Index December 2016	(174)	(76)	(0.01)
S&P 500 E Mini Index Futures December 2016	(72)	19	0.00
TOPIX Index Futures December 2016	115	477	0.08
UK Long Gilt Bond Futures December 2016	48	(251)	(0.04)
US Treasury Note 10 Year Futures December 2016	95	(132)	(0.02)
Portfolio of investments^		601,719	99.03
Net other assets		5,893	0.97
Total net assets		607,612	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

^Including investment liabilities.

†This investment is a related party.

‡Cash equivalents.

◊Asset managed by the Fund's Investment Adviser.

Momentum Income Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
UK Long Gilt Bond Futures September 2016	13,942	UK Long Gilt Bond Futures September 2016	14,143
German Euro Bund Futures September 2016	12,036	German Euro Bund Futures December 2016	11,840
TOPIX Index Futures December 2016	11,619	German Euro Bund Futures September 2016	11,655
Japan Government Bond 10 Year Futures September 2016	10,018	Scottish Widows Corporate Bond Fund W Gross Acct	10,850
US Treasury Note 10 Year Futures December 2016	9,433	Japan Government Bond 10 Year Futures December 2016	10,034
iShares USD Corporate Bond UCITS*	9,135	US Treasury Note 10 Year Futures September 2016	10,018
US Treasury Note 10 Year Futures September 2016	9,094	UK Long Gilt Bond Futures June 2016	9,296
Japan Government Bond 10 Year Futures June 2016	8,850	Japan Government Bond 10 Year Futures September 2016	8,842
UK Long Gilt Bond Futures December 2016	6,255	Aberdeen Global High Yield Bond Fund Z Acc◇	7,100
UK Long Gilt Bond Futures June 2016	5,894	Australia 10 Year Treasury Note Futures June 2016	6,820

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

*Exchange Traded Fund.

◇Asset managed by the Fund's Investment Adviser.

Momentum Income Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	557,352	555,108	639,342	667,132
Closing number of shares	323,078,100	345,739,100	390,734,100	432,418,600
Closing net asset value per share (p)	172.51	160.56	163.63	154.28
Operating charges#	1.38%	1.37%	1.37%	1.37%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Income				
Closing net asset value (£'000)	50,243	49,895	58,095	61,564
Closing number of shares	38,587,735	40,853,235	45,939,735	50,698,135
Closing net asset value per share (p)	130.20	122.13	126.46	121.43
Operating charges#	1.38%	1.37%	1.37%	1.37%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class U - Accumulation				
Closing net asset value (£'000)	17	16	16	15
Closing number of shares	11,500	11,500	11,500	11,500
Closing net asset value per share (p)	148.78	138.55	141.35	133.43
Operating charges#	1.50%	1.50%	1.50%	1.50%

#Operating charges are representative of the ongoing charges figure.

Momentum Income Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		39,207		(24,995)
Revenue	10,095		10,276	
Expenses	(3,935)		(4,204)	
Interest payable and similar charges	(6)		(2)	
Net revenue before taxation	6,154		6,070	
Taxation	(118)		(133)	
Net revenue after taxation		6,036		5,937
Total return before distributions		45,243		(19,058)
Distributions		(6,154)		(6,069)
Change in net assets attributable to shareholders from investment activities		39,089		(25,127)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		605,019		697,453
Amounts receivable on creation of shares	641		399	
Less: Amounts payable on cancellation of shares	(41,514)		(37,677)	
		(40,873)		(37,278)
Change in net assets attributable to shareholders from investment activities		39,089		(25,127)
Retained distributions on accumulation shares		4,376		4,365
Unclaimed distributions		1		1
Closing net assets attributable to shareholders		607,612		639,414

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Momentum Income Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	530,796	523,643
Current assets		
Debtors	4,157	4,022
Cash and bank balances	4,311	2,143
Cash equivalents‡	72,489	79,480
Total assets	611,753	609,288
Liabilities		
Investment liabilities	(1,566)	(710)
Creditors		
Distribution payable	(1,293)	(1,681)
Other creditors	(1,282)	(1,878)
Total liabilities	(4,141)	(4,269)
Net assets attributable to shareholders	607,612	605,019

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Momentum Income Portfolio

Distribution Tables

for the six month period ended 31 October 2016 (unaudited)

Distribution in pence per share

Group 1 First interim Shares purchased prior to 1 May 2016

Second interim Shares purchased prior to 1 August 2016

Group 2 First interim Shares purchased on or between 1 May 2016 and 31 July 2016

Second interim Shares purchased on or between 1 August 2016 and 31 October 2016

Share Class A - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.4796	0.0959	0.3837	-	0.3837	0.4766
Second interim	1.1994	0.2399	0.9595	-	0.9595	0.6910
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	-	-	-	0.3837	0.3837	0.4766
Second interim	0.2489	0.0498	0.1991	0.7604	0.9595	0.6910

Share Class A - Income

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3648	0.0730	0.2918	-	0.2918	0.3683
Second interim	0.9103	0.1821	0.7282	-	0.7282	0.5324
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.0019	0.0004	0.0015	0.2903	0.2918	0.3683
Second interim	0.3134	0.0627	0.2507	0.4775	0.7282	0.5324

Share Class U - Accumulation

	Gross revenue	Income tax	Net revenue	Equalisation	Distributions paid/payable to 31/12/2016	Distributions paid to 31/12/2015
Group 1	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3641	0.0728	0.2913	-	0.2913	0.3714
Second interim	0.9804	0.1961	0.7843	-	0.7843	0.5587
Group 2	(p)	(p)	(p)	(p)	(p)	(p)
First interim	0.3641	0.0728	0.2913	-	0.2913	0.3714
Second interim	0.9804	0.1961	0.7843	-	0.7843	0.5587

Equalisation

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

Opportunities Portfolio Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide long-term capital growth by investing mainly in multi-manager regulated collective investment schemes. The Fund will invest primarily in Equity funds (at least 80%) while maintaining a low exposure to Fixed Income funds. These investments will be diversified across a number of geographic areas including the United Kingdom and other international markets.

The Fund will invest mainly in both multi-manager Equity funds and multi-manager Fixed Income funds.

The Equity funds that are selected will aim to provide capital growth by investing primarily in equity securities and will be chosen to provide a broad diversification by country, sector and companies.

The Fixed Income funds that are selected will aim to provide income and capital growth by investing primarily in investment grade bonds issued from a number of international markets and denominated in a variety of currencies. Non-sterling fixed income investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Opportunities Portfolio Fund A Accumulation	15.56	(2.84)	14.72	8.17	16.91	(1.59)
Global Growth Sector Average Return	20.32	(1.65)	15.94	6.15	18.23	(5.59)

Source: Lipper for Opportunities Portfolio Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Global Sector - Funds which invest at least 80% of their assets globally in equities. Funds must be diversified by geographic region.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Global equities rose over the period. Mixed economic data led the Federal Open Market Committee to keep interest rates unchanged at 0.5%, however officials strongly signalled that a rate hike was needed "fairly soon". While signalling that a rate hike is likely in the months ahead, Fed officials lowered their economic growth forecast and trimmed the number of rate hikes they foresee in 2017 from three to two. Meanwhile, the European Central Bank (ECB) reduced its main refinancing rate to 0.0% and increased quantitative easing to €80 billion a month, whilst also initiating another targeted longer-term refinancing operation (TLTRO II). The UK's decision to leave the EU threw worldwide markets into turmoil, leading to Prime Minister David Cameron's resignation. In response, the Bank of England (BoE) pledged \$345 billion of new stimulus, cut interest rates and expanded the asset purchase program by £60 billion to £435 billion. The BoE also introduced a "Term Funding Scheme" worth up to £100 billion for commercial banks and committed to buying up to £10 billion of UK corporate bonds.

Bond markets rose over the period. G4 central banks kept both rates and easing policies steady, though the possibility of a US Federal Reserve (Fed) rate hike in 2016 remained. Strengthening oil prices, after hopes that oil producers might agree to limit output, also gave impetus to risk appetite. Meanwhile the BoE cut its benchmark rate and unleashed a new round of easing, as counter measures to Brexit.

The Opportunities Portfolio Fund is constructed from 15 underlying Scottish Widows and Russell funds. Over the period there have been manager changes within 6 of these - Russell Global Bond Fund, Russell Global Bond Fund Euro Hedged, Russell Japan Equity Fund, Russell US Small Cap Fund, Russell II Euro Fixed Income Fund and Russell US Bond Fund.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The Opportunities Portfolio Fund holds 90% in equities and 10% in bonds. The Fund returned 15.56% over the period.

In our 2016 Global Market Outlook Annual report, we forecast mid-to-low single digit returns for global equities, along with a gradual rise in long-term interest rates. We're now seeing corporate profits weakening, softness in global trade and manufacturing and slightly higher risks for emerging markets. These elements all contribute to a less supportive environment for equities. That said, we're not forecasting a sustained bear market – provided the U.S. does not fall into recession.

Russell Investments Limited

November 2016

Opportunities Portfolio Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.76%*)		96,360	99.18
Collective Investment Schemes			
Aberdeen Liquidity Fund (Lux) - Sterling Fund†	236	236	0.24
Russell Asia Pacific Ex Japan Fund I Acc	63,724	2,614	2.69
Russell Continental European Equity Fund I Acc	366,678	9,728	10.01
Russell Euro Fixed Income Fund I Inc	169,776	1,919	1.97
Russell Global Bond Euro Hedged Fund I Inc	188,618	2,031	2.09
Russell Global Bond Fund A Acc	81,302	1,385	1.42
Russell Japan Equity Fund I Acc	207,615	5,294	5.45
Russell Sterling Bond Fund I Acc	71,168	1,504	1.55
Russell US Quant Fund I Acc	532,506	13,590	13.99
Russell US Bond Fund I Inc	179,050	1,882	1.94
Russell US Equity Fund I Acc	705,003	17,392	17.90
Russell US Small Cap Equity Fund I Acc	124,258	3,663	3.77
Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	7,605,221	15,705	16.17
Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	7,695,448	15,406	15.86
Scottish Widows Multi-Manager UK Equity Income Fund A Acct	1,519,283	3,241	3.34
Exchange Traded Funds			
iShares \$ TIPS UCITS	1,621	271	0.28
iShares USD Corporate Bond UCITS	5,219	499	0.51
DERIVATIVES (-0.05%*)		71	0.08
Forward Currency Contracts			
Euro			
Bought EUR850,000 for GBP727,682 Settlement 08/12/2016		38	0.04
Sold EUR850,000 for GBP716,487 Settlement 08/12/2016		(49)	(0.05)
Japanese Yen			
Bought JPY26,000,000 for GBP205,680 Settlement 08/12/2016		(2)	0.00
Sold JPY38,500,000 for GBP278,092 Settlement 08/12/2016		(24)	(0.02)
US Dollar			
Bought USD380,000 for GBP284,845 Settlement 08/12/2016		27	0.03
Bought USD290,000 for GBP215,782 Settlement 08/12/2016		22	0.02
Bought USD300,000 for GBP246,454 Settlement 08/12/2016		(1)	0.00
Sold USD422,000 for GBP346,940 Settlement 08/12/2016		1	0.00
Sold USD670,000 for GBP516,441 Settlement 08/12/2016		(33)	(0.03)

Opportunities Portfolio Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
Australia 10 Year Treasury Note Futures December 2016	4	(8)	(0.01)
FTSE 100 Index Futures December 2016	(2)	(6)	(0.01)
German Euro Bund Futures December 2016	(5)	12	0.01
MSCI Pacific Ex Japan Futures December 2016	(8)	(2)	0.00
TOPIX Index Futures December 2016	14	70	0.07
UK Long Gilt Bond Futures December 2016	(6)	38	0.04
US Treasury Note 10 Year Futures December 2016	8	(12)	(0.01)
Portfolio of investments[^]		96,431	99.26
Net other assets		721	0.74
Total net assets		97,152	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Opportunities Portfolio Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
S&P 500 E Mini Index Futures September 2016	1,470	Russell US Equity Fund I Acc	3,750
TOPIX Index Futures December 2016	1,414	Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	1,730
Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	1,401	Russell US Quant Fund I Acc	1,600
Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	1,290	S&P 500 E Mini Index Futures September 2016	1,428
S&P 500 E Mini Index Futures December 2016	1,060	Aberdeen Liquidity Fund (Lux) - Sterling Fund†‡#	1,410
FTSE 100 Index Futures September 2016	886	Russell Continental European Equity Fund I Acc	1,350
UK Long Gilt Bond Futures September 2016	795	S&P 500 E Mini Index Futures December 2016	1,099
US Treasury Note 10 Year Futures December 2016	794	Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	1,070
US Treasury Note 10 Year Futures September 2016	728	FTSE 100 Index Futures September 2016	934
German Euro Bund Futures September 2016	700	US Treasury Note 10 Year Futures September 2016	800

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

‡Cash equivalents.

‡Asset managed by the Fund's Investment Adviser.

#With effect from 18 July 2016 holding moved from Aberdeen Global Liquidity Sterling Fund Advisory to Aberdeen Liquidity Fund (Lux) - Sterling Fund.

Opportunities Portfolio Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	7,129	6,483	7,102	6,595
Closing number of shares	3,543,400	3,722,900	3,960,400	4,218,300
Closing net asset value per share (p)	201.20	174.14	179.32	156.33
Operating charges#	2.00%	2.00%	2.00%	2.00%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class X - Accumulation				
Closing net asset value (£'000)	90,023	84,056	94,326	85,852
Closing number of shares	38,088,200	41,346,700	45,567,200	48,105,500
Closing net asset value per share (p)	236.35	203.30	207.00	178.47
Operating charges#	0.60%	0.60%	0.60%	0.60%

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

Opportunities Portfolio Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		13,230		(4,393)
Revenue	1,079		997	
Expenses	(71)		(70)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,008		927	
Taxation	(64)		(67)	
Net revenue after taxation		944		860
Total return before equalisation		14,174		(3,533)
Equalisation		(35)		(10)
Change in net assets attributable to shareholders from investment activities		14,139		(3,543)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		90,539		101,428
Amounts receivable on creation of shares	515		676	
Less: Amounts payable on cancellation of shares	(8,041)		(4,760)	
		(7,526)		(4,084)
Change in net assets attributable to shareholders from investment activities		14,139		(3,543)
Closing net assets attributable to shareholders		97,152		93,801

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Opportunities Portfolio Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	96,332	90,110
Current assets		
Debtors	47	41
Cash and bank balances	919	678
Cash equivalents‡	236	245
Total assets	97,534	91,074
Liabilities		
Investment liabilities	(137)	(77)
Creditors		
Bank overdrafts	(9)	-
Other creditors	(236)	(458)
Total liabilities	(382)	(535)
Net assets attributable to shareholders	97,152	90,539

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Progressive Portfolio Fund

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide long term capital growth by investing mainly in multi-manager regulated collective investment schemes. The Fund will invest mainly in Equity funds (up to a maximum of 85%) while maintaining a moderate exposure to Fixed Income funds. These investments will be diversified across a number of geographic areas including the United Kingdom and other international markets.

The Fund will invest mainly in both multi-manager Equity funds and multi-manager Fixed Income funds.

The Equity funds that are selected will aim to provide capital growth by investing primarily in equity securities and will be chosen to provide a broad diversification by country, sector and companies.

The Fixed Income funds that are selected will aim to provide income and capital growth by investing primarily in investment grade bonds issued from a number of international markets and denominated in a variety of currencies. Non-sterling fixed income investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years. *As disclosed in the key investor information document dated 31 August 2016.	← Typically lower rewards, lower risks							Typically higher rewards, higher risks →						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Progressive Portfolio Fund A Accumulation	13.37	(2.32)	13.36	6.48	15.69	(0.54)
Mixed Investment 40-85% Shares Sector Average Return*	11.49	(2.79)	10.56	5.12	14.56	(2.46)

Source: Lipper for Progressive Portfolio Fund and Sector Average Return. Basis: Net revenue reinvested and net of expenses. Mixed Investment 40%-85% Shares Sector - Funds would offer investment in a range of assets, with the maximum equity exposure restricted to 85% of the Fund. There is no specific requirement to hold a minimum % of non-UK equity within the equity limits. Assets must be at least 50% in US Dollar/Sterling/Euro of which 25% must be in Sterling and equities are deemed to include convertibles.

* The IMA changed the name of the Balanced Managed Sector to the Mixed Investment 40-85% Shares Sector, effective from 1 January 2012.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Global equities rose over the period. Mixed economic data led the Federal Open Market Committee to keep interest rates unchanged at 0.5%, however officials strongly signalled that a rate hike was needed "fairly soon". While signalling that a rate hike is likely in the months ahead, Fed officials lowered their economic growth forecast and trimmed the number of rate hikes they foresee in 2017 from three to two. Meanwhile, the European Central Bank (ECB) reduced its main refinancing rate to 0.0% and increased quantitative easing to €80 billion a month, whilst also initiating another targeted longer-term refinancing operation (TLTRO II). The UK's decision to leave the EU threw worldwide markets into turmoil, leading to Prime Minister David Cameron's resignation. In response, the Bank of England (BoE) pledged \$345 billion of new stimulus, cut interest rates and expanded the asset purchase program by £60 billion to £435 billion. The BoE also introduced a "Term Funding Scheme" worth up to £100 billion for commercial banks and committed to buying up to £10 billion of UK corporate bonds.

Bond markets rose over the period. G4 central banks kept both rates and easing policies steady, though the possibility of a US Federal Reserve (Fed) rate hike in 2016 remained. Strengthening oil prices, after hopes that oil producers might agree to limit output, also gave impetus to risk appetite. Meanwhile the BoE cut its benchmark rate and unleashed a new round of easing, as counter measures to Brexit.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The Progressive Portfolio Fund is constructed from 14 underlying Scottish Widows and Russell funds. Over the period there have been manager changes within 6 of these - Russell Global Bond Fund, Russell Global Bond Fund Euro Hedged, Russell Japan Equity Fund, Russell US Small Cap Fund, Russell II Euro Fixed Income Fund and Russell US Bond Fund.

The Progressive Portfolio holds 75% equities and 25% bonds. The Fund returned 13.37% over the period.

In our 2016 Global Market Outlook Annual report, we forecast mid-to-low single digit returns for global equities, along with a gradual rise in long-term interest rates. We're now seeing corporate profits weakening, softness in global trade and manufacturing and slightly higher risks for emerging markets. These elements all contribute to a less supportive environment for equities. That said, we're not forecasting a sustained bear market – provided the U.S. does not fall into recession.

Russell Investments Limited

November 2016

Progressive Portfolio Fund

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.76%*)		222,318	99.55
Collective Investment Schemes			
Aberdeen Liquidity Fund (Lux) - Sterling Fund†	1	1	0.00
Russell Asia Pacific Ex Japan Fund I Acc	129,082	5,295	2.37
Russell Continental European Equity Fund I Acc	689,362	18,289	8.19
Russell Euro Fixed Income Fund I Inc	1,039,206	11,743	5.26
Russell Global Bond Euro Hedged Fund I Inc	1,077,745	11,607	5.20
Russell Global Bond Fund A Acc	681,476	11,612	5.20
Russell Japan Equity Fund I Acc	384,232	9,798	4.39
Russell Sterling Bond Fund I Acc	406,294	8,589	3.85
Russell US Bond Fund I Inc	1,116,354	11,733	5.25
Russell US Equity Fund I Acc	1,622,331	40,023	17.92
Russell US Quant Fund I Acc	737,417	18,819	8.43
Russell US Small Cap Equity Fund I Acc	226,454	6,676	2.99
Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	14,551,494	30,049	13.45
Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	14,919,022	29,868	13.38
Scottish Widows Multi-Manager UK Equity Income Fund A Acct	3,011,143	6,423	2.87
Exchange Traded Funds			
iShares \$ TIPS UCITS	3,725	622	0.28
iShares USD Corporate Bond UCITS	12,262	1,171	0.52
DERIVATIVES (-0.03%*)		148	0.07
Forward Currency Contracts			
Euro			
Bought EUR2,000,000 for GBP1,712,192 Settlement 08/12/2016		89	0.04
Sold EUR2,000,000 for GBP1,685,852 Settlement 08/12/2016		(116)	(0.05)
Japanese Yen			
Bought JPY184,000,000 for GBP1,364,860 Settlement 08/12/2016		76	0.03
Bought JPY86,000,000 for GBP680,325 Settlement 08/12/2016		(7)	0.00
Sold JPY281,000,000 for GBP2,029,713 Settlement 08/12/2016		(170)	(0.08)
US Dollar			
Bought USD1,600,000 for GBP1,199,346 Settlement 08/12/2016		114	0.05
Sold USD800,000 for GBP657,707 Settlement 08/12/2016		1	0.00
Sold USD1,000,000 for GBP817,561 Settlement 08/12/2016		(3)	0.00

Progressive Portfolio Fund

Portfolio Statement

(continued)

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
Futures Contracts			
Australia 10 Year Treasury Bond Futures December 2016	10	(21)	(0.01)
FTSE 100 Index Future December 2016	(12)	(37)	(0.02)
German Euro Bund Futures December 2016	(12)	30	0.01
Japan Government Bond 10 Year Futures December 2016	(1)	2	0.00
MSCI Pacific Ex Japan Futures December 2016	(23)	(11)	0.00
S&P 500 E Mini Index Futures December 2016	7	(9)	0.00
TOPIX Index Futures December 2016	32	151	0.07
UK Long Gilt Bond Futures December 2016	(13)	82	0.04
US Treasury Note 10 Year Futures December 2016	15	(23)	(0.01)
Portfolio of investments[^]		222,466	99.62
Net other assets		846	0.38
Total net assets		223,312	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Progressive Portfolio Fund

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
S&P 500 E Mini Index Futures September 2016	3,583	Russell US Equity Fund I Acc	8,545
TOPIX Index Futures December 2016	3,283	S&P 500 E Mini Index Futures September 2016	3,501
Russell Global Bond Fund A Acc	3,180	Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	3,310
FTSE 100 Index Futures September 2016	2,926	FTSE 100 Index Futures September 2016	3,006
Aberdeen Liquidity Fund (Lux) - Sterling Fund‡ [◇] #	2,801	Aberdeen Liquidity Fund (Lux) - Sterling Fund‡ [◇]	2,800
S&P 500 E Mini Index Futures December 2016	2,690	Scottish Widows Multi-Manager UK Equity Focus Fund A Acct	2,750
Scottish Widows Multi-Manager UK Equity Growth Fund A Acct	2,575	Russell US Quant Fund I Acc	2,700
Long Gilt Futures September 2016	1,722	S&P 500 E Mini Index Futures December 2016	2,266
US Treasury Note 10 Year Futures December 2016	1,688	Russell Japan Equity Fund I Acc	2,200
German Euro Bund Futures September 2016	1,679	Russell Continental European Equity Fund I Acc	2,180

Purchases and sales of Futures have been included at the value of their exposure.

‡Cash equivalents.

◇Asset managed by the Fund's Investment Adviser.

#With effect from 18 July 2016 holding moved from Aberdeen Global Liquidity Sterling Fund Advisory to Aberdeen Liquidity Fund (Lux) - Sterling Fund.

Progressive Portfolio Fund

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	60,357	55,920	61,823	57,738
Closing number of shares	30,164,990	31,687,990	34,208,690	36,231,290
Closing net asset value per share (p)	200.09	176.47	180.72	159.36
Operating charges#	2.00%	2.00%	2.00%	2.00%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class X - Accumulation				
Closing net asset value (£'000)	162,955	153,779	175,511	166,367
Closing number of shares	69,421,200	74,699,200	84,186,200	91,517,700
Closing net asset value per share (p)	234.73	205.86	208.48	181.79
Operating charges#	0.60%	0.60%	0.60%	0.60%

#Operating charges are representative of the ongoing charges figure.

Prices for share class X are not published as this is an internal share class.

Progressive Portfolio Fund

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		26,391		(9,447)
Revenue	2,609		2,516	
Expenses	(565)		(571)	
Interest payable and similar charges	-		-	
Net revenue before taxation	2,044		1,945	
Taxation	(146)		(159)	
Net revenue after taxation		1,898		1,786
Total return before equalisation		28,289		(7,661)
Equalisation		(63)		(35)
Change in net assets attributable to shareholders from investment activities		28,226		(7,696)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		209,699		237,334
Amounts receivable on creation of shares	1,626		1,011	
Less: Amounts payable on cancellation of shares	(16,239)		(11,757)	
		(14,613)		(10,746)
Change in net assets attributable to shareholders from investment activities		28,226		(7,696)
Closing net assets attributable to shareholders		223,312		218,892

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Progressive Portfolio Fund

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	222,862	209,309
Current assets		
Debtors	614	100
Cash and bank balances	690	1,171
Cash equivalents‡	1	-
Total assets	224,167	210,580
Liabilities		
Investment liabilities	(397)	(177)
Creditors		
Bank overdrafts	(39)	-
Other creditors	(419)	(704)
Total liabilities	(855)	(881)
Net assets attributable to shareholders	223,312	209,699

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Stockmarket Growth Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide long term capital growth from opportunities around the world by mainly investing in regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group. The Fund will invest in primarily Equity funds.

Important Note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

The Fund will primarily invest in Equity funds. The Equity funds selected will aim to provide capital growth by investing primarily in equities which have a broad diversification by country, sector and company. The Fund may also invest in other regulated collective investment schemes that are consistent with the Fund's objective at the discretion of the ACD.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 5* because it has experienced medium to high levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 31 August 2016.</p>	Typically lower rewards, lower risks			Typically higher rewards, higher risks				
	←					→		
	1	2	3	4	5	6	7	

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Stockmarket Growth Portfolio A Accumulation	15.11	(4.22)	9.40	6.94	15.89	(4.49)

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Stockmarket Growth Fund invests mainly in equities, split between the UK and international markets. It also has a small allocation to corporate bonds.

The UK stock market performed well over the period, producing double-digit returns. Although there was a severe bout of market volatility following the UK vote to leave the European Union, share prices bounced back swiftly. In part, this was a result of the Bank of England's economic stimulus measures which were intended to instil confidence in the economy following the 'Brexit' vote.

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post Brexit collapse in the pound increases the value of these profits in sterling terms.

The fall in the value of the pound also boosted the returns from global stock markets for sterling based investors. Although the UK market was one of the best performers in local currency terms, the effects of currency movements meant that global equity markets, especially those in some emerging markets, provided even better returns. Returns from major global markets, including the US and Europe, were positive but less significant.

Corporate bonds underperformed equities over the review period but still produced positive returns. Demand for bonds was enhanced by the uncertainty in the run-up to the EU referendum in the UK, as the asset class is viewed as being less risky than equities. The Fund has some investments in 'high yield' corporate bonds which are judged to be at a higher risk of defaulting on payments to investors but offer a higher income to compensate. This part of the market also produced gains, as investors viewed the rewards as being worth the risks.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

The Fund produced a return of 15.11% during the six months under review. Holdings in global equities in particular helped to boost returns. The Fund held relatively large allocations in global equities, especially in emerging markets which enhanced returns. However the relatively large exposure to Japanese equities proved negative, as shares in the region underperformed.

Stock selection had a negative effect on relative returns. This stemmed mainly from the UK equity portion of the portfolio which provided a positive return but failed to match the return produced by the wider market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

We think the current allocation of holdings within the portfolio leave it well placed to participate in any future stock market gains.

Aberdeen Asset Investments Limited

November 2016

Stockmarket Growth Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (98.25%*)		200,052	99.60
Collective Investment Schemes			
Aberdeen Global High Yield Bond Fund Z Acc [◇]	6,610,701	10,015	4.99
Aberdeen Liquidity Fund (Lux) - Sterling Fund [‡] [◇]	13	13	0.01
HBOS International Growth Fund I Inct	8,937,540	34,794	17.32
HBOS UK FTSE All-Share Index Tracking Fund I Inct	24,300,909	15,703	7.82
HBOS UK Growth Fund I Inct	2,769,965	7,678	3.82
Scottish Widows Corporate Bond Fund W Gross Acct	9,769,084	11,830	5.89
Scottish Widows Emerging Markets Fund X Acct	1,031,621	2,169	1.08
Scottish Widows Fundamental Index Emerging Markets Equity Fund X Acct	6,358,198	7,554	3.76
Scottish Widows Fundamental Index Global Equity Fund X Acct	4,974,013	7,814	3.89
Scottish Widows Fundamental Index UK Equity Fund X Acct	5,643,117	7,223	3.60
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund X Acct	1,089,394	1,679	0.84
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acct	8,641,464	8,597	4.28
Scottish Widows Global Growth Fund X Acct	19,939,998	34,556	17.20
Scottish Widows UK All Share Tracker Fund X Acct	5,583,486	13,741	6.84
Scottish Widows UK Growth Fund X Inct	28,090,275	36,686	18.26
DERIVATIVES (-0.03%*)		44	0.02
Forward Currency Contracts			
Japanese Yen			
Sold JPY131,000,000 for GBP1,036,309 Settlement 08/12/2016		11	0.01
US Dollar			
Bought USD1,250,000 for GBP1,026,892 Settlement 08/12/2016		(1)	0.00
Sold USD804,000 for GBP602,672 Settlement 08/12/2016		(57)	(0.03)
Futures Contracts			
FTSE 100 Index Futures December 2016	(18)	(57)	(0.03)
Mini MSCI Emerging Markets Futures December 2016	55	1	0.00
MSCI Pacific Ex Japan Futures December 2016	(53)	(24)	(0.01)
S&P 500 E Mini Index Futures December 2016	(23)	6	0.00
TOPIX Index Futures December 2016	38	165	0.08
Portfolio of investments[^]		200,096	99.62
Net other assets		764	0.38
Total net assets		200,860	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Stockmarket Growth Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acct	8,620	HBOS UK FTSE All-Share Index Tracking Fund I Inct	5,250
TOPIX Index Futures December 2016	3,845	HBOS UK Growth Fund I Inct	5,014
FTSE 100 Index Futures September 2016	2,221	Scottish Widows Global Growth Fund X Acct	2,600
Scottish Widows Fundamental Index UK Equity Fund X Acct	1,948	HBOS International Growth Fund I Inct	2,380
Mini MSCI Emerging Markets Futures December 2016	1,875	FTSE 100 Index Futures September 2016	2,270
TOPIX Index Futures September 2016	1,794	TOPIX Index Futures September 2016	2,059
EURO STOXX 50 Index Futures September 2016	1,515	MSCI Pacific Ex Japan Futures December 2016	2,011
Mini MSCI Emerging Markets Futures September 2016	1,347	S&P 500 E Mini Index Futures December 2016	2,002
MSCI Pacific Ex Japan Futures June 2016	1,306	TOPIX Index Futures June 2016	1,798
S&P 500 E Mini Index Futures September 2016	1,144	Scottish Widows UK All Share Tracker Fund X Acct	1,750

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

Stockmarket Growth Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	200,860	183,718	207,214	205,283
Closing number of shares	86,466,065	91,055,065	98,334,765	106,607,665
Closing net asset value per share (p)	232.30	201.77	210.72	192.56
Operating charges#	1.60%	1.59%	1.58%	1.57%

#Operating charges are representative of the ongoing charges figure.

Stockmarket Growth Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		26,579		(11,859)
Revenue	1,878		2,048	
Expenses	(1,466)		(1,480)	
Interest payable and similar charges	(2)		(1)	
Net revenue before taxation	410		567	
Taxation	-		-	
Net revenue after taxation		410		567
Total return before equalisation		26,989		(11,292)
Equalisation		(19)		(10)
Change in net assets attributable to shareholders from investment activities		26,970		(11,302)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		183,718		207,214
Amounts receivable on creation of shares	32		69	
Less: Amounts payable on cancellation of shares	(9,860)		(6,642)	
		(9,828)		(6,573)
Change in net assets attributable to shareholders from investment activities		26,970		(11,302)
Closing net assets attributable to shareholders		200,860		189,339

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Stockmarket Growth Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	200,222	180,586
Current assets		
Debtors	619	3,018
Cash and bank balances	616	1,638
Cash equivalents‡	13	13
Total assets	201,470	185,255
Liabilities		
Investment liabilities	(139)	(154)
Creditors		
Other creditors	(471)	(1,383)
Total liabilities	(610)	(1,537)
Net assets attributable to shareholders	200,860	183,718

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

Strategic Growth Portfolio

Investment Markets Overview

for the six month period ended 31 October 2016 (unaudited)

Investment Objective and Policy

To provide long term capital growth through investment in a balanced portfolio of mainly regulated collective investment schemes which are currently and/or which have been managed or operated within the Lloyds Banking Group investing in UK equities, overseas equities and fixed interest securities.

Important note: Aberdeen Asset Management PLC acquired Scottish Widows Investment Partnership Limited (SWIP) (previously a company within the Lloyds Banking Group) and its subsidiaries on 31 March 2014. It is intended that the Fund will continue to invest in those regulated collective investment schemes which had been managed or operated by entities which were within the Lloyds Banking Group immediately prior to the acquisition but which are now managed or operated by entities within the Aberdeen Asset Management Group.

The Equity funds selected will aim to provide capital growth by investing primarily in equities which have a broad diversification by country, sector and company. The Fixed Interest funds selected will aim to provide diversification to the portfolio by investing primarily in government bonds issued from a number of international markets and denominated in a variety of currencies. The Fund may also invest in other regulated collective investment schemes that are consistent with the Fund's objective at the discretion of the ACD. Non-sterling fixed income investments may be hedged back to sterling.

Derivatives may be used for efficient portfolio management purposes only.

Synthetic Risk and Reward Indicator

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to Scottish Widows' Investment Approaches (where we use our own methodology to take an overall look at funds' risks and aims and categorise our funds as Secure, Cautious, Balanced, Progressive, Adventurous or Specialist). You can read more about them at www.scottishwidows.co.uk/investmentapproaches

<p>The Fund is ranked at 4* because it has experienced medium levels of volatility over the past 5 years.</p> <p>*As disclosed in the key investor information document dated 15 November 2016.</p>	<p style="text-align: center;">Typically lower rewards, lower risks</p> <p style="text-align: center;">←</p>							<p style="text-align: center;">Typically higher rewards, higher risks</p> <p style="text-align: center;">→</p>						
	1	2	3	4	5	6	7							

Investment Review

Performance	01/05/16 to 31/10/16 %	01/05/15 to 30/04/16 %	01/05/14 to 30/04/15 %	01/05/13 to 30/04/14 %	01/05/12 to 30/04/13 %	01/05/11 to 30/04/12 %
Strategic Growth Portfolio A Accumulation	14.94	(3.87)	9.84	5.40	14.23	(2.26)

Source: Lipper. Basis: Net revenue reinvested and net of expenses.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

The Strategic Growth Fund invests mainly in equities. The Fund also has some small allocations to bond markets.

The UK stock market performed well over the period, producing double-digit returns. Although there was a severe bout of market volatility following the UK vote to leave the European Union, share prices bounced back swiftly. In part, this was a result of the Bank of England's economic stimulus measures, which were intended to instil confidence in the economy following the 'Brexit' vote.

The market's gains were also a consequence of the fall in the value of the pound which declined by around 20% against the US dollar. Some of Britain's largest companies make the majority of their profits in overseas currencies. The post-Brexit collapse in the pound increases the value of these profits in sterling terms.

The fall in the value of the pound also boosted the returns from global stock markets for sterling based investors. Although the UK market was one of the best performers in local currency terms, the effects of currency movements meant that global equity markets, especially those in some emerging markets, provided even better returns. Returns from major global markets, including the US and Europe, were positive but less significant.

for the six month period ended 31 October 2016 (unaudited)

Investment Review (continued)

Corporate bonds underperformed equities over the review period but still produced positive returns. Demand for bonds was enhanced by the uncertainty in the run-up to the EU referendum in the UK, as the asset class is viewed as being less risky than equities. The Fund has some investments in 'high yield' corporate bonds which are judged to be at a higher risk of defaulting on payments to investors but offer a higher yield to compensate. This part of the market also produced gains, as investors viewed the rewards as being worth the risks.

The Fund produced a return of 14.94% during the six months under review. Holdings in global equities in particular helped to boost returns. The Fund held relatively large allocations in global equities, especially in emerging markets which enhanced returns. However the relatively large allocation to Japanese equities proved negative, as shares in the region underperformed.

Stock selection had a small negative effect on performance. This stemmed from the position in high yield corporate bonds which provided a positive return but failed to rise by the same extent as the wider high yield corporate bond market.

By the end of the review period the Fund held relatively small allocations in UK and Pacific ex-Japan equities and comparatively large positions in emerging markets and Japan which we think contain some attractively valued investment opportunities. Our main concern about the UK market is the uncertainty faced by the economy and companies ahead of the country's exit from the European Union.

Within bond markets we think that corporate bonds continue to have better prospects than government bonds which offer little in the way of capital protection, nor any significant income with prices at record highs and yields at record lows.

We think the portfolio is well positioned to participate in any future stock market gains, while potentially offering some protection via its holdings in bond markets.

Aberdeen Asset Investments Limited

November 2016

Strategic Growth Portfolio

Portfolio Statement

as at 31 October 2016 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
FINANCIALS (99.06%*)		236,141	99.51
Collective Investment Schemes			
Aberdeen Global High Yield Bond Fund Z Acc [◇]	12,537,950	18,994	8.00
Aberdeen Liquidity Fund (Lux) - Sterling Fund [‡] [◇]	12	12	0.01
Aberdeen Liquidity Fund (Lux) - Ultra Short Duration Sterling Fund [‡] [◇]	28,834	3,771	1.59
HBOS International Growth Fund I Inct	11,339,478	44,145	18.60
HBOS UK FTSE All-Share Index-Tracking Fund I Inct	41,581,199	26,870	11.32
Scottish Widows Corporate Bond Fund W Gross Acct	22,079,994	26,739	11.27
Scottish Widows Emerging Markets Fund X Acct	754,886	1,587	0.67
Scottish Widows Fundamental Index Emerging Markets Equity Fund X Acct	7,173,736	8,522	3.59
Scottish Widows Fundamental Index Global Equity Fund X Acct	6,118,240	9,612	4.05
Scottish Widows Fundamental Index UK Equity Fund X Acct	9,566,975	12,246	5.16
Scottish Widows Fundamental Low Volatility Index Emerging Markets Equity Fund X Acct	1,286,159	1,982	0.84
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acct	12,518,235	12,453	5.25
Scottish Widows Global Growth Fund X Acct	25,145,776	43,578	18.36
Scottish Widows UK All Share Tracker Fund X Acct	10,414,651	25,630	10.80
DERIVATIVES (-0.02%*)		57	0.03
Forward Currency Contracts			
Japanese Yen			
Sold JPY152,000,000 for GBP1,202,435 Settlement 08/12/2016		12	0.01
US Dollar			
Bought USD1,100,000 for GBP903,665 Settlement 08/12/2016		(1)	0.00
Sold USD1,119,000 for GBP838,793 Settlement 08/12/2016		(79)	(0.03)
Futures Contracts			
FTSE 100 Index Futures December 2016	(17)	(54)	(0.02)
Mini MSCI Emerging Markets Futures December 2016	57	6	0.00
MSCI Pacific Ex Japan Futures December 2016	(63)	(29)	(0.01)
S&P 500 E Mini Index Futures December 2016	(28)	7	0.00
TOPIX Index Futures December 2016	45	195	0.08
Portfolio of investments[^]		236,198	99.54
Net other assets		1,095	0.46
Total net assets		237,293	100.00

All holdings are in Collective Investment Schemes or represent securities quoted on a Listed Securities Market, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

*Comparative figures shown in brackets relate to 30 April 2016.

[^]Including investment liabilities.

[†]This investment is a related party.

[‡]Cash equivalents.

[◇]Asset managed by the Fund's Investment Adviser.

Strategic Growth Portfolio

Material Portfolio Changes

for the six month period ended 31 October 2016 (unaudited)

	Cost £000		Proceeds £000
Major purchases		Major sales	
Scottish Widows Fundamental Low Volatility Index UK Equity Fund X Acc †	12,486	HBOS UK FTSE All-Share Index-Tracking Fund I Inct	16,872
TOPIX Index Futures December 2016	4,553	TOPIX Index Futures September 2016	2,450
Scottish Widows Fundamental Index UK Equity Fund X Acct	3,246	S&P 500 E Mini Index Futures December 2016	2,437
TOPIX Index Futures September 2016	2,135	MSCI Pacific Ex Japan Futures December 2016	2,390
Mini MSCI Emerging Markets Futures December 2016	1,929	TOPIX Index Futures June 2016	2,140
EURO STOXX 50 Index Futures September 2016	1,809	EURO STOXX 50 Index Futures September 2016	1,996
FTSE 100 Index Futures September 2016	1,614	Aberdeen Global High Yield Bond Fund Z Acc◇	1,870
MSCI Pacific Ex Japan Futures June 2016	1,541	EURO STOXX 50 Index Futures June 2016	1,816
Mini MSCI Emerging Markets Futures September 2016	1,445	Scottish Widows Global Growth Fund X Acct	1,800
S&P 500 E Mini Index Futures September 2016	1,308	Scottish Widows UK All Share Tracker Fund X Acct	1,800

Purchases and sales of Futures have been included at the value of their exposure.

†This investment is a related party.

◇Asset managed by the Fund's Investment Adviser.

Strategic Growth Portfolio

Comparative Table

as at 31 October 2016 (unaudited)

	31/10/16	30/04/16	30/04/15	30/04/14
Share Class A - Accumulation				
Closing net asset value (£'000)	209,389	190,534	213,809	206,849
Closing number of shares	100,423,001	105,038,501	113,290,501	120,387,701
Closing net asset value per share (p)	208.51	181.39	188.73	171.82
Operating charges#	1.57%	1.57%	1.57%	1.57%
	31/10/16	30/04/16	30/04/15	30/04/14
Share Class B - Accumulation				
Closing net asset value (£'000)	27,904	25,117	27,834	26,792
Closing number of shares	13,019,545	13,488,045	14,401,945	15,264,945
Closing net asset value per share (p)	214.32	186.22	193.26	175.51
Operating charges#	1.32%	1.32%	1.32%	1.32%

#Operating charges are representative of the ongoing charges figure.

Strategic Growth Portfolio

Statement of Total Return

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		30,091		(14,265)
Revenue	3,061		3,139	
Expenses	(1,683)		(1,683)	
Interest payable and similar charges	(2)		(1)	
Net revenue before taxation	1,376		1,455	
Taxation	(1)		-	
Net revenue after taxation		1,375		1,455
Total return before equalisation		31,466		(12,810)
Equalisation		(39)		(23)
Change in net assets attributable to shareholders from investment activities		31,427		(12,833)

Statement of Change in Net Assets Attributable to Shareholders

for the six month period ended 31 October 2016 (unaudited)

	01/05/16 to 31/10/16		01/05/15 to 31/10/15	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		215,651		241,643
Amounts receivable on creation of shares	290		590	
Less: Amounts payable on cancellation of shares	(10,075)		(7,737)	
		(9,785)		(7,147)
Change in net assets attributable to shareholders from investment activities		31,427		(12,833)
Closing net assets attributable to shareholders		237,293		221,663

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Strategic Growth Portfolio

Balance Sheet

as at 31 October 2016 (unaudited)

	31/10/16 £000	30/04/16 £000
Assets		
Fixed assets		
Investments (excluding cash equivalents)‡	232,578	210,045
Current assets		
Debtors	269	2,472
Cash and bank balances	1,469	993
Cash equivalents‡	3,783	3,708
Total assets	238,099	217,218
Liabilities		
Investment liabilities	(163)	(180)
Creditors		
Other creditors	(643)	(1,387)
Total liabilities	(806)	(1,567)
Net assets attributable to shareholders	237,293	215,651

‡Cash equivalents have been disclosed separately from the portfolio of investments for the current period and comparative year to comply with the Alternative Investment Fund Managers Directive (AIFMD) requirements.

General Information

About OEICs

The Scottish Widows Managed Investment Funds ICVC (the "Company") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital in which your funds are pooled with a portfolio of investments in accordance with its Prospectus and the Collective Investment Schemes Sourcebook (COLL Sourcebook).

Scottish Widows is committed to being a responsible investor on behalf of our customers, with particular focus on Stewardship, Ethical investment and Environmental, Social and Governance (ESG) issues. Our commitment to responsible investment is explained in more detail through this link: www.scottishwidows.co.uk/about_us/responsibleinvestment

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long-term.

Please contact us on 0345 300 2244 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as non-UCITS retail schemes which comply with Chapter 5 of the COLL Sourcebook.

The base currency of the Company is Sterling, but a class of shares in respect of any sub-fund may be designated in any currency other than Sterling.

Shares

The Company currently offers six share classes; Class A, Class B, Class I, Class T, Class U and Class X. Each share class has a different ACD fee.

Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

The latest prices are obtainable from the Dealing Desk on 0845 845 0066.

Shares may be bought or sold between 9.00am and 5.00pm on Mondays to Fridays inclusive.

Liability

Shareholders are not liable for the debts of the Company.

Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the Company is managed and gives details of the types of assets in which each sub-fund may invest. The Prospectus and (where applicable) the Instrument of Incorporation have been amended during the six month period to 31 October 2016 (as noted on page 2). Full terms and conditions are available from the ACD.

Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisors if they are in any doubt about their position.

Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).

Scottish Widows Unit Trust Managers Limited. Registered in England and Wales No. 1629925.
Registered Office in the United Kingdom at Charlton Place, Andover, Hampshire SP10 1RE. Tel: 0345 300 2244.
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