

**F&C Portfolios Fund**  
*Société d'Investissement à Capital Variable  
de droit luxembourgeois*  
**Annual Report & Accounts (Audited)**  
**for the year ended 30 September 2016**

R.C.S. Luxembourg B25570





# F&C Portfolios Fund

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Copies of the report and accounts to 30 September 2016 may be obtained from the registered office of F&C Portfolios Fund (the "Fund") at 49, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and from foreign representatives and will be posted to shareholders on request. Notices to Shareholders are published in the *Recueil Electronique des Sociétés et Associations* (the "RESA") and in Luxembourg newspapers, to the extent required by Luxembourg law, and in such other newspapers as the Directors may decide. The articles of incorporation of the Fund (the "Articles") have been lodged at the *Registre de Commerce et des Sociétés* of Luxembourg where they are available for inspection and copies can be obtained upon request. The net asset value of each of the Fund's shares is published in accordance with the relevant appendices of the Fund's latest prospectus (the "Prospectus"). The issue and redemption prices are available from F&C Management Limited, Exchange House, Primrose Street, London EC2A 2NY, United Kingdom, at the registered office of the Fund and will be published as further described in the Prospectus.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current Prospectus, the latest key investor information documents and the latest annual and the most recent semi-annual report, if published thereafter.

The information contained in this report is historical and should not be taken as a guide to future performance. Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

## **F&C Portfolios Fund**

### **The Portfolios and their Objectives**

#### **BMO Global Absolute Return Bond (launched on 15 July 2016)**

The investment objective of BMO Global Absolute Return Bond is to deliver a return through a combination of income and capital growth. BMO Global Absolute Return Bond aims to achieve this objective through investing at least two thirds of its total assets in corporate bonds. In addition thereto, the Portfolio will invest in bonds issued by other entities including sovereign and supranational issuers. BMO Global Absolute Return Bond may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash and cash equivalent, financial derivative instruments and forward transactions.

#### **BMO Global Equity Market Neutral (SICAV) (launched on 8 April 2016)**

The investment objective of BMO Global Equity Market Neutral (SICAV) is to deliver a positive absolute return in the form of capital growth, over the medium term in all market conditions. BMO Global Equity Market Neutral (SICAV) aims to achieve this objective through investing in derivatives on customized baskets of global equity securities, using a total return swap. The equity securities are selected by the Investment Manager for purchase or sale using a systematic stock selection process to hold a long position in the investments it favours and a synthetic short position in the investments it does not favour. BMO Global Equity Market Neutral (SICAV) may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash and cash equivalent, financial derivative instruments and forward transactions.

#### **BMO Global Total Return Bond (launched on 15 October 2015 and until 30 March 2016 was named F&C Global Total Return Bond)**

The investment objective of BMO Global Total Return Bond is to deliver a return through a combination of income and capital growth. BMO Global Total Return Bond aims to achieve this objective through investing at least two thirds of its total assets in corporate bonds. In addition thereto, the Portfolio will invest in bonds issued by other entities including sovereign and supranational issuers. BMO Global Total Return Bond may also invest in other transferable securities, collective investment schemes, money market instruments, deposits, cash and cash equivalent, financial derivative instruments and forward transactions.

#### **BMO Responsible Global Emerging Markets Equity (until 30 March 2016 was named F&C Global Emerging Markets Portfolio)**

The purpose of BMO Responsible Global Emerging Markets Equity is to provide a medium through which investors may participate in an actively managed portfolio, primarily invested in equity and equity-related securities of companies in emerging markets worldwide. BMO Responsible Global Emerging Markets Equity may invest in companies which are listed or traded on a recognised exchange in emerging market countries worldwide, which have, in the opinion of the Investment Manager, the potential for generating long term returns and contribute to or benefit from the sustainable economic development of the emerging market countries.

#### **F&C Diversified Growth**

The investment objective of F&C Diversified Growth is to achieve capital appreciation over the medium to long-term through a broadly diversified mix of holdings into traditional and alternative assets including investments in: equities, bonds, indirect property and indirect commodities. A combination of cash, Exchange Traded Funds (ETF), financial derivative instruments, listed certificates issued by investment banks, as well as swap contracts and currency are used to structure the Portfolio.

#### **F&C Emerging Markets Bond**

The investment objective of F&C Emerging Markets Bond is to achieve a rate of return over the long-term, through investing in fixed income, floating rate and other debt securities issued by governments of or companies incorporated under the laws of emerging market countries. The term "emerging market" refers to a market that possesses a functioning stock market and which is classified by the World Bank as an emerging market.

## **F&C Portfolios Fund**

### **The Portfolios and their Objectives (continued)**

#### **F&C European Equity**

The investment objective of F&C European Equity is to achieve long-term capital appreciation by investing in European companies listed on one of the European States Stock Exchanges or a regulated market. F&C European Equity will invest at least 75 per cent of its total assets in equity securities of companies that are incorporated under the laws of, and have their registered office in, a country in Europe.

#### **F&C European Growth and Income**

The investment objective of F&C European Growth and Income is to achieve long-term capital appreciation and an enhanced level of income by investing in companies listed on one of the European States Stock Exchanges or a regulated market. F&C European Growth and Income will invest at least 75 per cent of its total assets in equity securities of companies that are incorporated under the laws of, and have their registered office in, a country in Europe.

#### **F&C European High Yield Bond**

The investment objective of F&C European High Yield Bond is to achieve an above average rate of return over the long-term, measured in Euro, through investing in non-investment grade fixed income debt securities, floating rate and other debt securities. Non-investment grade securities are defined as securities that are rated Ba1/BB+ or lower by Moody's, Standard & Poor's or another recognised credit rating agency.

#### **F&C European SmallCap**

The investment objective of F&C European SmallCap is to make available to investors participation in a portfolio consisting of securities of European domiciled companies listed on the various European States Stock Exchanges. The investment policy is directed towards achieving long-term capital growth through investment in small and medium sized companies. F&C European SmallCap will invest at least 75 per cent of its total assets in equity securities of companies that are incorporated under the laws of, and have their registered office in Europe. For this portion of the portfolio F&C European SmallCap will invest at least two thirds (ie. 50 per cent of its total assets) in small capitalisation companies with a maximum stock exchange capitalisation of Euro 3 billion or equivalent. If the market capitalisation of a company in which the Portfolio holds an investment comes to exceed Euro 3 billion or equivalent, such a holding will be sold or will be counted within the remaining one third of the total assets.

#### **F&C Global Convertible Bond**

The investment objective of F&C Global Convertible Bond is to achieve high returns by investing its assets through a balanced portfolio consisting of convertible securities. F&C Global Convertible Bond will invest its assets in a balanced portfolio consisting of convertible debt securities and synthetic convertibles which offer the most attractive risk/reward characteristics in terms of upward participation and downward protection. F&C Global Convertible Bond will invest at least two thirds of its total assets in convertible debt securities issued by corporations located in Europe, the United States, Japan and Asia.

#### **F&C Global Smaller Cap Equity**

The investment objective of F&C Global Smaller Cap Equity is to make available to investors participation in a Portfolio consisting of listed securities of companies on a worldwide basis. The investment policy is directed towards achieving long-term capital growth through investment in small and medium sized companies. F&C Global Smaller Cap Equity will invest primarily in equity and equity-linked securities (excluding convertible bonds and bonds with warrants) issued by small and medium sized companies. Small and medium sized companies will generally be companies with a maximum stock exchange capitalisation of US\$ 10 billion or equivalent at the time of purchase. The Portfolio may hold and continue to invest its assets in companies with a higher capitalisation if the capitalisation of the relevant company has reached or exceeded US\$ 15 billion or equivalent after acquisition by the Portfolio.

## **F&C Portfolios Fund**

### **The Portfolios and their Objectives (continued)**

#### **F&C Japanese Equity**

The investment objective of F&C Japanese Equity is to achieve long-term capital appreciation by investing in listed Japanese companies. F&C Japanese Equity will invest at least two thirds of its total assets in equity and equity-linked securities (excluding convertible bonds and bonds with warrants) of companies that are incorporated under the laws of, and have their registered office in, Japan, or that derive a predominant part of their economic activity from Japan, even if listed on a Stock Exchange elsewhere.

#### **F&C Plus Fund**

The investment objective of F&C Plus Fund is to maximise the return of the invested capital over the long term, measured in Euro, through investing primarily in fixed income securities, floating rate and other debt securities including government bonds, equity-linked debt securities (such as convertibles), perpetual bonds, asset backed securities and mortgage backed securities issued in Euros; provided however that asset backed securities and mortgage backed securities may in aggregate not exceed 10% of the Portfolio's net assets. F&C Plus Fund may also invest up to 25% of net assets in equities and preference shares or other assets that replicate equity exposure such as ETF's or through the sale and purchase of financial derivative instruments such as future contracts. Securities which are not denominated in Euro will be hedged into Euro.

#### **F&C Responsible Global Equity**

The investment objective of F&C Responsible Global Equity is to maximise returns through investment in an ethically screened and diverse universe of companies. It focuses on long-term capital growth through investment in companies across the world. It will invest at least two thirds of its total assets in equity and equity-related securities (excluding convertible bonds and bonds with warrants) of companies, in any market, that meet the ethical and sustainable criteria.

#### **F&C Responsible Sharia Global Equity (liquidated with effect from 28 April 2016)**

The investment objective of F&C Responsible Sharia Global Equity is to achieve long-term capital appreciation by investing its assets in equity and equity-related securities (excluding convertible bonds and bonds with warrants) of companies, in any market, whose products and operations are not felt to be harming the world, its people or its wildlife, are considered to be making a positive contribution to society and which adhere to Sharia principles and values as set out in the Islamic investment guidelines (as defined in the Prospectus).

#### **F&C US Smaller Companies**

The investment objective of F&C US Smaller Companies is to make available to investors participation in a portfolio consisting of securities of United States companies listed on United States Stock Exchanges or NASDAQ. The investment policy is directed towards achieving long-term capital growth through investment in small and medium sized companies. F&C US Smaller Companies will invest at least two thirds of its total assets in equity and equity-linked securities (excluding convertible bonds and bonds with warrants) of small capitalisation companies that are incorporated under the laws of, and have their registered office in the United States, or that derive a predominant part of their economic activity from the United States, even if listed elsewhere. The Portfolio will invest in companies with a maximum stock exchange capitalisation of US\$ 10 billion or equivalent at the time of purchase. The Portfolio may hold and continue to invest its assets in companies with a higher capitalisation if the capitalisation of the relevant company has reached or exceeded US\$ 10 billion or equivalent after acquisition by the Portfolio.

## **F&C Portfolios Fund Board of Directors**

Patrick Johns - Chairman

*Non-executive advisor to F&C*

Norfolk, United Kingdom

Jacques Elvinger - Director

*Partner - Elvinger Hoss Prussen*

2, Place Winston Churchill

L-1340 Luxembourg, Grand Duchy of Luxembourg

Ernst Hagen - Director

*Executive Director*

F&C Netherlands BV

Jachthavenweg 109E,

1081 KM Amsterdam, The Netherlands

João Santos - Director

*Head of F&C Portugal*

Gestão de Patrimónios, S.A.

Rua de Campolide, 372 – 1st Floor

1070-040 Lisbon, Portugal

Hugh Moir - Director

*Global Head of Operations and Business Technology, BMO GAM, F&C Asset Management plc*

Exchange House, Primrose Street

London EC2A 2NY, United Kingdom

## F&C Portfolios Fund Chairman's Statement

Dear Shareholders

This report summarises the results of the portfolios of F&C Portfolios Fund for the financial year to 30 September 2016. Details of the portfolios together with the Investment Managers' comments can be found later in the report.

During the year the size of the Fund decreased by EUR 114 million to EUR 1,923,242,099 (EUR 2,037,069,250 as at 30 September 2015). This was primarily due to the decrease in the net assets of the F&C European SmallCap and F&C Emerging Markets Bond portfolios by some EUR 192 million and EUR 73 million respectively, however three new portfolios, BMO Global Absolute Return Bond, BMO Global Equity Market Neutral (SICAV) and BMO Global Total Return Bond were launched during the year and these net assets totalled approximately EUR 173 million at the year end. During the year, the F&C Responsible Sharia Global Equity portfolio was also closed.

There was some upturn in risk appetite over the twelve-month period – a trend that was apparent in the notable improvement in performance from emerging markets equities. At the same time, there remained substantial headwinds for global stocks in the background. These included ongoing worries about global growth (which remains lacklustre), the fragile state of Europe's banking sector, uncertainty surrounding the timing and extent of US rate rises and the implications of the UK's decision to exit the European Union.

Against a backdrop of continuing accommodative monetary policy from global central banks, both global equity and fixed income markets generated strong returns over the twelve-month period. Gilts generated strong positive returns with yields moving to record lows. In line with expectations, the Bank of England ("BoE") sought to counter the concerns over a Brexit-induced economic slowdown and cut interest rates by 25 basis points to 0.25%. They also expanded their quantitative easing programme to include £10 billion in corporate bonds. Despite the shock result, UK economic data has surprised on the upside but more forward looking measures suggest cause for concern.

Overall, our managers continue with the conviction that sustainable growth companies should deliver superior shareholder returns over the longer term, driven by robust cash flows and proactivity in addressing key environmental, social and governance factors.

Our bond fund managers anticipate that the Federal Reserve will once again raise interest rates towards year-end, in the aftermath of November's US presidential election. While negative yields are already presenting policy dilemmas in Japan and Europe, the major government bond markets could still benefit from their status as a haven from geopolitical and economic uncertainty.

We expect global growth to remain positive but the rate of expansion is likely to be relatively sluggish. However, in our view the accommodative, non-conventional policy measures being taken by central banks, together with the prospect of increased fiscal stimulus on the part of major governments, should create a suitable environment for asset managers to make steady returns over the coming years.



Patrick Johns  
Chairman of the Board of Directors  
October 2016



## Audit Report

To the Shareholders of  
**F&C Portfolios Fund**

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We have audited the accompanying financial statements of F&C Portfolios Fund (the “SICAV”) and of each of its portfolios, which comprise the combined statement of net assets and the schedule of investments as at 30 September 2016 and the combined statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

### **Responsibility of the Board of Directors of the SICAV for the financial statements**

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Responsibility of the “Réviseur d’entreprises agréé”**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé”, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

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

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### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of F&C Portfolios Fund and of each of its portfolios as of 30 September 2016, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

### **Other matters**

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 20 December 2016

A handwritten signature in black ink, appearing to read 'Shtayyeh', with a long horizontal flourish extending to the right.

Serene Shtayyeh

## F&C Portfolios Fund Comparative Table

### TOTAL NET ASSETS

Portfolio	Portfolio Currency	30 September 2016	30 September 2015	30 September 2014
BMO Global Absolute Return Bond *	Euro	42,337,914	N/A	N/A
BMO Global Equity Market Neutral (SICAV) *	US\$	90,558,945	N/A	N/A
BMO Global Total Return Bond *	Euro	49,600,091	N/A	N/A
BMO Responsible Global Emerging Markets Equity *	US\$	45,161,827	38,755,127	68,455,763
F&C Diversified Growth	Euro	116,152,249	118,696,155	401,660,868
F&C Emerging Markets Bond	US\$	27,541,324	108,900,459	198,104,057
F&C Euro Inflation Linked Bond	Euro	N/A	N/A	26,498,777
F&C European Equity	Euro	20,944,405	19,953,024	46,280,350
F&C European Growth and Income	Euro	48,092,227	68,887,280	64,698,557
F&C European High Yield Bond	Euro	10,379,823	12,279,210	37,215,105
F&C European SmallCap	Euro	335,028,622	527,005,627	310,751,900
F&C Global Climate Opportunities	Euro	N/A	N/A	43,459,519
F&C Global Convertible Bond	Euro	733,378,748	765,751,040	866,678,687
F&C Global Smaller Cap Equity	US\$	37,695,921	31,219,053	42,780,698
F&C Japanese Equity	Euro	17,615,062	32,213,300	156,603,691
F&C Latin American Equity	US\$	N/A	N/A	64,517,292
F&C Plus Fund	Euro	136,423,274	138,642,387	142,967,300
F&C Responsible Global Equity	Euro	217,378,401	173,667,649	150,157,416
F&C Responsible Sharia Global Equity *	US\$	N/A	4,249,828	65,708,787
F&C US Smaller Companies	US\$	19,207,095	17,770,962	23,173,457

\* Refer to Appendix I

# F&C Portfolios Fund Comparative Table

## NET ASSET VALUE PER SHARE

Portfolio	Share Class Currency	30 September 2016	30 September 2015	30 September 2014
BMO Global Absolute Return Bond - Class F Acc Shares - GBP (Hedged) *	GBP	10.07	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged) *	Euro	10.03	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged) *	Euro	9.48	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged) *	NOK	10.05	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged) *	SEK	10.02	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$ *	US\$	9.54	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$ *	US\$	9.54	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - Euro (Hedged) *	Euro	9.55	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - GBP (Hedged) *	GBP	10.04	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged) *	NOK	9.92	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - US\$ *	US\$	10.02	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged) *	Euro	10.06	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged) *	Euro	9.53	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged) *	NOK	100.69	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged) *	SEK	100.66	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Shares - US\$ *	US\$	9.60	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$ *	US\$	9.57	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged) *	Euro	10.06	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$ *	US\$	10.08	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged) *	Euro	10.06	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$ *	US\$	10.08	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class X Acc Shares - Euro (Hedged) *	Euro	9.71	N/A	N/A
BMO Global Total Return Bond - Class I Acc Shares - Euro *	Euro	10.38	N/A	N/A
BMO Global Total Return Bond - Class I Shares - GBP (Hedged) *	GBP	10.21	N/A	N/A
BMO Global Total Return Bond - Class I Shares - US\$ (Hedged) *	US\$	10.23	N/A	N/A
BMO Responsible Global Emerging Markets Equity - Class A Shares - US\$ *	US\$	21.42	18.14	22.25
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$ *	US\$	9.91	N/A	N/A
BMO Responsible Global Emerging Markets Equity - Class X Shares - GBP *	GBP	10.96	7.97	9.15
F&C Diversified Growth - Class A Shares - Euro	Euro	10.87	10.66	10.42
F&C Diversified Growth - Class A Shares - GBP (Hedged)	GBP	11.53	11.21	10.92
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged) *	NOK	10.15	N/A	N/A
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged) *	SEK	10.10	N/A	N/A
F&C Diversified Growth - Class X Shares - Euro	Euro	149.00	143.78	138.35
F&C Diversified Growth - Class X Shares - GBP (Hedged)	GBP	97.79	93.68	89.82
F&C Emerging Markets Bond - Class A Shares - US\$	US\$	15.44	13.84	15.05
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	Euro	118.27	107.78	116.84
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	Euro	10.20	9.68	10.63
F&C Emerging Markets Bond - Class I Shares - US\$ *	US\$	N/A	8.92	9.72
F&C Euro Inflation Linked Bond - Class A Shares - Euro	Euro	N/A	N/A	9.50
F&C Euro Inflation Linked Bond - Class I Shares - Euro	Euro	N/A	N/A	9.72
F&C European Equity - Class A Shares - Euro	Euro	17.53	17.82	16.53
F&C European Equity - Class ID Shares - Euro *	Euro	10.33	N/A	N/A
F&C European Equity - Class ID Acc Shares - Euro *	Euro	10.34	N/A	N/A
F&C European Growth and Income - Class A Shares - Euro	Euro	15.96	16.53	15.24
F&C European Growth and Income - Class A Shares - GBP	GBP	15.93	14.09	13.73
F&C European High Yield Bond - Class A Shares - Euro	Euro	13.16	12.78	14.45

# F&C Portfolios Fund

## Comparative Table (continued)

### NET ASSET VALUE PER SHARE

Portfolio	Share Class Currency	30 September 2016	30 September 2015	30 September 2014
F&C European High Yield Bond - Class I Shares - Euro *	Euro	9.98	N/A	N/A
F&C European SmallCap - Class A Shares - Euro	Euro	25.07	26.55	22.22
F&C European SmallCap - Class A Acc Shares - Euro	Euro	11.09	11.69	9.76
F&C European SmallCap - Class I Shares - Euro	Euro	13.98	14.81	12.40
F&C European SmallCap - Class I Acc Shares - Euro	Euro	11.64	12.17	10.09
F&C European SmallCap - Class I Shares - GBP	GBP	14.19	12.78	11.30
F&C European SmallCap - Class R Acc Shares - Euro	Euro	12.59	13.18	10.92
F&C European SmallCap - Class R Acc Shares - CHF *	CHF	9.07	N/A	N/A
F&C Global Climate Opportunities - Class A Shares - Euro	Euro	N/A	N/A	56.73
F&C Global Climate Opportunities - Class A Shares - GBP	GBP	N/A	N/A	64.26
F&C Global Climate Opportunities - Class I Shares - Euro	Euro	N/A	N/A	57.89
F&C Global Climate Opportunities - Class I Shares - GBP	GBP	N/A	N/A	55.00
F&C Global Climate Opportunities - Class X Shares - GBP	GBP	N/A	N/A	66.07
F&C Global Climate Opportunities - Hong Kong Class A Shares - US\$	US\$	N/A	N/A	14.86
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	CHF	11.95	11.65	11.60
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)	CHF	12.05	11.73	11.64
F&C Global Convertible Bond - Class A Shares - Euro	Euro	19.48	18.89	17.56
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	Euro	17.64	17.22	17.01
F&C Global Convertible Bond - Class A Acc Shares - Euro *	Euro	9.93	N/A	N/A
F&C Global Convertible Bond - Class A Acc Shares - Euro (Hedged)	Euro	12.26	11.85	11.65
F&C Global Convertible Bond - Class A Shares - GBP	GBP	17.18	14.12	13.90
F&C Global Convertible Bond - Class A Acc Shares - US\$ (Hedged)	US\$	12.35	11.83	11.66
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	CHF	11.37	11.08	11.05
F&C Global Convertible Bond - Class I Shares - Euro	Euro	14.08	13.68	12.72
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	Euro	17.54	17.09	16.93
F&C Global Convertible Bond - Class I Acc Shares - Euro *	Euro	9.94	N/A	N/A
F&C Global Convertible Bond - Class I Acc Shares - Euro (Hedged)	Euro	12.71	12.24	11.99
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	Euro	10.59	10.32	10.17
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged) *	Euro	9.97	N/A	N/A
F&C Global Convertible Bond - Class P Acc Shares - US\$ *	US\$	9.99	N/A	N/A
F&C Global Convertible Bond - Class R Shares - Euro	Euro	11.89	11.53	10.68
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged) *	Euro	9.97	N/A	N/A
F&C Global Convertible Bond - Class R Acc Shares - US\$ *	US\$	9.99	N/A	N/A
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	US\$	13.72	13.23	14.07
F&C Global Smaller Cap Equity - Class A Acc Shares - Euro	Euro	15.78	14.52	12.38
F&C Global Smaller Cap Equity - Class A Shares - US\$	US\$	11.04	10.21	9.95
F&C Global Smaller Cap Equity - Class A Acc Shares - US\$	US\$	13.62	12.44	12.02
F&C Global Smaller Cap Equity - Class I Acc Shares - GBP	GBP	16.31	12.68	11.35
F&C Global Smaller Cap Equity - Class I Shares - US\$	US\$	13.99	12.67	12.14
F&C Global Smaller Cap Equity - Class R Acc Shares - GBP	GBP	13.03	10.13	N/A
F&C Japanese Equity - Class A Shares - Euro	Euro	29.28	25.61	23.39
F&C Japanese Equity - Class I Shares - Euro	Euro	16.58	14.50	13.27
F&C Japanese Equity - Class I Shares - GBP	GBP	16.94	12.62	12.19
F&C Japanese Equity - Class X Shares - GBP	GBP	13.97	10.90	10.53
F&C Latin American Equity - Class I Shares - GBP	GBP	N/A	N/A	89.27
F&C Plus Fund - Class I Shares - Euro	Euro	70.94	72.10	74.35
F&C Responsible Global Equity - Class A Shares - Euro	Euro	15.71	14.53	12.92
F&C Responsible Global Equity - Class A Shares - US\$	US\$	16.13	14.81	14.86
F&C Responsible Global Equity - Class I Shares - Euro	Euro	16.75	15.44	13.67
F&C Responsible Global Equity - Class I Shares - US\$ *	US\$	10.10	N/A	N/A
F&C Responsible Global Equity - Class P Acc Shares - Euro *	Euro	10.03	N/A	N/A
F&C Responsible Global Equity - Class P Acc Shares - US\$ *	US\$	10.10	N/A	N/A
F&C Responsible Global Equity - Class R Shares - Euro	Euro	13.46	12.40	10.97
F&C Responsible Global Equity - Class R Acc Shares - Euro *	Euro	10.04	N/A	N/A
F&C Responsible Global Equity - Class R Acc Shares - US\$ *	US\$	10.09	N/A	N/A
F&C Responsible Sharia Global Equity - Class A Shares - US\$ *	US\$	N/A	9.84	10.06
F&C Responsible Sharia Global Equity - Class X Shares - US\$ *	US\$	N/A	13.11	13.35
F&C US Smaller Companies - Class A Shares - US\$	US\$	162.74	144.41	143.85

\* Refer to Appendix I

Please note that any comparison to a benchmark within this Report is only drawn for indicative purposes or for calculation of a performance fee (where applicable). The investment objectives of the Fund's Portfolios (each a "Portfolio" and together the "Portfolios") are not to track or follow a specific benchmark.

# F&C Portfolios Fund

## BMO Global Absolute Return Bond

### Performance

Over the period since launch on 15 July 2016 to 30 September 2016, the Class F Acc Shares - GBP (Hedged) returned 0.7%. Over the same period the Libor GBP 3 Month returns was 0.088%. Performance is total return, net of fees and in sterling terms.

As the Portfolio had only been launched for less than three months, the majority of transactions were focused on building a portfolio of corporate bonds consistent with the conservative investment objective. By the end of the period, over half the assets was invested in a core bond portfolio of diversified issuers to provide a yield above that offered by holding cash. This core portfolio comprises bonds that we deem suitable to hold for an extended period and generally have less than five years to maturity. We also invested in a small number of bonds that we believe offer a good opportunity to add value outside of the core portfolio. These included the US retailer JC Penney, the travel company Expedia as well as some subordinated bonds of insurance companies such as Zurich.

A crucial element of the management of the Portfolio is controlling the potential volatility that can be caused by changes in interest rates or the pricing of credit risk. Hence, interest rate risk was kept low and focused on the UK and Europe where we believe that the potential for interest rate rises is much lower than in the US. In addition, the credit risk of the Portfolio was dampened prior to the Federal Reserve's September meeting to reduce potential losses should a US interest rate hike have occurred.

### Market Review

Diverging expectations of central bank activity was the major driver of bond markets. Central banks in Europe and Japan remained in easing mode while the Federal Reserve appeared to take a step closer to raising interest rates. Corporate bond purchases by the European Central Bank and the Bank of England provided a strong positive technical impact on European credit valuations while the general resilience of markets to the unexpected Brexit outcome had a beneficial impact on risk sentiment.

### Outlook

We continue to maintain a cautious approach to both interest rate and credit positioning as we expect bond yields to gradually rise as inflation expectations build and credit markets to remain hostage to volatility from equity markets. With the US election in November, the Italian referendum in December and the possibility for an increase in official rates in December we would anticipate a volatile period for markets.

### Keith Patton and Ian Robinson

Portfolio Managers  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – BMO Global Absolute Return Bond

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Australia</b>						
Macquarie Bank	3.50%	18.12.2020	GBP	300,000	378,357	0.89
National Australia Bank, V/R	7.13%	12.6.2023	GBP	141,000	177,006	0.42
Scentre Group Trust 1, V/R	0.36%	16.7.2018	EUR	200,000	200,994	0.47
Westpac Banking, V/R	1.37%	19.8.2019	USD	200,000	177,886	0.42
					<b>934,243</b>	<b>2.20</b>
<b>Austria</b>						
Heta Asset Resolution	2.38%	13.12.2022	EUR	100,000	112,381	0.27
<b>Belgium</b>						
Anheuser-Busch InBev, V/R	0.45%	17.3.2020	EUR	230,000	233,488	0.55
<b>Bermuda</b>						
Fidelity International	7.13%	13.2.2024	GBP	140,000	208,742	0.49
<b>Canada</b>						
Bank of Nova Scotia, V/R	0.76%	30.9.2021	GBP	450,000	519,973	1.23
<b>Denmark</b>						
Danske Bank, V/R	0.59%	15.9.2017	GBP	100,000	115,658	0.27
<b>France</b>						
Air Liquide Finance, V/R	0.00%	13.6.2018	EUR	100,000	100,232	0.24
AXA, V/R	5.45%	29.11.2049	GBP	100,000	122,765	0.29
Carrefour Banque, V/R	0.25%	20.3.2020	EUR	150,000	150,336	0.36
Crown European Holdings	4.00%	15.7.2022	EUR	250,000	273,500	0.65
Peugeot	2.38%	14.4.2023	EUR	215,000	227,479	0.54
Rexel	3.25%	15.6.2022	EUR	250,000	256,875	0.61
Societe Generale	5.00%	17.1.2024	USD	200,000	186,108	0.44
					<b>1,317,295</b>	<b>3.13</b>
<b>Germany</b>						
Deutsche Bank, V/R	2.12%	20.8.2020	USD	100,000	84,043	0.20
HeidelbergCement	2.25%	30.3.2023	EUR	215,000	226,624	0.54
ProSiebenSat.1 Media	2.63%	15.4.2021	EUR	325,000	351,023	0.83
					<b>661,690</b>	<b>1.57</b>
<b>Guernsey</b>						
Credit Suisse Group Funding Guernsey	3.00%	27.5.2022	GBP	100,000	120,806	0.29
<b>Ireland</b>						
Aquarius + Investments for Relx Finance, V/R	0.20%	20.5.2017	EUR	300,000	300,406	0.71
GE Capital UK Funding Unlimited, V/R	0.95%	16.1.2018	GBP	250,000	288,983	0.68
Smurfit Kappa Acquisitions	4.13%	30.1.2020	EUR	215,000	236,500	0.56
					<b>825,889</b>	<b>1.95</b>
<b>Italy</b>						
Italy Buoni Poliennali Del Tesoro	5.25%	1.8.2017	EUR	1,200,000	1,254,816	2.96
Italy Buoni Poliennali Del Tesoro	0.75%	15.1.2018	EUR	150,000	151,798	0.36
Telecom Italia	5.88%	19.5.2023	GBP	100,000	135,053	0.32
					<b>1,541,667</b>	<b>3.64</b>
<b>Japan</b>						
SoftBank Group	5.25%	30.7.2027	EUR	215,000	243,315	0.57
<b>Jersey</b>						
AA Bond	4.72%	31.7.2018	GBP	200,000	243,677	0.58
AA Bond	4.25%	31.7.2020	GBP	150,000	187,654	0.44
CPUK Finance	2.67%	28.2.2020	GBP	300,000	361,456	0.85
UBM - Series 1	6.50%	23.11.2016	GBP	300,000	349,351	0.82
UBS Group Funding Jersey, V/R	2.30%	24.9.2020	USD	200,000	180,773	0.43
					<b>1,322,911</b>	<b>3.12</b>
<b>Luxembourg</b>						
Actavis Funding, V/R	1.93%	12.3.2018	USD	125,000	112,131	0.26
Fiat Chrysler Finance Europe	4.75%	15.7.2022	EUR	215,000	235,404	0.56
Gestamp Funding Luxembourg	3.50%	15.5.2023	EUR	215,000	222,168	0.52
Wind Acquisition Finance	4.00%	15.7.2020	EUR	215,000	218,225	0.52
					<b>787,928</b>	<b>1.86</b>
<b>Mexico</b>						
America Movil - Series C, V/R	6.38%	6.9.2073	GBP	100,000	124,259	0.29
<b>Netherlands</b>						
Bharti Airtel International Netherlands	4.00%	10.12.2018	EUR	250,000	269,392	0.64
Cooperatieve Rabobank, V/R	1.30%	9.8.2019	USD	300,000	267,268	0.63
EDP Finance	5.25%	14.1.2021	USD	400,000	385,973	0.91
EDP Finance	1.13%	12.2.2024	EUR	100,000	96,881	0.23
Ferrari	1.50%	16.3.2023	EUR	400,000	411,132	0.97

# F&C Portfolios Fund – BMO Global Absolute Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Goodyear Dunlop Tires Europe	3.75%	15.12.2023	EUR	215,000	225,239	0.53
ING Bank, V/R	0.79%	27.11.2017	GBP	100,000	115,602	0.27
ING Bank, V/R	6.88%	29.5.2023	GBP	168,000	208,379	0.49
JAB Holdings	1.50%	24.11.2021	EUR	400,000	422,622	1.00
Koninklijke KPN	1.13%	11.9.2028	EUR	100,000	100,258	0.24
Koninklijke KPN, V/R	6.13%	29.3.2049	EUR	100,000	107,615	0.25
Schaeffler Finance	3.50%	15.5.2022	EUR	250,000	258,313	0.61
SNS Bank, V/R	3.75%	5.11.2025	EUR	200,000	204,228	0.48
Teva Pharmaceutical Finance Netherlands II	0.38%	25.7.2020	EUR	300,000	302,254	0.71
Teva Pharmaceutical Finance Netherlands III	1.70%	19.7.2019	USD	150,000	133,264	0.31
Vonovia Finance, V/R	0.69%	15.12.2017	EUR	400,000	403,209	0.95
					<b>3,911,629</b>	<b>9.22</b>
<b>New Zealand</b>						
Chorus	6.75%	6.4.2020	GBP	200,000	271,680	0.64
Westpac Securities, V/R	0.84%	2.10.2017	GBP	100,000	115,696	0.27
					<b>387,376</b>	<b>0.91</b>
<b>Norway</b>						
Nordea Eiendoms kreditt, V/R	0.57%	11.9.2017	GBP	200,000	231,301	0.55
<b>Panama</b>						
Carnival	1.63%	22.2.2021	EUR	450,000	472,675	1.12
<b>Qatar</b>						
Qatar Government International Bond	5.25%	20.1.2020	USD	500,000	492,536	1.16
<b>Spain</b>						
Instituto de Credito Oficial	1.88%	15.12.2017	GBP	401,000	467,750	1.10
Santander Consumer Finance	0.75%	3.4.2019	EUR	400,000	405,394	0.96
Spain Government Bond	2.10%	30.4.2017	EUR	1,500,000	1,520,651	3.59
Spain Government Bond	0.50%	31.10.2017	EUR	250,000	252,049	0.60
					<b>2,645,844</b>	<b>6.25</b>
<b>Sweden</b>						
Svenska Handelsbanken	1.88%	29.8.2017	GBP	100,000	116,853	0.28
Svenska Handelsbanken, V/R	1.33%	6.9.2019	USD	325,000	289,691	0.68
Volvo Car	3.25%	18.5.2021	EUR	215,000	226,691	0.54
					<b>633,235</b>	<b>1.50</b>
<b>Switzerland</b>						
Credit Suisse	4.38%	5.8.2020	USD	254,000	244,160	0.58
UBS, V/R	4.75%	22.5.2023	USD	200,000	181,738	0.43
					<b>425,898</b>	<b>1.01</b>
<b>United Kingdom</b>						
Admiral Group	5.50%	25.7.2024	GBP	135,000	165,792	0.39
Anglian Water Osprey Financing	7.00%	31.1.2018	GBP	100,000	124,768	0.29
Arkle Master Issuer	4.68%	17.2.2017	GBP	168,000	196,997	0.47
Arqiva Financing	4.04%	30.6.2020	GBP	300,000	371,076	0.88
Aviva	0.10%	13.12.2018	EUR	300,000	300,605	0.71
Aviva, V/R	4.38%	12.9.2049	GBP	106,000	121,074	0.29
Barclays	1.88%	23.3.2021	EUR	230,000	237,545	0.56
Barclays	3.20%	10.8.2021	USD	200,000	179,055	0.42
British Telecommunications	8.50%	7.12.2016	GBP	100,000	117,211	0.28
British Telecommunications	8.63%	26.3.2020	GBP	100,000	146,530	0.35
Coventry Building Society	2.50%	18.11.2020	EUR	325,000	350,399	0.83
GKN Holdings	6.75%	28.10.2019	GBP	294,000	393,482	0.93
Grainger	5.00%	16.12.2020	GBP	200,000	253,950	0.60
HBOS	6.75%	21.5.2018	USD	153,000	145,851	0.34
Heathrow Finance	7.13%	1.3.2017	GBP	140,000	165,904	0.39
HSBC Holdings	3.40%	8.3.2021	USD	400,000	368,356	0.87
IDH Finance	6.25%	15.8.2022	GBP	200,000	226,279	0.53
Imperial Brands Finance	2.95%	21.7.2020	USD	500,000	459,776	1.09
InterContinental Hotels Group	6.00%	9.12.2016	GBP	175,000	204,115	0.48
InterContinental Hotels Group	3.88%	28.11.2022	GBP	200,000	260,169	0.61
Investec	4.50%	5.5.2022	GBP	200,000	243,895	0.58
Investec Bank	9.63%	17.2.2022	GBP	200,000	281,903	0.67
ITV	2.13%	21.9.2022	EUR	425,000	446,842	1.06
Jaguar Land Rover Automotive	5.63%	1.2.2023	USD	200,000	187,088	0.44
John Lewis	8.38%	8.4.2019	GBP	275,000	371,349	0.88
Kelda Finance No 3	5.75%	17.2.2020	GBP	200,000	254,082	0.60
Leeds Building Society	2.63%	1.4.2021	EUR	475,000	505,877	1.19
Marks & Spencer	6.13%	6.12.2021	GBP	200,000	281,670	0.67
Merlin Entertainments	2.75%	15.3.2022	EUR	200,000	205,500	0.49
National Express Group	6.25%	13.1.2017	GBP	250,000	293,114	0.69
National Grid Gas Finance	1.13%	22.9.2021	GBP	333,000	387,562	0.92
Nationwide Building Society, V/R	1.00%	25.4.2019	GBP	150,000	174,263	0.41
New Look Secured Issuer, V/R	4.50%	1.7.2022	EUR	100,000	93,750	0.22
Paragon Group of Cos, V/R	3.73%	20.4.2017	GBP	150,000	172,671	0.41
Pension Insurance	6.50%	3.7.2024	GBP	300,000	346,221	0.82
Phoenix Natural Gas Finance	5.50%	10.7.2017	GBP	129,000	154,212	0.36

# F&C Portfolios Fund – BMO Global Absolute Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Provident Financial	8.00%	23.10.2019	GBP	110,000	145,504	0.34
Prudential	1.75%	27.11.2018	GBP	300,000	352,924	0.83
RAC Bond	4.57%	6.5.2023	GBP	200,000	259,635	0.61
Royal Bank of Scotland	6.63%	17.9.2018	GBP	100,000	127,676	0.30
Royal Bank of Scotland Group	3.88%	12.9.2023	USD	200,000	175,382	0.41
Santander UK Group Holdings	3.13%	8.1.2021	USD	200,000	181,493	0.43
Santander UK, V/R	0.82%	20.1.2017	GBP	300,000	346,967	0.82
Sky	1.50%	15.9.2021	EUR	425,000	447,118	1.06
Standard Chartered, V/R	1.94%	19.8.2019	USD	250,000	224,312	0.53
Tesco	3.38%	2.11.2018	EUR	200,000	211,891	0.50
Unique Pub Finance	6.54%	30.3.2021	GBP	68,760	85,682	0.20
United Kingdom Gilt	1.50%	22.1.2021	GBP	2,125,000	2,589,135	6.12
Virgin Media Secured Finance	6.00%	15.4.2021	GBP	216,000	259,817	0.61
Virgin Money	2.25%	21.4.2020	GBP	200,000	234,979	0.56
Zurich Finance UK, V/R	6.63%	29.10.2049	GBP	100,000	133,579	0.32
					<b>14,965,027</b>	<b>35.36</b>
<b>United States</b>						
Amgen	1.85%	19.8.2021	USD	101,000	89,447	0.21
Apple, V/R	1.12%	6.5.2020	USD	100,000	88,871	0.21
Archer-Daniels-Midland, V/R	0.20%	24.6.2019	EUR	200,000	201,040	0.47
AT&T	3.83%	25.11.2020	CAD	550,000	398,988	0.94
Bank of America	7.75%	30.4.2018	GBP	200,000	254,838	0.60
Bank of America, V/R	0.20%	26.7.2019	EUR	100,000	100,487	0.24
Cisco Systems, V/R	1.16%	15.6.2018	USD	100,000	89,089	0.21
Cisco Systems, V/R	1.20%	20.9.2019	USD	400,000	356,351	0.84
Citigroup, V/R	0.97%	30.11.2017	EUR	100,000	100,153	0.24
Citigroup, V/R	2.26%	1.9.2023	USD	56,000	50,111	0.12
Daimler Finance North America, V/R	1.20%	10.3.2017	USD	200,000	178,104	0.42
Diamond 1 Finance Via Diamond 2 Finance	3.48%	1.6.2019	USD	400,000	366,300	0.87
Discovery Communications	2.38%	7.3.2022	EUR	425,000	449,635	1.06
Expedia	2.50%	3.6.2022	EUR	425,000	450,382	1.06
Ford Motor Credit	1.90%	12.8.2019	USD	400,000	355,667	0.84
General Motors Financial	3.20%	6.7.2021	USD	525,000	473,413	1.12
Goldman Sachs Group, V/R	1.87%	23.4.2020	USD	200,000	179,162	0.42
Goldman Sachs Group, V/R	0.70%	27.7.2021	EUR	55,000	55,760	0.13
Goldman Sachs Group, V/R	2.24%	15.11.2021	USD	400,000	354,506	0.84
JC Penney	5.65%	1.6.2020	USD	170,000	152,389	0.36
JPMorgan Chase & Co, V/R	0.83%	30.5.2017	GBP	250,000	288,669	0.68
Kroger	1.50%	30.9.2019	USD	269,000	239,139	0.56
Microsoft	1.55%	8.8.2021	USD	156,000	138,344	0.33
Morgan Stanley	2.45%	1.2.2019	USD	350,000	317,234	0.75
Morgan Stanley, V/R	2.13%	1.2.2019	USD	350,000	317,573	0.75
New York Life Global Funding, V/R	0.70%	28.9.2017	GBP	100,000	115,668	0.27
Priceline Group	2.15%	25.11.2022	EUR	368,000	397,141	0.94
UnitedHealth Group, V/R	1.13%	17.1.2017	USD	100,000	89,072	0.21
Verizon Communications	1.75%	15.8.2021	USD	272,000	239,667	0.57
Wells Fargo & Co, V/R	1.58%	22.7.2020	USD	200,000	178,925	0.42
ZF North America Capital	2.75%	27.4.2023	EUR	200,000	213,400	0.50
					<b>7,279,525</b>	<b>17.18</b>
<b>TOTAL BONDS</b>					<b>40,515,291</b>	<b>95.69</b>
<b>COLLATERIZED MORTGAGE OBLIGATIONS</b>						
<b>United Kingdom</b>						
Equity Release Funding No 4 'A2', V/R	1.19%	30.7.2039	GBP	75,000	71,029	0.17
<b>TOTAL COLLATERIZED MORTGAGE OBLIGATIONS</b>					<b>71,029</b>	<b>0.17</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>40,586,320</b>	<b>95.86</b>
<b>TOTAL INVESTMENTS</b>					<b>40,586,320</b>	<b>95.86</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>1,751,594</b>	<b>4.14</b>
<b>TOTAL NET ASSETS</b>					<b>42,337,914</b>	<b>100.00</b>

# F&C Portfolios Fund – BMO Global Absolute Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	2,479	AUD	(3,641)	31.10.2016	4
EUR	227,400	GBP	(196,086)	31.10.2016	905
EUR	7,052,599	GBP	(6,086,957)	31.10.2016	21,700
EUR	7,051,496	GBP	(6,086,957)	31.10.2016	20,597
EUR	324,357	GBP	(279,372)	31.10.2016	1,661
EUR	114,487	JPY	(13,021,124)	16.12.2016	102
EUR	4,082,395	USD	(4,586,264)	31.10.2016	6,634
EUR	4,094,565	USD	(4,600,019)	31.10.2016	6,580
EUR	257,119	USD	(288,767)	31.10.2016	495
IDR	3,320,000,000	USD	(250,000)	10.11.2016	2,654
INR	16,842,500	USD	(250,000)	10.11.2016	1,192
JPY	26,042,249	EUR	(225,808)	16.12.2016	2,962
NOK	2,064,248	CAD	(329,000)	16.12.2016	6,975
USD	498,589	GBP	(376,939)	16.12.2016	7,283
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>79,744</b>
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
AUD	5,398	EUR	(3,681)	31.10.2016	(11)
CAD	167,605	NOK	(1,032,124)	16.12.2016	(1,391)
EUR	3,659	CAD	(5,430)	31.10.2016	(14)
EUR	403,272	CAD	(598,511)	31.10.2016	(1,527)
EUR	114,265	JPY	(13,021,125)	16.12.2016	(121)
GBP	36,526,618	EUR	(42,354,859)	31.10.2016	(163,835)
GBP	127,521	USD	(167,062)	16.12.2016	(1,033)
SEK	1,441,000	EUR	(151,111)	16.12.2016	(1,411)
USD	167,050	CAD	(220,106)	16.12.2016	(459)
USD	3,250	EUR	(2,893)	31.10.2016	(5)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(169,807)</b>

#### FUTURES CONTRACTS

Description	Currency	Number of Contracts	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Futures Contracts</b>					
Australian Government Bond 3YR	AUD	29	15.12.2016	2,237,596	6,220
EURO-BTP Future	EUR	12	8.12.2016	1,717,080	4,410
German Federal Republic Bond 10YR	EUR	(2)	8.12.2016	(331,400)	160
<b>Total Unrealised Gain on Futures Contracts</b>				<b>3,623,276</b>	<b>10,790</b>
<b>Unrealised Loss on Futures Contracts</b>					
Australian Government Bond 10YR	AUD	(8)	15.12.2016	(746,409)	(6,837)
EURO-OAT Future	EUR	(10)	8.12.2016	(1,601,200)	(3,029)
US Treasury Note 10YR	USD	(1)	20.12.2016	(116,680)	(195)
US Treasury Note 5YR	USD	(28)	30.12.2016	(3,027,618)	(3,905)
<b>Total Unrealised Loss on Futures Contracts</b>				<b>(5,491,907)</b>	<b>(13,966)</b>

#### OPTION CONTRACTS

Currency	Quantity	Description	Maturity Date	Market Value in EUR	Unrealised Gain/(Loss) in EUR
<b>Purchased Options</b>					
USD	16,500,000	Markit CDX.NA.IG.26	31.8.2046	8,325	(20,934)
<b>Total Purchased Options</b>				<b>8,325</b>	<b>(20,934)</b>
<b>Written Options</b>					
USD	(16,500,000)	Markit CDX.NA.IG.26	31.8.2046	(1,189)	7,403
<b>Total Written Options</b>				<b>(1,189)</b>	<b>7,403</b>

## F&C Portfolios Fund – BMO Global Absolute Return Bond Schedule of Investments as at 30 September 2016 (continued)

### SWAP CONTRACTS

Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Credit Default Swaps</b>					
EUR	3,500,000	Markit iTraxx Europe Crossover	20.6.2021	(273,534)	(8,989)
<b>Total Credit Default Swaps</b>				<b>(273,534)</b>	<b>(8,989)</b>
<b>Unrealised Loss on Swap Contracts</b>					<b>(8,989)</b>

The counterparties for forward foreign exchange contracts were Bank of Montreal, Barclays Bank Plc. Wholesale, Canadian Imperial Bank of Commerce, HSBC Bank Plc., ING Bank NV, JP Morgan Securities Plc., Rabobank Nederland, Royal Bank of Canada (UK), State Street Bank & Trust Company and Westpac Banking Corporation.

The counterparty for futures contracts was Goldman Sachs & Co.

The counterparty for option contracts was Societe Generale S.A. (total commitment of EUR 37,851).

The counterparty for swap contracts was Merrill Lynch International.

Collateral held for the above described derivatives includes EUR 97,805 held as cash at the brokers.

## F&C Portfolios Fund – BMO Global Absolute Return Bond

### Distribution of Investments by Economic Sector

as at 30 September 2016

Sector	% of Net Assets
Financial Services	28.52
Sovereign	15.89
Auto Parts & Equipment	8.52
Telecommunication	7.55
Media	5.32
Insurance	3.93
Commercial Services	2.46
Leisure & Tourism	2.46
Retail	2.32
Electrical Equipment	2.05
Real Estate	2.03
Internet	2.01
Food & Beverages	1.61
Agriculture	1.55
Pharmaceuticals	1.29
Lodging	1.09
Computers	1.07
Healthcare	0.74
Transportation	0.69
Packaging & Containers	0.64
Distribution & Wholesale	0.61
Environmental Control	0.60
Forest Products & Paper	0.56
Building Materials	0.53
Engineering & Construction	0.39
Oil & Gas	0.36
Software	0.33
Water	0.29
Chemicals	0.24
Biotechnology	0.21
<hr/>	
Total Investments	95.86
Other Assets / (Liabilities)	4.14
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## BMO Global Equity Market Neutral (SICAV)

### Performance

Over the period since launch on 8 April 2016 to 30 September 2016, the I Acc USD shares returned -4.3%, compared to a return of 0.3% for 3 Month USD Libor. Performance is total return, net of fees and in US dollar terms.

The first part of the reporting period was a challenging one for the fund. While we saw a positive contribution from the True Growth at a Reasonable Price (“GARP”) component of the Portfolio, the other components contributed negatively. True Momentum was the main culprit but True Value also contributed negatively. The negative return was realized in the second quarter, when market participants were single-mindedly focused on the potential monetary easing actions the world’s central banks. This did not help the majority of the styles underpinning the Portfolio, with all producing a negative returns bar low volatility, where the market climate favoured the bond-like characteristics of this style. The third quarter saw a strong recovery of the performance of true GARP but this was not enough to compensate for the losses in the second quarter. Most of the stock specific contributions were on the back of earnings announcements, except the positive contribution of the short in Freeport McMoran and the negative contribution from the short in Anadarko Petroleum. Anadarko bought the oil assets from Freeport in deal that clearly was seen to favour Anadarko.

### Market Review

Equity markets were initially characterised by heightened volatility as expectations for US rate hikes during 2016 dropped significantly in the aftermath of the UK Brexit vote, but powered ahead into the end of the reporting period. Within commodity markets, improved sentiment on the Chinese economy, as well as lower supply, helped oil to make substantial gains initially, with Brent crude rising to around \$50 per barrel by the end of June; then experiencing considerable volatility until period-end. In terms of overall sentiment, central banks were still the main focus, with risk assets moving on expectations of the timing of policy action, especially with regards to the US Federal Reserve.

### Outlook

The Portfolio pursues a systematic strategy which, using the MSCI World as its universe and employing a long/short approach, targets five recognised equity styles: Value, Size, Momentum, Low Volatility and GARP. Therefore, we expect the Portfolio to perform regardless of the prevailing macroeconomic conditions.

### Erik Rubingh and Christopher Childs

Portfolio Managers  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – BMO Global Equity Market Neutral (SICAV)

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>United States</b>						
United States Treasury Bill	0.00%	6.10.2016	USD	7,500,000	7,499,948	8.28
United States Treasury Bill	0.00%	13.10.2016	USD	6,000,000	5,999,742	6.62
United States Treasury Bill	0.00%	20.10.2016	USD	4,000,000	3,999,768	4.42
United States Treasury Bill	0.00%	27.10.2016	USD	5,000,000	4,999,390	5.52
United States Treasury Bill	0.00%	3.11.2016	USD	6,000,000	5,999,046	6.62
United States Treasury Bill	0.00%	10.11.2016	USD	2,500,000	2,499,520	2.76
United States Treasury Bill	0.00%	10.11.2016	USD	4,000,000	3,999,232	4.42
United States Treasury Bill	0.00%	17.11.2016	USD	4,000,000	3,999,208	4.42
United States Treasury Bill	0.00%	25.11.2016	USD	4,000,000	3,999,140	4.42
United States Treasury Bill	0.00%	1.12.2016	USD	6,500,000	6,498,310	7.18
United States Treasury Bill	0.00%	8.12.2016	USD	1,000,000	999,695	1.10
United States Treasury Bill	0.00%	8.12.2016	USD	4,000,000	3,998,780	4.41
United States Treasury Bill	0.00%	15.12.2016	USD	5,000,000	4,998,290	5.52
United States Treasury Bill	0.00%	22.12.2016	USD	5,000,000	4,997,490	5.52
United States Treasury Bill	0.00%	5.1.2017	USD	7,000,000	6,995,156	7.72
United States Treasury Bill	0.00%	12.1.2017	USD	5,000,000	4,996,465	5.52
United States Treasury Bill	0.00%	19.1.2017	USD	5,000,000	4,996,175	5.52
United States Treasury Bill	0.00%	26.1.2017	USD	6,000,000	5,994,858	6.62
					<b>87,470,213</b>	<b>96.59</b>
<b>TOTAL BONDS</b>					<b>87,470,213</b>	<b>96.59</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>87,470,213</b>	<b>96.59</b>
<b>TOTAL INVESTMENTS</b>					<b>87,470,213</b>	<b>96.59</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>3,088,732</b>	<b>3.41</b>
<b>TOTAL NET ASSETS</b>					<b>90,558,945</b>	<b>100.00</b>

# F&C Portfolios Fund – BMO Global Equity Market Neutral (SICAV)

## Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in USD
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	8,026,305	USD	(9,012,337)	31.10.2016	19,289
EUR	9,934	USD	(11,154)	31.10.2016	24
EUR	252,780	USD	(283,834)	31.10.2016	608
EUR	52,872,263	USD	(59,367,621)	31.10.2016	127,062
EUR	9,963	USD	(11,187)	31.10.2016	24
EUR	9,383	USD	(10,536)	31.10.2016	23
EUR	9,961	USD	(11,184)	31.10.2016	24
EUR	9,963	USD	(11,187)	31.10.2016	24
EUR	26,275	USD	(29,450)	31.10.2016	117
EUR	27	USD	(31)	31.10.2016	0
EUR	28,620	USD	(32,067)	31.10.2016	137
EUR	153,939	USD	(172,536)	31.10.2016	685
EUR	29	USD	(32)	31.10.2016	0
EUR	733	USD	(822)	31.10.2016	3
EUR	29	USD	(32)	31.10.2016	0
EUR	29	USD	(32)	31.10.2016	0
EUR	29	USD	(32)	31.10.2016	0
NOK	87,474	USD	(10,863)	31.10.2016	82
NOK	28,654,979	USD	(3,558,674)	31.10.2016	26,971
NOK	88,515	USD	(10,993)	31.10.2016	83
NOK	2,860	USD	(353)	31.10.2016	5
NOK	2,828	USD	(349)	31.10.2016	5
NOK	925,527	USD	(114,281)	31.10.2016	1,532
SEK	92,480	USD	(10,807)	31.10.2016	2
SEK	92,534	USD	(10,813)	31.10.2016	2
USD	53,543	GBP	(41,194)	31.10.2016	1
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>176,703</b>
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
GBP	8,458,841	USD	(11,013,538)	31.10.2016	(19,132)
USD	32,029	EUR	(28,620)	3.10.2016	(135)
USD	108	SEK	(929)	31.10.2016	(0)
USD	109	SEK	(934)	31.10.2016	(0)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(19,268)</b>

#### SWAP CONTRACTS

Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in USD	Unrealised Gain/(Loss) in USD
<b>Total Return Swaps</b>					
USD	18,208,287	F&C Long Short Strategy Index	11.4.2017	450,908	450,908
USD	13,755,057	F&C Return Leveraged Index	12.4.2017	357,646	357,646
USD	4,283,840	F&C Return Leveraged Index	12.4.2017	(10,200)	(10,200)
USD	16,018,460	MLEIFCLS Index <sup>(*)</sup>	12.9.2017	382,907	382,907
<b>Total Total Return Swaps</b>				<b>1,181,261</b>	<b>1,181,261</b>
<b>Unrealised Gain on Swap Contracts</b>					<b>1,191,461</b>
<b>Unrealised Loss on Swap Contracts</b>					<b>(10,200)</b>

(\*) The Portfolio is the payer of the negative performance and the receiver of the positive performance of the underlying for both Total Return Swaps positions.

(\*\*) The composition of the underlying Total Return Swap MLEIFCLS affords the Portfolio participation in a market neutral equity strategy.

The counterparty for forward foreign exchange contracts was State Street Bank & Trust Company.

The counterparties for swap contracts were JPMorgan Chase Bank N.A., Merrill Lynch International and Societe Generale S.A.

Collateral held for the above described derivatives includes a quantity of 880,000 US Bonds held as non-cash collateral.

F&C Portfolios Fund – BMO Global Equity Market Neutral (SICAV)

**Distribution of Investments by Economic Sector**

as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Sovereign	96.59
<hr/>	
Total Investments	96.59
Other Assets / (Liabilities)	3.41
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## BMO Global Total Return Bond

### Performance

Over the period since launch on 15 October 2015 to 30 September 2016, the I Acc EUR shares returned 3.8%, compared to the benchmark, the Barclays Global Aggregate (EUR Hedged) Index which returned 5.0%. Performance is total return, net of fees and in euro terms.

From an interest rate perspective, the Portfolio benefited from exposure to European rates in the first half of the period, however, our decision to minimise interest rate risk in the US had a negative impact on performance as core rate markets rallied. Despite this, our cautious stance on US interest rates remains a high conviction position as we expect rates to rise. Within credit, the Portfolio benefited from exposure to higher yielding securities which provided a high level of income. In the latter part of the period, performance benefited from exposure to credit markets, and in particular sterling-denominated debt. Within interest rates, the major drivers of performance were yield curve and cross market positions. While there were no major changes to the asset allocation strategy, we reduced the sensitivity of the credit market exposure by exiting higher beta credit positions so that we could rotate capital into more favoured credit names. Despite strong technical positives for credit, the fundamental backdrop continues to deteriorate as we move further through the credit cycle. In interest rate markets, we added to the Portfolio's position in inflation while continuing to look for relative value opportunities across the maturity spectrum and markets.

### Market Review

Going into 2016 markets were in 'risk off' mode with equity and credit markets selling off, whilst government bonds and rate markets rallied as investors flocked to 'safe haven' assets. However, markets saw a reversal after mid-February as there was a reassessment of global growth expectations as concerns over macro issues lessened. Dovish comments from the US Federal Reserve, monetary stimulus in China and the expansion of the European Central Bank's ("ECB") stimulus measures all served to provide a positive rerating of future global economic growth. This, together with a recovery in the oil price and better data from the US, boosted credit markets. Moving into the final months of the reporting period, diverging expectations of central bank activity was the major driver of bond markets. Central banks in Europe and Japan remained in easing mode while the Federal Reserve appeared to take a step closer to raising interest rates. Corporate bond purchases by the ECB and the Bank of England provided a strong positive technical impact on European credit valuations while the general resilience of markets to the unexpected Brexit outcome had a beneficial impact on risk sentiment.

### Outlook

We continue to maintain a cautious approach to both interest rate and credit positioning as we expect bond yields to gradually rise as inflation expectations build and credit markets to remain hostage to volatility from equity markets. With the US election in November, the Italian referendum in December and the possibility for an increase in official rates in December we would anticipate a volatile period for markets.

### Keith Patton and Rebecca Seabrook

Portfolio Managers  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Australia</b>						
APT Pipelines	4.25%	26.11.2024	GBP	200,000	264,845	0.53
Australia & New Zealand Banking Group	3.75%	10.3.2017	EUR	50,000	50,878	0.10
BHP Billiton Finance - Series 9	2.25%	25.9.2020	EUR	100,000	108,829	0.22
CNOOC Curtis Funding No 1	2.75%	3.10.2020	EUR	100,000	108,250	0.22
Macquarie Bank	3.50%	18.12.2020	GBP	200,000	252,238	0.51
Macquarie Bank	1.13%	20.1.2022	EUR	106,000	110,248	0.22
National Australia Bank	0.88%	20.1.2022	EUR	123,000	127,674	0.26
QBE Insurance Group, V/R	6.75%	2.12.2044	USD	250,000	246,930	0.50
Transurban Finance	2.00%	28.8.2025	EUR	200,000	218,982	0.44
					<b>1,488,874</b>	<b>3.00</b>
<b>Austria</b>						
Heta Asset Resolution	2.38%	13.12.2022	EUR	500,000	561,906	1.13
<b>Belgium</b>						
Anheuser-Busch InBev	8.63%	30.1.2017	EUR	53,000	54,503	0.11
Anheuser-Busch InBev	0.88%	17.3.2022	EUR	223,000	231,398	0.47
Barry Callebaut Services	2.38%	24.5.2024	EUR	100,000	104,800	0.21
BNP Paribas Fortis	4.38%	1.2.2017	EUR	50,000	50,739	0.10
					<b>441,440</b>	<b>0.89</b>
<b>Bermuda</b>						
Bacardi	2.75%	3.7.2023	EUR	200,000	228,134	0.46
<b>British Virgin Islands</b>						
Sinopec Group Overseas Development 2013	2.63%	17.10.2020	EUR	100,000	108,250	0.22
<b>Canada</b>						
Province of Ontario Canada	4.00%	3.12.2019	EUR	57,000	64,878	0.13
<b>Cayman Islands</b>						
Seagate HDD Cayman	3.75%	15.11.2018	USD	215,000	196,691	0.40
Thames Water Utilities Cayman Finance	3.25%	9.11.2016	EUR	60,000	60,198	0.12
					<b>256,889</b>	<b>0.52</b>
<b>Denmark</b>						
ISS Global	1.13%	9.1.2020	EUR	109,000	112,325	0.23
TDC	1.75%	27.2.2027	EUR	106,000	107,214	0.21
					<b>219,539</b>	<b>0.44</b>
<b>France</b>						
Air Liquide Finance, V/R	0.00%	13.6.2018	EUR	100,000	100,232	0.20
Arkema	4.00%	25.10.2017	EUR	150,000	156,444	0.32
AXA, V/R	5.25%	16.4.2040	EUR	150,000	167,646	0.34
AXA, V/R	5.45%	29.11.2049	GBP	100,000	122,766	0.25
Banque Federative du Credit Mutuel	2.88%	21.6.2017	EUR	100,000	102,159	0.21
BNP Paribas	2.25%	13.1.2021	EUR	79,000	86,397	0.17
BNP Paribas	2.38%	20.5.2024	EUR	23,000	26,428	0.05
BNP Paribas, V/R	7.78%	29.6.2049	EUR	50,000	56,012	0.11
BPCE	3.75%	21.7.2017	EUR	50,000	51,538	0.10
Capgemini	1.75%	1.7.2020	EUR	100,000	105,532	0.21
Carrefour Banque, V/R	0.39%	20.4.2021	EUR	400,000	402,489	0.81
Casino Guichard Perrachon	5.98%	26.5.2021	EUR	100,000	118,352	0.24
Credit Agricole	0.88%	19.1.2022	EUR	100,000	103,774	0.21
Crown European Holdings	4.00%	15.7.2022	EUR	150,000	164,100	0.33
France Government Bond OAT	3.50%	25.4.2026	EUR	585,000	777,814	1.57
La Financiere Atalian	7.25%	15.1.2020	EUR	100,000	105,250	0.21
Orange	5.63%	22.5.2018	EUR	50,000	54,711	0.11
Peugeot	2.38%	14.4.2023	EUR	125,000	132,255	0.27
Rexel	3.25%	15.6.2022	EUR	150,000	154,125	0.31
SCOR, V/R	3.00%	8.6.2046	EUR	100,000	101,831	0.21
Societe Des Autoroutes Paris-Rhin-Rhone	5.00%	12.1.2017	EUR	100,000	101,399	0.20
Societe Generale	5.00%	17.1.2024	USD	400,000	372,216	0.75
Solvay Finance, V/R	5.87%	29.12.2049	EUR	100,000	109,199	0.22
					<b>3,672,669</b>	<b>7.40</b>
<b>Germany</b>						
Allianz, V/R	2.24%	7.7.2045	EUR	100,000	97,492	0.20
Allianz, V/R	4.75%	31.12.2049	EUR	100,000	111,660	0.23
Commerzbank	4.00%	23.3.2026	EUR	175,000	174,934	0.35
Daimler	1.50%	19.11.2018	EUR	47,000	48,631	0.10
Deutsche Bank	5.13%	31.8.2017	EUR	50,000	51,154	0.10
Deutsche Bank, V/R	2.72%	10.5.2019	USD	213,000	185,103	0.37
HeidelbergCement	2.25%	30.3.2023	EUR	255,000	268,786	0.54
K+S	3.13%	6.12.2018	EUR	29,000	30,765	0.06

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Muenchener Rueckversicherungs-Gesellschaft in Muenchen, V/R	6.00%	26.5.2041	EUR	100,000	119,398	0.24
Muenchener Rueckversicherungs-Gesellschaft in Muenchen, V/R	6.63%	26.5.2042	GBP	200,000	274,171	0.55
ProSiebenSat.1 Media	2.63%	15.4.2021	EUR	290,000	313,220	0.63
Volkswagen Bank	1.13%	8.2.2018	EUR	42,000	42,633	0.09
Volkswagen Leasing	2.13%	4.4.2022	EUR	43,000	46,376	0.10
					<b>1,764,323</b>	<b>3.56</b>
<b>Ireland</b>						
Aquarius & Investments for Swiss Reinsurance, V/R	6.38%	1.9.2024	USD	200,000	186,943	0.38
Ardagh Packaging Finance Via Ardagh Holdings	4.13%	15.5.2023	EUR	200,000	205,800	0.41
Cloverie for Swiss Reinsurance, V/R	6.63%	1.9.2042	EUR	125,000	159,342	0.32
GE Capital European Funding	1.00%	2.5.2017	EUR	83,000	83,564	0.17
GE Capital European Funding	2.25%	20.7.2020	EUR	17,000	18,448	0.04
Smurfit Kappa Acquisitions	4.13%	30.1.2020	EUR	250,000	275,000	0.55
					<b>929,097</b>	<b>1.87</b>
<b>Italy</b>						
Atlantia	2.88%	26.2.2021	EUR	100,000	112,485	0.23
Italy Buoni Poliennali Del Tesoro	4.25%	1.2.2019	EUR	250,000	274,950	0.55
Luxtistica Group	3.63%	19.3.2019	EUR	100,000	109,158	0.22
Telecom Italia	3.63%	19.1.2024	EUR	300,000	318,952	0.64
Terna Rete Elettrica Nazionale	2.88%	16.2.2018	EUR	100,000	104,076	0.21
					<b>919,621</b>	<b>1.85</b>
<b>Japan</b>						
SoftBank Group	5.25%	30.7.2027	EUR	200,000	226,340	0.46
<b>Jersey</b>						
AA Bond	4.72%	31.7.2018	GBP	400,000	487,355	0.98
Adient Global Holdings	3.50%	15.8.2024	EUR	105,000	105,068	0.21
CPUK Finance	7.24%	28.2.2024	GBP	200,000	311,287	0.63
Delphi Automotive	1.50%	10.3.2025	EUR	112,000	116,288	0.23
UBS Group Funding Jersey	2.13%	4.3.2024	EUR	200,000	216,399	0.44
					<b>1,236,397</b>	<b>2.49</b>
<b>Korea</b>						
Export-Import Bank of Korea	4.63%	20.2.2017	EUR	60,000	61,066	0.12
<b>Luxembourg</b>						
Altice Luxembourg	7.25%	15.5.2022	EUR	150,000	158,738	0.32
Ciba Specialty Chemicals Finance Luxembourg	4.88%	20.6.2018	EUR	28,000	30,395	0.06
Cirsa Funding Luxembourg	5.88%	15.5.2023	EUR	150,000	156,563	0.32
Fiat Chrysler Finance Europe	4.75%	15.7.2022	EUR	250,000	273,725	0.55
Gestamp Funding Luxembourg	3.50%	15.5.2023	EUR	200,000	206,668	0.42
John Deere Bank	1.50%	16.7.2018	EUR	100,000	102,705	0.21
SES	4.75%	11.3.2021	EUR	100,000	120,310	0.24
SES, V/R	4.63%	29.12.2049	EUR	100,000	103,750	0.21
Wind Acquisition Finance	4.00%	15.7.2020	EUR	250,000	253,750	0.51
					<b>1,406,604</b>	<b>2.84</b>
<b>Mexico</b>						
America Movil	3.75%	28.6.2017	EUR	150,000	154,312	0.31
America Movil - Series B, V/R	6.38%	6.9.2073	EUR	100,000	116,250	0.24
America Movil - Series C, V/R	6.38%	6.9.2073	GBP	125,000	155,324	0.31
Petroleos Mexicanos	5.50%	9.1.2017	EUR	50,000	50,738	0.10
					<b>476,624</b>	<b>0.96</b>
<b>Netherlands</b>						
ABB Finance	2.63%	26.3.2019	EUR	100,000	106,714	0.21
ABN AMRO Bank	5.00%	9.2.2022	EUR	50,000	62,452	0.13
ABN AMRO Bank	4.75%	28.7.2025	USD	450,000	422,097	0.85
Achmea	2.50%	19.11.2020	EUR	100,000	109,671	0.22
Allianz Finance II	4.75%	22.7.2019	EUR	100,000	113,778	0.23
ASML Holding	3.38%	19.9.2023	EUR	104,000	124,850	0.25
Bharti Airtel International Netherlands	4.00%	10.12.2018	EUR	339,000	365,296	0.74
Bharti Airtel International Netherlands	5.35%	20.5.2024	USD	250,000	244,211	0.49
BMW Finance	0.50%	5.9.2018	EUR	67,000	67,748	0.14
BMW Finance	2.00%	4.9.2020	EUR	74,000	79,944	0.16
Cooperatieve Rabobank	4.75%	6.6.2022	EUR	140,000	176,103	0.35
Cooperatieve Rabobank	4.13%	14.9.2022	EUR	100,000	116,514	0.23
Deutsche Telekom International Finance	6.00%	20.1.2017	EUR	30,000	30,550	0.06
EDP Finance	1.13%	12.2.2024	EUR	105,000	101,725	0.21
Ferrari	1.50%	16.3.2023	EUR	254,000	261,069	0.53
Goodyear Dunlop Tires Europe	3.75%	15.12.2023	EUR	150,000	157,144	0.32
Iberdrola International	3.00%	31.1.2022	EUR	100,000	115,037	0.23
ING Bank	3.25%	3.4.2019	EUR	150,000	162,586	0.33
ING Bank	4.50%	21.2.2022	EUR	100,000	123,253	0.25
ING Bank, V/R	6.13%	29.5.2023	EUR	77,000	84,159	0.17
JAB Holdings	1.50%	24.11.2021	EUR	100,000	105,655	0.21
JAB Holdings	1.75%	25.5.2023	EUR	100,000	106,972	0.22

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
JAB Holdings	1.63%	30.4.2025	EUR	100,000	105,202	0.21
Koninklijke KPN	1.13%	11.9.2028	EUR	100,000	100,258	0.20
Koninklijke KPN, V/R	6.13%	29.3.2049	EUR	100,000	107,615	0.22
Nomura Europe Finance	1.50%	12.5.2021	EUR	100,000	104,423	0.21
Redexis Gas Finance	2.75%	8.4.2021	EUR	100,000	110,748	0.22
Schaeffler Finance	3.50%	15.5.2022	EUR	150,000	154,987	0.31
Shell International Finance	4.38%	14.5.2018	EUR	46,000	49,356	0.10
SNS Bank	6.63%	30.11.2016	EUR	12,000	12,135	0.02
SNS Bank, V/R	3.75%	5.11.2025	EUR	184,000	187,890	0.38
Teva Pharmaceutical Finance Netherlands III	2.80%	21.7.2023	USD	408,000	364,546	0.73
Volkswagen International Finance	2.00%	14.1.2020	EUR	36,000	38,162	0.08
Volkswagen International Finance	0.88%	16.1.2023	EUR	23,000	23,442	0.05
Volkswagen International Finance, V/R	2.50%	29.12.2049	EUR	72,000	68,935	0.14
Vonovia Finance	1.63%	15.12.2020	EUR	200,000	211,984	0.43
					<b>4,877,211</b>	<b>9.83</b>
<b>New Zealand</b>						
Chorus	6.75%	6.4.2020	GBP	125,000	169,800	0.34
<b>Norway</b>						
DNB Bank	3.88%	29.6.2020	EUR	50,000	57,327	0.12
<b>Panama</b>						
Carnival	1.13%	6.11.2019	EUR	200,000	205,860	0.42
<b>Poland</b>						
Poland Government International Bond	4.20%	15.4.2020	EUR	114,000	131,100	0.26
<b>Portugal</b>						
Energias de Portugal, V/R	5.38%	16.9.2075	EUR	100,000	102,412	0.21
<b>Qatar</b>						
Qatar Government International Bond	5.25%	20.1.2020	USD	250,000	246,268	0.50
<b>Spain</b>						
Banco Bilbao Vizcaya Argentaria, V/R	8.88%	29.12.2049	EUR	200,000	210,600	0.43
Banco Santander, V/R	6.38%	29.5.2049	USD	200,000	160,431	0.33
BBVA Senior Finance	2.38%	22.1.2019	EUR	100,000	105,407	0.21
Gas Natural Capital Markets - Series 10	4.50%	27.1.2020	EUR	100,000	114,846	0.23
Santander Consumer Finance	1.50%	12.11.2020	EUR	100,000	104,489	0.21
Telefonica Emisiones	2.74%	29.5.2019	EUR	200,000	214,372	0.43
					<b>910,145</b>	<b>1.84</b>
<b>Supranational</b>						
International Bank for Reconstruction & Development	3.88%	20.5.2019	EUR	68,000	75,765	0.15
<b>Sweden</b>						
Skandinaviska Enskilda Banken	3.88%	12.4.2017	EUR	100,000	102,138	0.21
Svenska Handelsbanken	3.38%	17.7.2017	EUR	100,000	102,786	0.21
Svenska Handelsbanken, V/R	1.33%	6.9.2019	USD	425,000	378,827	0.76
Volvo Car	3.25%	18.5.2021	EUR	200,000	210,875	0.42
					<b>794,626</b>	<b>1.60</b>
<b>Switzerland</b>						
Credit Suisse	5.13%	18.9.2017	EUR	140,000	146,930	0.30
Credit Suisse	0.63%	20.11.2018	EUR	160,000	162,062	0.33
UBS	6.00%	18.4.2018	EUR	100,000	109,408	0.22
UBS, V/R	4.75%	22.5.2023	USD	250,000	227,173	0.46
UBS, V/R	4.75%	12.2.2026	EUR	100,000	106,793	0.21
					<b>752,366</b>	<b>1.52</b>
<b>United Arab Emirates</b>						
Glencore Finance Dubai	2.63%	19.11.2018	EUR	100,000	104,040	0.21
<b>United Kingdom</b>						
Admiral Group	5.50%	25.7.2024	GBP	240,000	294,742	0.59
Anglian Water Osprey Financing	5.00%	30.4.2023	GBP	126,000	152,507	0.31
Arqiva Financing	4.04%	30.6.2020	GBP	350,000	432,922	0.87
Aviva, V/R	6.88%	22.5.2038	EUR	67,000	73,447	0.15
Aviva, V/R	6.13%	5.7.2043	EUR	100,000	116,679	0.24
Aviva, V/R	4.38%	12.9.2049	GBP	100,000	114,220	0.23
Babcock International Group	1.75%	6.10.2022	EUR	100,000	105,706	0.21
Barclays	1.88%	23.3.2021	EUR	109,000	112,576	0.23
Barclays	3.20%	10.8.2021	USD	420,000	376,015	0.76
Barclays Bank, V/R	7.75%	10.4.2023	USD	275,000	256,635	0.52
Barclays, V/R	2.63%	11.11.2025	EUR	101,000	98,093	0.20
Barclays, V/R	7.88%	29.12.2049	USD	200,000	175,464	0.35
BAT International Finance	1.75%	5.7.2021	GBP	100,000	119,393	0.24
BAT International Finance	1.00%	23.5.2022	EUR	105,000	109,672	0.22
BP Capital Markets	3.83%	6.10.2017	EUR	50,000	51,971	0.10
British Telecommunications	8.63%	26.3.2020	GBP	165,000	241,775	0.49
easyJet	1.75%	9.2.2023	EUR	100,000	104,851	0.21

The accompanying notes form an integral part of these financial statements.

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Enterprise Inns	6.00%	6.10.2023	GBP	200,000	234,765	0.47
FCE Bank	1.88%	18.4.2019	EUR	117,000	122,528	0.25
FCE Bank	1.11%	13.5.2020	EUR	210,000	216,204	0.44
FCE Bank	1.88%	24.6.2021	EUR	100,000	106,447	0.21
Firstgroup	8.13%	19.9.2018	GBP	450,000	586,305	1.18
GlaxoSmithKline Capital	5.63%	13.12.2017	EUR	65,000	69,549	0.14
Grainger	5.00%	16.12.2020	GBP	150,000	190,462	0.38
Heathrow Finance	7.13%	1.3.2017	GBP	100,000	118,503	0.24
House of Fraser Funding, V/R	6.13%	15.9.2020	GBP	200,000	211,229	0.43
HSBC Bank	4.00%	15.1.2021	EUR	80,000	93,852	0.19
HSBC Holdings	6.25%	19.3.2018	EUR	150,000	163,476	0.33
HSBC Holdings	2.95%	25.5.2021	USD	277,000	250,163	0.50
HSBC Holdings	1.50%	15.3.2022	EUR	100,000	105,065	0.21
HSBC Holdings, V/R	3.38%	10.1.2024	EUR	100,000	105,065	0.21
IDH Finance	6.25%	15.8.2022	GBP	200,000	226,279	0.46
Imperial Brands Finance	2.95%	21.7.2020	USD	250,000	229,888	0.46
Imperial Brands Finance	2.25%	26.2.2021	EUR	100,000	108,102	0.22
InterContinental Hotels Group	3.88%	28.11.2022	GBP	275,000	357,733	0.72
Intu Metrocentre Finance	4.13%	6.12.2023	GBP	167,000	218,708	0.44
Investec	4.50%	5.5.2022	GBP	153,000	186,579	0.38
Investec Bank	9.63%	17.2.2022	GBP	128,000	180,418	0.36
ITV	2.13%	21.9.2022	EUR	350,000	367,988	0.74
Jaguar Land Rover Automotive	5.63%	1.2.2023	USD	150,000	140,316	0.28
Jaguar Land Rover Automotive	3.88%	1.3.2023	GBP	100,000	119,978	0.24
John Lewis	6.13%	21.1.2025	GBP	225,000	333,712	0.67
Leeds Building Society	2.63%	1.4.2021	EUR	245,000	260,926	0.53
Leeds Building Society	1.38%	5.5.2022	EUR	125,000	125,591	0.25
Legal & General Group, V/R	5.38%	27.10.2045	GBP	292,000	357,497	0.72
Lloyds Bank	1.88%	10.10.2018	EUR	117,000	121,461	0.24
Lloyds Bank	6.50%	24.3.2020	EUR	193,000	227,795	0.46
Lloyds Bank	1.00%	19.11.2021	EUR	106,000	109,784	0.22
Marks & Spencer	6.13%	6.12.2021	GBP	125,000	176,043	0.35
Melton Renewable Energy UK	6.75%	1.2.2020	GBP	120,000	143,221	0.29
Merlin Entertainments	2.75%	15.3.2022	EUR	125,000	128,437	0.26
National Grid Gas Finance	1.13%	22.9.2021	GBP	194,000	225,787	0.46
Nationwide Building Society, V/R	1.00%	25.4.2019	GBP	250,000	290,438	0.59
New Look Secured Issuer, V/R	4.50%	1.7.2022	EUR	100,000	93,750	0.19
Paragon Group of Cos, V/R	3.73%	20.4.2017	GBP	257,000	295,844	0.60
Pension Insurance	6.50%	3.7.2024	GBP	180,000	207,732	0.42
Prudential	1.75%	27.11.2018	GBP	193,000	227,048	0.46
RAC Bond	4.57%	6.5.2023	GBP	273,000	354,402	0.71
Rentokil Initial	3.25%	7.10.2021	EUR	100,000	113,273	0.23
RL Finance Bonds No 3	6.13%	13.11.2028	GBP	100,000	126,052	0.25
Royal Bank of Scotland	6.93%	9.4.2018	EUR	50,000	54,349	0.11
Royal Bank of Scotland	6.63%	17.9.2018	GBP	200,000	255,352	0.51
Royal Bank of Scotland Group	2.50%	22.3.2023	EUR	160,000	161,909	0.33
Royal Bank of Scotland Group, V/R	7.50%	29.12.2049	USD	300,000	245,595	0.50
Santander UK Group Holdings	3.13%	8.1.2021	USD	400,000	362,985	0.73
Santander UK Group Holdings	3.63%	14.1.2026	GBP	160,000	196,588	0.40
Sky	1.50%	15.9.2021	EUR	125,000	131,505	0.26
Sky	1.88%	24.11.2023	EUR	100,000	107,708	0.22
Society of Lloyd's	4.75%	30.10.2024	GBP	150,000	191,905	0.39
SSE	2.00%	17.6.2020	EUR	100,000	107,405	0.22
Stagecoach Group	4.00%	29.9.2025	GBP	150,000	196,429	0.40
Standard Chartered, V/R	1.94%	19.8.2019	USD	200,000	179,450	0.36
Virgin Media Secured Finance	6.00%	15.4.2021	GBP	198,000	238,166	0.48
Virgin Money	2.25%	21.4.2020	GBP	250,000	293,723	0.59
Western Power Distribution	3.63%	6.11.2023	GBP	100,000	128,896	0.26
Worldpay Finance	3.75%	15.11.2022	EUR	100,000	107,625	0.22
Yorkshire Building Society	1.25%	17.3.2022	EUR	133,000	134,119	0.27
Zurich Finance UK, V/R	6.63%	29.10.2049	GBP	200,000	267,157	0.54
					<b>14,925,929</b>	<b>30.09</b>
<b>United States</b>						
American International Group	1.50%	8.6.2023	EUR	147,000	154,075	0.31
Amgen	1.85%	19.8.2021	USD	124,000	109,816	0.22
Anheuser-Busch InBev Finance	3.38%	25.1.2023	CAD	200,000	145,981	0.29
Anheuser-Busch InBev Finance	3.30%	1.2.2023	USD	300,000	282,005	0.57
AT&T	3.60%	17.2.2023	USD	504,000	473,396	0.96
Ball	4.38%	15.12.2023	EUR	200,000	223,875	0.45
Bank of America	4.63%	7.8.2017	EUR	150,000	155,953	0.31
Bank of America	1.63%	14.9.2022	EUR	100,000	106,517	0.22
Bank of America, V/R	0.20%	26.7.2019	EUR	100,000	100,487	0.20
Cargill	2.50%	15.2.2023	EUR	100,000	113,792	0.23
Citigroup	5.00%	2.8.2019	EUR	109,000	124,282	0.25
Citigroup	1.38%	27.10.2021	EUR	100,000	105,636	0.21
Citigroup, V/R	2.26%	1.9.2023	USD	69,000	61,744	0.13
Diamond 1 Finance Via Diamond 2 Finance	3.48%	1.6.2019	USD	410,000	375,458	0.76
Discovery Communications	2.38%	7.3.2022	EUR	145,000	153,405	0.31
Discovery Communications	1.90%	19.3.2027	EUR	107,000	105,590	0.21

## F&C Portfolios Fund – BMO Global Total Return Bond

### Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Experia	2.50%	3.6.2022	EUR	300,000	317,917	0.64
General Motors	4.00%	1.4.2025	USD	300,000	273,387	0.55
General Motors Financial	3.70%	24.11.2020	USD	262,000	242,838	0.49
Goldman Sachs Group	2.63%	19.8.2020	EUR	45,000	49,046	0.10
Goldman Sachs Group	2.50%	18.10.2021	EUR	77,000	84,809	0.17
Goldman Sachs Group	2.00%	27.7.2023	EUR	54,000	58,215	0.12
Goldman Sachs Group, V/R	0.70%	27.7.2021	EUR	95,000	96,312	0.19
Goldman Sachs Group, V/R	2.24%	15.11.2021	USD	100,000	88,626	0.18
JC Penney	5.65%	1.6.2020	USD	195,000	174,799	0.35
Kraft Heinz Foods	2.00%	30.6.2023	EUR	100,000	108,541	0.22
Kraft Heinz Foods	1.50%	24.5.2024	EUR	100,000	104,904	0.21
Macy's Retail Holdings	4.38%	1.9.2023	USD	123,000	115,839	0.23
McDonald's	0.50%	15.1.2021	EUR	100,000	101,583	0.21
Metropolitan Life Global Funding I	0.88%	20.1.2022	EUR	100,000	103,439	0.21
Metropolitan Life Global Funding I	2.63%	5.12.2022	GBP	105,000	131,090	0.26
Microsoft	1.55%	8.8.2021	USD	227,000	201,308	0.41
Morgan Stanley	3.75%	21.9.2017	EUR	44,000	45,624	0.09
Morgan Stanley	2.25%	12.3.2018	EUR	68,000	70,187	0.14
Morgan Stanley	2.45%	1.2.2019	USD	500,000	453,191	0.91
Morgan Stanley	2.38%	31.3.2021	EUR	101,000	110,409	0.22
Morgan Stanley	1.88%	30.3.2023	EUR	100,000	107,704	0.22
Priceline Group	2.15%	25.11.2022	EUR	100,000	107,919	0.22
Priceline Group	2.38%	23.9.2024	EUR	100,000	108,980	0.22
Priceline Group	1.80%	3.3.2027	EUR	100,000	101,093	0.20
Prologis	1.38%	13.5.2021	EUR	109,000	113,557	0.23
Prologis	3.38%	20.2.2024	EUR	100,000	117,835	0.24
Simon Property Group	2.38%	2.10.2020	EUR	100,000	108,852	0.22
Spectrum Brands	4.00%	1.10.2026	EUR	125,000	127,412	0.26
T-Mobile USA	6.84%	28.4.2023	USD	350,000	336,748	0.68
Thermo Fisher Scientific	2.15%	21.7.2022	EUR	100,000	109,303	0.22
Verizon Communications	1.75%	15.8.2021	USD	277,000	244,073	0.49
Verizon Communications	5.05%	15.3.2034	USD	250,000	250,777	0.51
Walgreens Boots Alliance	1.75%	30.5.2018	USD	114,000	102,039	0.21
Wells Fargo & Co	1.13%	29.10.2021	EUR	100,000	104,487	0.21
Wells Fargo & Co	1.50%	12.9.2022	EUR	123,000	130,876	0.26
ZF North America Capital	2.75%	27.4.2023	EUR	200,000	213,400	0.43
					<b>8,109,131</b>	<b>16.35</b>
<b>TOTAL BONDS</b>					<b>45,524,631</b>	<b>91.78</b>
<b>FUNDS</b>						
<b>Luxembourg</b>						
F&C Portfolios Fund - F&C European High Yield Bond				305,560	4,027,281	8.12
<b>TOTAL FUNDS</b>					<b>4,027,281</b>	<b>8.12</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>49,551,912</b>	<b>99.90</b>
<b>TOTAL INVESTMENTS</b>					<b>49,551,912</b>	<b>99.90</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>48,179</b>	<b>0.10</b>
<b>TOTAL NET ASSETS</b>					<b>49,600,091</b>	<b>100.00</b>

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	4,700	AUD	(6,903)	31.10.2016	7
EUR	8,634	GBP	(7,445)	31.10.2016	34
EUR	5,441,508	GBP	(4,696,457)	31.10.2016	16,743
EUR	4,348	GBP	(3,753)	31.10.2016	13
EUR	4,348	GBP	(3,753)	31.10.2016	13
EUR	5,440,657	GBP	(4,696,457)	31.10.2016	15,892
EUR	288,774	JPY	(32,843,498)	16.12.2016	258
EUR	6,515	USD	(7,302)	31.10.2016	26
EUR	3,006	USD	(3,377)	31.10.2016	5
EUR	4,714,163	USD	(5,296,009)	31.10.2016	7,660
EUR	3,015	USD	(3,387)	31.10.2016	5
EUR	4,728,217	USD	(5,311,891)	31.10.2016	7,599
EUR	8,927	USD	(10,026)	31.10.2016	17
EUR	3,004	USD	(3,360)	31.10.2016	18
IDR	8,366,400,000	USD	(630,000)	10.11.2016	6,687
INR	42,443,100	USD	(630,000)	10.11.2016	3,004
JPY	65,686,997	EUR	(569,561)	16.12.2016	7,472
NOK	5,070,915	AUD	(823,000)	16.12.2016	5,158
NOK	5,195,129	CAD	(828,000)	16.12.2016	17,553
USD	1,259,107	GBP	(951,900)	16.12.2016	18,391
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>106,555</b>

#### Unrealised Loss on Forward Foreign Exchange Contracts

AUD	11,243	EUR	(7,666)	31.10.2016	(24)
AUD	411,500	NOK	(2,570,525)	16.12.2016	(6,471)
AUD	411,500	NOK	(2,563,781)	16.12.2016	(5,722)
CAD	3,528	EUR	(2,399)	31.10.2016	(13)
CAD	421,815	NOK	(2,597,564)	16.12.2016	(3,500)
EUR	17,074	CAD	(25,340)	31.10.2016	(65)
EUR	146,080	CAD	(216,803)	31.10.2016	(553)
EUR	288,212	JPY	(32,843,499)	16.12.2016	(304)
GBP	974,788	EUR	(1,130,326)	31.10.2016	(4,372)
GBP	317,332	USD	(415,730)	16.12.2016	(2,571)
SEK	3,499,312	EUR	(366,958)	16.12.2016	(3,428)
USD	428,433	CAD	(564,508)	16.12.2016	(1,176)
USD	2,559,437	EUR	(2,279,411)	31.10.2016	(4,869)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(33,068)</b>

### FUTURES CONTRACTS

Description	Currency	Number of Contracts	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Futures Contracts</b>					
90Day Eurodollar Futures	USD	55	19.12.2016	12,122,708	25,026
Australian Government Bond 3YR	AUD	55	15.12.2016	4,243,716	10,620
German Federal Republic Bond 10YR	EUR	22	8.12.2016	3,645,400	39,150
US Treasury Long Bond Future	USD	(35)	20.12.2016	(5,237,114)	66,912
US Treasury Note 10YR	USD	60	20.12.2016	7,000,800	8,182
US Treasury Note 5YR	USD	71	30.12.2016	7,677,175	23,692
<b>Total Unrealised Gain on Futures Contracts</b>				<b>29,452,685</b>	<b>173,582</b>
<b>Unrealised Loss on Futures Contracts</b>					
90Day Eurodollar Futures	USD	(55)	18.12.2017	(12,104,967)	(75,191)
Australian Government Bond 10YR	AUD	(16)	15.12.2016	(1,492,817)	(18,026)
EURO-BTP Future	EUR	24	8.12.2016	3,434,160	(17,520)
EURO-OAT Future	EUR	(29)	8.12.2016	(4,643,480)	(8,484)
German Federal Republic Bond 30YR	EUR	(20)	8.12.2016	(3,843,600)	(50,400)
German Federal Republic Bond 5YR	EUR	(29)	8.12.2016	(3,830,610)	(12,470)
UK Long Gilt Future	GBP	15	28.12.2016	2,258,339	(19,072)
US Treasury Bond Ultra Long	USD	31	20.12.2016	5,072,188	(106,846)
US Treasury Note 10YR	USD	(64)	20.12.2016	(8,209,645)	(11,123)
US Treasury Note 10YR	USD	(62)	20.12.2016	(7,234,161)	(2,586)
US Treasury Note 5YR	USD	(79)	30.12.2016	(8,542,208)	(10,659)
<b>Total Unrealised Loss on Futures Contracts</b>				<b>(39,136,801)</b>	<b>(332,377)</b>

# F&C Portfolios Fund – BMO Global Total Return Bond

## Schedule of Investments as at 30 September 2016 (continued)

### OPTION CONTRACTS

Currency	Quantity	Description	Maturity Date	Market Value in EUR	Unrealised Gain/(Loss) in EUR
<b>Purchased Options</b>					
USD	39,200,000	Markit CDX.NA.IG.26	31.8.2046	19,778	(49,735)
<b>Total Purchased Options</b>				<b>19,778</b>	<b>(49,735)</b>
<b>Written Options</b>					
USD	(39,200,000)	Markit CDX.NA.IG.26	31.8.2046	(2,825)	17,589
<b>Total Written Options</b>				<b>(2,825)</b>	<b>17,589</b>

### SWAP CONTRACTS

Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Credit Default Swaps</b>					
EUR	7,800,000	Markit iTraxx Europe Crossover Index	20.6.2021	(609,590)	(128,673)
EUR	2,000,000	Markit iTraxx Europe Crossover Index	20.6.2021	(156,305)	(5,137)
EUR	2,200,000	Markit iTraxx Index	20.12.2020	(178,670)	(24,989)
<b>Total Credit Default Swaps</b>				<b>(944,565)</b>	<b>(158,799)</b>
<b>Inflation Swaps</b>					
EUR	1,400,000	Eurostat Eurozone HICP Ex Tobacco Unrevised Series NSA Index	12.9.2026	1,666	1,666
GBP	359,000	UK Retail Prices Index	26.7.2041	(64,131)	(64,131)
GBP	112,000	UK Retail Prices Index	26.7.2066	67,907	67,907
USD	1,800,000	US CPI Urban Consumers NSA Index	12.7.2026	18,242	18,242
USD	1,800,000	US CPI Urban Consumers NSA Index	21.7.2026	14,982	14,982
<b>Total Inflation Swaps</b>				<b>38,666</b>	<b>38,666</b>
<b>Interest Rate Swaps</b>					
EUR	4,100,000.00	EURIBOR 6M	15.8.2025	(21,904)	(21,904)
EUR	1,511,000.00	EURIBOR 6M	4.7.2042	(3,632)	(3,632)
EUR	1,460,000.00	EURIBOR 6M	4.7.2042	30,341	30,341
USD	4,794,000.00	ICE LIBOR 3M	30.11.2020	(6,470)	(6,470)
<b>Total Interest Rate Swaps</b>				<b>(1,665)</b>	<b>(1,665)</b>
<b>Unrealised Gain on Swap Contracts</b>					<b>133,138</b>
<b>Unrealised Loss on Swap Contracts</b>					<b>(254,936)</b>

The counterparties for forward foreign exchange contracts were Bank of Montreal, Barclays Bank Plc. Wholesale, BNP Paribas S.A., Canadian Imperial Bank of Commerce, HSBC Bank Plc., ING Bank NV, JP Morgan Securities Plc., Rabobank Nederland, Royal Bank of Canada (UK), State Street Bank & Trust Company and Westpac Banking Corporation.

The counterparty for futures contracts was Goldman Sachs & Co.

The counterparty for option contracts was Societe Generale S.A. (total commitment of EUR 89,927).

The counterparties for swap contracts were Barclays Bank Plc., Citibank N.A., JPMorgan Chase Bank N.A. and Merrill Lynch International.

Collateral held for the above described derivatives includes EUR 606,115 held as cash at the brokers, and a quantity of -583,000 France Government Bond OAT held as non cash collateral.

**F&C Portfolios Fund - BMO Global Total Return Bond**  
**Distribution of Investments by Economic Sector**  
as at 31 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	37.16
Telecommunication	9.72
Insurance	8.44
Auto Parts & Equipment	7.01
Commercial Services	3.44
Retail	3.33
Media	3.17
Sovereign	3.00
Food & Beverages	2.78
Electrical Equipment	2.09
Real Estate	1.94
Leisure & Tourism	1.63
Transportation	1.58
Agriculture	1.37
Computers	1.37
Internet	1.28
Oil & Gas	1.19
Packaging & Containers	1.19
Pharmaceuticals	0.87
Chemicals	0.86
Lodging	0.72
Healthcare	0.68
Forest Products & Paper	0.55
Building Materials	0.54
Pipelines	0.53
Engineering & Construction	0.45
Metals & Mining	0.43
Water	0.43
Software	0.41
Distribution & Wholesale	0.31
Housewares	0.26
Semiconductors	0.25
Biotechnology	0.22
Airline	0.21
Machinery-Diversified	0.21
Supranational	0.15
Regional	0.13
<hr/>	
Total Investments	99.90
Other Assets / (Liabilities)	0.10
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## BMO Responsible Global Emerging Markets Equity

### Performance

Over the twelve months to 30 September 2016, the Class A Shares - USD returned 18.1% (net of fees). By comparison, the Portfolio benchmark, the MSCI Emerging Markets NR Index, returned 16.8%.

A significant contributor to the Portfolio's performance in the period was our positioning in Indonesia. As a result of finding a large number of attractive investment opportunities there in recent years, the portfolio has an overweight position in Indonesia, which also happened to be one of the strongest performing emerging markets over the period. Bank Mandiri was a key contributor. Indonesian banks are one of the most profitable banks in our global emerging markets universe with strong structural support for their long-term growth, with Mandiri well positioned to benefit. Exposures in India also proved beneficial to performance with Yes Bank making a significant contribution. Other major contributors to performance included Astra (conglomerate, Indonesia), Kalbe Farma (healthcare, Indonesia), Sands China (leisure, China) and Clicks Group (consumer healthcare, South Africa). On the negative front, the Portfolio positions in Egypt underperformed while underweighting Brazil (where we have not been able to find many compelling high quality companies) which rallied materially in the period also detracted from relative performance.

### Market Review

There was a general resurgence in confidence across many emerging market stock markets as sentiment generally improved. Stabilisation in Chinese economic data combined with a dovish overall tone from the world's central banks helped calm the fears surrounding China's outlook. Emerging markets ("EM"), as measured by the MSCI Emerging Markets Index, delivered a robust return for the year, adding close to 17% in US dollar terms. A stabilising (albeit volatile) oil price, dovish global central banks, and continued easy monetary policy all contributed to the positive sentiment towards the market. Moreover, fund flows were decidedly more positive in 2016 than they have been for some years. EMs have likely also benefited from the search for yield as global risk premiums have compressed (particularly in fixed income). While the top-line index return is very impressive there was dispersion between individual market levels. China underperformed though still added 13.2%. The Brazilian market also roared back in 2016. The local equity market and the currency had been among the weakest in the market coming into 2016. The country and government were caught up in corruption investigations at the state-owned oil company Petrobras which penetrated the political establishment right to the top. Latterly we have seen a significant rally in the Brazilian equity market, largely on the back of political change (president impeached) with the market viewing the replacements as being more market friendly.

### Outlook

Whilst we are cognisant that emerging markets are susceptible to shifts in sentiment driven largely by macroeconomic or headline events, we believe there are attractive investment opportunities through an active stock picking approach. The asset class remains a fertile hunting ground for long-term investors where several secular drivers (demographics, urbanization, more women entering the labour markets, etc.) will continue to create the prerequisites for large, growing profit pools that can be tapped by the companies which have significant competitive advantages. As such, the strategic investment case continues to look positive for our portfolio holdings.

### Jeff Chowdhry

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – BMO Responsible Global Emerging Markets Equity

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Brazil</b>			
Itau Unibanco Holding ADR	142,400	1,557,856	3.45
Ultrapar Participacoes	75,200	1,644,801	3.64
		<b>3,202,657</b>	<b>7.09</b>
<b>Chile</b>			
Aguas Andinas 'A'	812,895	521,841	1.16
<b>China</b>			
Tencent Holdings	121,300	3,331,236	7.38
<b>Egypt</b>			
Commercial International Bank GDR	183,277	723,028	1.60
<b>Hong Kong</b>			
AlA Group	260,600	1,732,081	3.83
Haier Electronics Group	488,000	806,627	1.79
		<b>2,538,708</b>	<b>5.62</b>
<b>India</b>			
Bata India	59,074	433,872	0.96
Container Corporation of India	36,979	762,629	1.69
Emami	77,390	1,350,664	2.99
Glenmark Pharmaceuticals	81,646	1,133,087	2.51
Grasim Industries	11,011	802,754	1.78
HDFC Bank	60,495	1,158,473	2.57
Hindustan Unilever	73,517	961,308	2.13
ICICI Bank	171,483	650,080	1.44
Nestle India	9,384	904,848	2.00
Titan	142,022	847,695	1.88
Yes Bank	95,855	1,808,691	4.00
		<b>10,814,101</b>	<b>23.95</b>
<b>Indonesia</b>			
Astra International	2,071,500	1,309,469	2.90
Bank Mandiri Persero	1,808,600	1,552,090	3.43
Bank Rakyat Indonesia Persero	1,018,100	951,714	2.11
Kalbe Farma	6,709,700	881,705	1.95
Unilever Indonesia	311,900	1,064,680	2.36
		<b>5,759,658</b>	<b>12.75</b>
<b>Mexico</b>			
Bolsa Mexicana de Valores	491,736	784,349	1.74
Fomento Economico Mexicano	127,900	1,179,441	2.61
Grupo Aeroportuario del Sureste 'B'	63,301	927,691	2.06
Grupo Financiero Banorte 'O'	184,026	967,887	2.14
Grupo Herdez	183,105	398,879	0.88
Wal-Mart de Mexico	448,806	984,412	2.18
		<b>5,242,659</b>	<b>11.61</b>
<b>Nigeria</b>			
Guaranty Trust Bank	7,154,880	545,134	1.21
<b>Peru</b>			
Credicorp	7,094	1,079,849	2.39
<b>Philippines</b>			
Ayala Land	831,200	672,741	1.49
Metropolitan Bank & Trust	273,427	480,943	1.06
		<b>1,153,684</b>	<b>2.55</b>
<b>Russia</b>			
Mobile TeleSystems ADR	77,747	593,210	1.31
<b>South Africa</b>			
Clicks Group	125,726	1,162,334	2.57
<b>Taiwan</b>			
President Chain Store	126,000	1,000,909	2.22
Taiwan Semiconductor Manufacturing	409,000	2,381,283	5.27
		<b>3,382,192</b>	<b>7.49</b>
<b>Thailand</b>			
Kasikornbank NVDR	187,600	1,015,151	2.25
<b>Turkey</b>			
BIM Birlesik Magazalar	79,607	1,327,800	2.94

F&C Portfolios Fund – BMO Responsible Global Emerging Markets Equity  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>United States</b>			
Mead Johnson Nutrition	13,215	1,044,117	2.31
PriceSmart	11,600	971,616	2.15
		<b>2,015,733</b>	<b>4.46</b>
<b>TOTAL SHARES</b>		<b>44,408,975</b>	<b>98.33</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>44,408,975</b>	<b>98.33</b>
<b>TOTAL INVESTMENTS</b>		<b>44,408,975</b>	<b>98.33</b>
<b>OTHER ASSETS / LIABILITIES</b>		<b>752,852</b>	<b>1.67</b>
<b>TOTAL NET ASSETS</b>		<b>45,161,827</b>	<b>100.00</b>

F&C Portfolios Fund – BMO Responsible Global Emerging Markets Equity  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	29.39
Retail	13.90
Pharmaceuticals	9.76
Food & Beverages	8.43
Internet	7.38
Semiconductors	5.27
Housewares	4.49
Insurance	3.83
Chemicals	3.64
Engineering & Construction	2.06
Electrical Equipment	1.79
Building Materials	1.78
Transportation	1.69
Real Estate	1.49
Telecommunication	1.31
Water	1.16
Miscellaneous Manufacturers	0.96
<hr/>	
Total Investments	98.33
Other Assets / (Liabilities)	1.67
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Diversified Growth

### Performance

Over the twelve months to 30 September 2016, the net asset value of the Class X EUR Shares returned +3.6%. The class A shares (EUR) returned +2.0%. The 1 month Euribor +400bp benchmark index rose by 3.7% over the same period. Performance is net of fees and in euro terms.

Our exposure to equity markets was a positive for returns as was the weighting in government and corporate bonds and inflation linked bonds. A good contribution to performance was also made by alternative assets, notably style premia. Within fixed income, the allocation to inflation-linked bonds provided the largest contribution to performance, followed by government bond exposure. Within equities, US equity exposure contributed the most, owing to strong performance in the fourth quarter of 2015.

### Market Review

Global equity markets rose over the 12 months to the end of September. While capital markets were characterised by heightened volatility over the period, there was some improvement in risk appetite, with increased inflows into emerging markets. Confidence returned to China's stock market, which was buoyed by improving investor sentiment and expectations of further measures from the local authorities to reinvigorate growth. Brazil was one of the top-performing markets in the period, rising on hopes that new political leadership could help the economy emerge from its severe recession. However, there remained headwinds for global stocks in the background, including the ongoing worries about global growth, uncertainty surrounding the US interest rate cycle, the UK referendum on EU membership and increasing geopolitical risk in the Middle East. Central bank actions were the focus of investor attention, with weak global growth and inflation prompting the European Central Bank (ECB) and the Bank of Japan to announce fresh stimulus measures in early 2016. The Federal Reserve, meanwhile, raised interest rates in December for the first time since 2008. As the period progressed, stronger US economic data and more hawkish comments from Fed Chair Janet Yellen made another US interest rate hike appear more likely. In contrast, in August, the Bank of England cut interest rates for the first time since 2009 and began a new round of quantitative easing as it sought to counter the prospect of a Brexit-induced economic slowdown.

### Outlook

Major global equity indices have reached 2016 highs in recent months, driven by ongoing supportive central bank initiatives and generally sound economic data. As we increasingly look towards 2017, there are some significant near term risks which relate to the political backdrop – with US elections, the Italian Referendum and Brexit posturing in the UK and Eurozone all of concern. Against this, the economic risks appear somewhat diminished in recent quarters and there are signs for optimism from Emerging Markets. The central case, therefore, looks like more of the same, in terms of underlying fundamentals, with US earnings likely to deliver some modest positive growth once again, low but reasonably resilient growth from Europe and the UK equity market performance beholden to Brexit (and sterling) sentiment. While it is difficult to argue for a strong upwards move in bond yields, there are some signs that central bank policy will be less favourable going forward. With the zero bound being breached in Japan and Europe the limits of asset purchase programmes and negative spill over effects are being debated. There are even increasing calls for the reigning in of central bank autonomy. An environment where yields are low but no longer declining (and in some cases rising) along with some better growth data may well lead to greater demand for cyclical and less reliance on bond proxies for returns.

### Paul Niven & Keith Patton

Portfolio Managers  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Diversified Growth

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Germany</b>						
Bundesrepublik Deutschland - Series 6	3.75%	4.1.2017	EUR	7,000,000	7,078,925	6.10
Bundesrepublik Deutschland - Series 7	4.00%	4.1.2018	EUR	6,500,000	6,886,009	5.93
Bundesrepublik Deutschland - Series 8	3.75%	4.1.2019	EUR	3,000,000	3,303,963	2.84
Bundesschatzanweisungen	0.00%	16.12.2016	EUR	2,000,000	2,002,668	1.72
Bundesschatzanweisungen	0.00%	10.3.2017	EUR	12,700,000	12,739,560	10.97
Bundesschatzanweisungen	0.00%	15.12.2017	EUR	10,000,000	10,085,010	8.68
					<b>42,096,135</b>	<b>36.24</b>
<b>United States</b>						
United States Treasury Inflation Indexed Bonds	0.25%	15.1.2025	USD	19,813,365	17,968,524	15.47
United States Treasury Note/Bond	3.63%	15.2.2020	USD	10,156,600	9,830,473	8.47
United States Treasury Note/Bond	3.13%	15.11.2041	USD	2,600,000	2,693,964	2.32
					<b>30,492,961</b>	<b>26.26</b>
<b>TOTAL BONDS</b>					<b>72,589,096</b>	<b>62.50</b>
<b>SHARES</b>						
<b>Guernsey</b>						
Renewables Infrastructure Group				698,687	854,453	0.73
<b>Japan</b>						
Japan Hotel Investment REIT				1,641	1,157,912	1.00
<b>United Kingdom</b>						
Tritax Big Box REIT				419,212	673,064	0.58
<b>TOTAL SHARES</b>					<b>2,685,429</b>	<b>2.31</b>
<b>FUNDS</b>						
<b>Guernsey</b>						
Funding Circle SME Income Fund				450,000	542,262	0.47
MedicX Fund				217,506	223,131	0.19
Pershing Square Holdings				52,000	647,802	0.56
Riverstone Energy				58,957	783,706	0.67
					<b>2,196,901</b>	<b>1.89</b>
<b>Ireland</b>						
Fundlogic Alternatives - Emerging Markets Equity Fund 'I'				2,044	1,670,591	1.44
iShares JP Morgan \$ Emerging Markets Bond UCITS ETF				14,000	1,443,727	1.24
Leadenhall UCITS ILS Fund 'B'				24,963	2,561,801	2.21
Traditional Funds - F&C Multi Strategy Global Equity Fund				1,004,823	12,268,889	10.56
					<b>17,945,008</b>	<b>15.45</b>
<b>Jersey</b>						
3i Infrastructure				513,000	1,150,374	0.99
<b>Luxembourg</b>						
F&C Portfolios Fund - F&C Emerging Markets Bond				32,863	3,890,979	3.35
Falcon Fund SICAV - Twelve-Falcon Insurance Linked Strategy Fund				13,220	1,318,686	1.14
					<b>5,209,665</b>	<b>4.49</b>
<b>United Kingdom</b>						
F&C Investment Funds ICVC - Maximum Income Bond Fund				4,781,318	2,926,952	2.52
<b>TOTAL FUNDS</b>					<b>29,428,900</b>	<b>25.34</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>104,703,425</b>	<b>90.15</b>
<b>OTHER TRANSFERABLE SECURITIES</b>						
<b>SHARES</b>						
<b>United Kingdom</b>						
Tritax Big Box REIT				38,110	3,040	0.00
<b>TOTAL SHARES</b>					<b>3,040</b>	<b>0.00</b>

F&C Portfolios Fund – F&C Diversified Growth  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Market Value in EUR	% of Net Assets
TOTAL OTHER TRANSFERABLE SECURITIES	3,040	0.00
TOTAL INVESTMENTS	104,706,465	90.15
OTHER ASSETS / (LIABILITIES)	11,445,784	9.85
TOTAL NET ASSETS	116,152,249	100.00

# F&C Portfolios Fund – F&C Diversified Growth

## Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	2,712	AUD	(3,980)	31.10.2016	6
EUR	5,904	GBP	(5,092)	31.10.2016	23
EUR	10,244	GBP	(8,823)	31.10.2016	52
EUR	183	GBP	(158)	31.10.2016	1
EUR	400,942	GBP	(345,731)	31.10.2016	1,596
EUR	1,485,502	GBP	(1,282,107)	31.10.2016	4,571
EUR	2,093,434	GBP	(1,806,801)	31.10.2016	6,441
EUR	2,093,107	GBP	(1,806,801)	31.10.2016	6,114
EUR	1,485,270	GBP	(1,282,107)	31.10.2016	4,338
EUR	759,831	GBP	(650,000)	16.12.2016	9,961
EUR	7,196	HKD	(62,650)	31.10.2016	15
EUR	445,684	JPY	(50,689,477)	16.12.2016	398
EUR	50,809	USD	(56,832)	31.10.2016	303
EUR	787,820	USD	(885,057)	31.10.2016	1,280
EUR	704,561	USD	(791,522)	31.10.2016	1,145
EUR	1,138,871	USD	(1,279,436)	31.10.2016	1,851
EUR	790,169	USD	(887,711)	31.10.2016	1,270
EUR	15,318,769	USD	(17,209,794)	31.10.2016	24,619
EUR	706,662	USD	(793,895)	31.10.2016	1,136
EUR	1,142,266	USD	(1,283,273)	31.10.2016	1,836
EUR	15,273,237	USD	(17,158,336)	31.10.2016	24,817
EUR	64,142	USD	(72,037)	31.10.2016	123
IDR	13,280,000,000	USD	(1,000,000)	10.11.2016	10,614
INR	67,370,000	USD	(1,000,000)	10.11.2016	4,768
JPY	101,378,954	EUR	(879,040)	16.12.2016	11,532
NOK	8,040,758	AUD	(1,305,000)	16.12.2016	8,179
NOK	8,018,568	CAD	(1,278,000)	16.12.2016	27,093
NOK	89,973	EUR	(9,951)	31.10.2016	54
NOK	2,651	EUR	(292)	31.10.2016	3
USD	2,440,000	CAD	(3,204,774)	21.12.2016	104
USD	1,200,000	CAD	(1,571,184)	21.12.2016	3,382
USD	1,907,377	GBP	(1,442,000)	16.12.2016	27,860
USD	1,348,017	GBP	(1,030,000)	21.12.2016	6,953
USD	1,935,230	GBP	(1,460,000)	21.12.2016	31,531
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>223,969</b>
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
AUD	41,831	EUR	(28,478)	31.10.2016	(43)
AUD	35,775	EUR	(24,394)	31.10.2016	(76)
AUD	652,500	NOK	(4,065,290)	16.12.2016	(9,074)
AUD	652,500	NOK	(4,075,985)	16.12.2016	(10,260)
CAD	651,063	NOK	(4,009,284)	16.12.2016	(5,403)
EUR	290,973	AUD	(440,000)	16.12.2016	(7,134)
EUR	376,926	CAD	(560,000)	16.12.2016	(1,131)
EUR	365,574	CHF	(400,000)	16.12.2016	(1,939)
EUR	5,930	JPY	(675,093)	31.10.2016	(1)
EUR	953,968	JPY	(110,000,000)	16.12.2016	(12,335)
EUR	444,816	JPY	(50,689,477)	16.12.2016	(470)
EUR	1,194,754	JPY	(137,764,501)	16.12.2016	(15,449)
EUR	127	SEK	(1,220)	31.10.2016	(0)
EUR	7,938,371	USD	(8,961,508)	16.12.2016	(8,487)
EUR	77,975	USD	(88,025)	16.12.2016	(83)
GBP	45,467,822	EUR	(52,722,734)	31.10.2016	(203,940)
GBP	20,767	EUR	(24,081)	31.10.2016	(93)
GBP	13,140	EUR	(15,222)	31.10.2016	(44)
GBP	492,775	USD	(645,574)	16.12.2016	(3,993)
HKD	5,394	EUR	(619)	31.10.2016	(1)
HKD	26,131	EUR	(3,015)	31.10.2016	(20)
JPY	134,929	EUR	(1,193)	31.10.2016	(8)
JPY	2,679,469	EUR	(23,721)	31.10.2016	(180)
SEK	93,523	EUR	(9,733)	31.10.2016	(19)
SEK	5,863,712	EUR	(614,902)	16.12.2016	(5,744)
SGD	7,207	EUR	(4,726)	31.10.2016	(28)
USD	666,233	CAD	(877,835)	16.12.2016	(1,829)
USD	5,300,000	CNY	(35,600,100)	28.10.2016	(29,797)
USD	440,962	CNY	(2,965,560)	10.11.2016	(2,732)
USD	165,291	EUR	(147,176)	31.10.2016	(283)
USD	104,530	EUR	(93,452)	31.10.2016	(558)
USD	392,292	EUR	(349,421)	21.12.2016	(1,643)
USD	247,777	KRW	(275,998,550)	10.11.2016	(2,479)

# F&C Portfolios Fund – F&C Diversified Growth

## Schedule of Investments as at 30 September 2016 (continued)

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
USD	288,313	TWD	(9,140,950)	10.11.2016	(3,195)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(328,471)</b>

### FUTURES CONTRACTS

Description	Currency	Number of Contracts	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Futures Contracts</b>					
Australian Government Bond 3YR	AUD	89	15.12.2016	6,867,103	17,184
EURO STOXX 50	EUR	(227)	16.12.2016	(6,796,380)	1,135
FTSE 100 Index	GBP	12	16.12.2016	951,190	25,973
German Federal Republic Bond 10YR	EUR	21	8.12.2016	3,479,700	32,560
Hang Seng Index	HKD	(7)	28.10.2016	(936,143)	10,962
Mini-MSCI Emerging Markets	USD	101	16.12.2016	4,100,485	58,867
NIKKEI 225 Index	JPY	(17)	8.12.2016	(1,236,889)	32,491
S&P 500 E-mini Index	USD	26	16.12.2016	2,499,128	10,064
UK Long Gilt Bond Future	GBP	(3)	28.12.2016	(451,668)	3,294
US Treasury Long Bond Future	USD	(48)	20.12.2016	(7,182,327)	91,765
US Treasury Note 10YR	USD	(54)	20.12.2016	(6,300,721)	12,764
US Treasury Note 5YR	USD	127	30.12.2016	13,732,411	42,379
<b>Total Unrealised Gain on Futures Contracts</b>				<b>8,725,889</b>	<b>339,438</b>
<b>Unrealised Loss on Futures Contracts</b>					
Australian Government Bond 10YR	AUD	(25)	15.12.2016	(2,332,526)	(28,165)
EURO-BTP Future	EUR	39	8.12.2016	5,580,510	(28,470)
EURO-OAT Future	EUR	(30)	8.12.2016	(4,803,600)	(8,776)
German Federal Republic Bond 30YR	EUR	(31)	8.12.2016	(5,957,580)	(81,460)
German Federal Republic Bond 5YR	EUR	(37)	8.12.2016	(4,887,330)	(18,064)
MSCI Singapore Free Index	SGD	(18)	28.10.2016	(370,221)	(1,527)
NIKKEI 225 Index	JPY	18	8.12.2016	1,309,647	(34,797)
SPI 200 Index	AUD	(27)	15.12.2016	(2,489,413)	(84,574)
US Treasury Bond Ultra Long	USD	47	20.12.2016	7,690,091	(161,992)
US Treasury Note 10YR	USD	160	20.12.2016	18,668,801	(14,110)
US Treasury Note 10YR	USD	(106)	20.12.2016	(13,597,225)	(16,796)
US Treasury Note 2YR	USD	(170)	30.12.2016	(33,048,305)	(28,364)
US Treasury Note 5YR	USD	(194)	30.12.2016	(20,977,069)	(45,855)
<b>Total Unrealised Loss on Futures Contracts</b>				<b>(55,214,220)</b>	<b>(552,950)</b>

### OPTION CONTRACTS

Currency	Quantity	Description	Maturity Date	Market Value in EUR	Unrealised Gain/(Loss) in EUR
<b>Purchased Options</b>					
EUR	3,070,000	Call USD / Put EUR, Strike Price 1.105	18.10.2016	4,077	(42,587)
USD	63,100,000	Markit CDX.NA.IG.26	30.6.2021	31,836	(80,058)
USD	3,000	Put S&P 500 Index, Strike Price 2100	20.1.2017	118,527	(79,748)
<b>Total Purchased Options</b>				<b>154,440</b>	<b>(202,393)</b>
<b>Written Options</b>					
USD	(63,100,000)	Markit CDX.NA.IG.26	20.6.2016	(4,548)	28,312
USD	(3,000)	Put S&P 500 Index, Strike Price 1925	20.1.2017	(48,051)	42,680
<b>Total Written Options</b>				<b>(52,599)</b>	<b>70,992</b>

### SWAP CONTRACTS

Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Inflation Swaps</b>					
EUR	2,200,000	Eurostat Eurozone HICP Ex Tobacco Unrevised Series NSA Index	12.9.2026	2,618	2,618
GBP	558,000	UK Retail Prices Index	26.7.2041	(99,679)	(99,679)
GBP	174,000	UK Retail Prices Index	26.7.2066	105,498	105,498
USD	2,800,000	US CPI Urban Consumers NSA Index	12.7.2026	28,376	28,376
USD	2,800,000	US CPI Urban Consumers NSA Index	21.7.2026	23,306	23,306
<b>Total Inflation Swaps</b>				<b>60,119</b>	<b>60,119</b>

## F&C Portfolios Fund – F&C Diversified Growth

### Schedule of Investments as at 30 September 2016 (continued)

Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Interest Rate Swaps</b>					
EUR	6,400,000	EURIBOR 6M	15.8.2025	(34,191)	(34,191)
EUR	2,266,000	EURIBOR 6M	4.7.2042	(27,274)	(27,274)
EUR	2,330,000	EURIBOR 6M	4.7.2042	48,420	48,420
USD	8,068,000	ICE LIBOR 3M	30.11.2020	(10,888)	(10,888)
<b>Total Interest Rate Swaps</b>				<b>(23,933)</b>	<b>(23,933)</b>
Currency	Notional Amount	Pay / Receive	Maturity Date	Commitment in EUR	Unrealised Gain/(Loss) in EUR
<b>Total Return Swaps</b>					
EUR	10,980,630	iShares MSCI Europe ex-UK Index <sup>(*)</sup>	22.8.2017	113,223	113,223
USD	11,986,185	MLEIFCLS Index <sup>(**)</sup>	12.9.2017	254,956	254,956
<b>Total Total Return Swaps</b>				<b>368,179</b>	<b>368,179</b>
<b>Unrealised Gain on Swap Contracts</b>					<b>576,397</b>
<b>Unrealised Loss on Swap Contracts</b>					<b>(172,032)</b>

(\*) The Portfolio receives/pays the total return gain/loss on the MSCI Europe ex-UK Index net of funding costs.

(\*\*) The Portfolio is the payer of the negative performance and the receiver of the positive performance of the underlying for both Total Return Swaps positions.

(\*\*\*) The composition of the underlying Total Return Swap MLEIFCLS affords the Portfolio participation in a market neutral equity strategy.

The counterparties for forward foreign exchange contracts were Bank of Montreal, Barclays Bank Plc. Wholesale, BNP Paribas S.A., Canadian Imperial Bank of Commerce, HSBC Bank Plc., ING Bank NV, JP Morgan Securities Plc., Rabobank Nederland, Royal Bank of Canada (UK), State Street Bank & Trust Company and Westpac Banking Corporation.

The counterparty for futures contracts was Goldman Sachs & Co.

The counterparties for option contracts were Societe Generale S.A. (total commitment of EUR 191,419) and Goldman Sachs & Co. (total commitment of EUR 107,543).

The counterparties for swap contracts were Barclays Bank Plc. Wholesale, JP Morgan Securities Plc. and Merrill Lynch International.

Collateral held for the above described derivatives includes EUR 2,367,911 held as cash at the brokers, and a quantity of -331,000 Bundesrepublik Deutschland – Series 7 and 340,000 United States Treasury Inflation Indexed Bonds held as non cash collateral.

F&C Portfolios Fund - F&C Diversified Growth  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

Sector	% of Net Assets
Sovereign	62.50
Financial Services	26.07
Real Estate	1.58
<hr/>	
Total Investments	90.15
Other Assets / (Liabilities)	9.85
Total Net Assets	100.00

# F&C Portfolios Fund

## F&C Emerging Markets Bond

### Performance

In the twelve months to 30 September 2016 the Class A Shares - USD returned 16.2% (net of fees). By comparison, the EMBI Global Diversified Index returned 16.2%.

In the twelve-month period, country allocation decisions contributed positively to the Portfolio's active return however security selection detracted somewhat. The strongest positive contributor to performance was in Brazil, where both the country overweight, as well positions in the country's state-owned oil company Petrobras, added to performance. The country has gone through a period of political turbulence, which came to conclusion with the impeachment of president Rousseff. Ever since the impeachment, the situation has been improving, and business confidence is returning. This led bonds to rally strongly, and Brazil was one of the top performers in emerging markets. Other positive contributors included our underweight in Lebanon, overweight in Argentina and Zambia, and security selection in China, where the Portfolio's main positions were in Sinopec, Cnooc and Sinochem. Venezuela was the biggest detractor from performance. We were on average neutrally positioned in terms of portfolio weight versus the index, but due to our relatively defensive positions in Venezuela, in the lowest priced bonds, the portfolio did not keep up with the rally. Other negative contributors to Portfolio performance were in Mexico, where we were mainly positioned in short-duration bonds from Pemex, and in Malaysia, where we were underweight in Petronas.

### Market Review

With a 16.2% return, emerging market hard currency bonds performed strongly during the last twelve months. The period starting the fourth quarter of 2015 to the first quarter of 2016 was quite turbulent and a number of emerging markets experienced credit downgrades and heightened economic stress. Subsequently, the Federal Reserve rate hike in December 2015, the first in over nine years, led to a sell-off at the start of the year, which was reinforced by turbulence on Chinese equity markets. Rising oil prices increased monetary easing in the eurozone and Japan, and additional fiscal stimulus in China all supported markets with emerging market bonds able to benefit. Although it did not take place in emerging markets, the "Brexit" referendum was a significant event for emerging markets and emerging markets debt rallied significantly afterwards, as investors sought refuge from the possible "Brexit" fallout. This led to the strongest quarter (Q3 2016) of inflows for emerging markets since 2014.

### Outlook

While we do not expect economic growth to exceed expectations in many emerging market economies, we forecast inflation to trend lower in many cases, creating room for central banks to cut interest rates. In China, we expect growth to decelerate further and do not expect significant progress on difficult structural reforms ahead of next year's leadership reshuffle. However, structural reforms are progressing in countries such as India, Indonesia, and Mexico, while programmes of the International Monetary Fund provide policy anchors for a growing list of emerging market countries. Sovereign spreads in most cases are cushioned by strong external balance sheets and limited financing needs. Meanwhile, political risk continues to be an important consideration, creating the scope for sub-optimal policy decisions. Higher US interest rates and slower growth in China could also present headwinds.

### Jonathan Mann

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Emerging Markets Bond

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Angola</b>						
Angolan Government International Bond	9.50%	12.11.2025	USD	200,000	199,752	0.73
<b>Argentina</b>						
Argentina Bonar Bonds - Series X	7.00%	17.4.2017	USD	289,487	295,719	1.07
Argentine Republic Government International Bond	6.25%	22.4.2019	USD	150,000	159,150	0.58
Argentine Republic Government International Bond	7.82%	31.12.2033	EUR	55,044	68,617	0.25
Argentine Republic Government International Bond	8.28%	31.12.2033	USD	126,183	141,641	0.51
Argentine Republic Government International Bond	8.28%	31.12.2033	USD	207,502	239,664	0.87
Argentine Republic Government International Bond	7.13%	6.7.2036	USD	150,000	159,375	0.58
Argentine Republic Government International Bond	2.50%	31.12.2038	USD	385,000	276,719	1.01
Argentine Republic Government International Bond	2.26%	31.12.2038	EUR	100,000	74,030	0.27
Argentine Republic Government International Bond - Series 1	8.75%	2.6.2017	USD	84,088	87,620	0.32
					<b>1,502,535</b>	<b>5.46</b>
<b>Armenia</b>						
Republic of Armenia International Bond	6.00%	30.9.2020	USD	100,000	103,895	0.38
<b>Azerbaijan</b>						
Southern Gas Corridor	6.88%	24.3.2026	USD	200,000	224,580	0.82
<b>Belarus</b>						
Republic of Belarus International Bond	8.95%	26.1.2018	USD	10,000	10,545	0.04
<b>Brazil</b>						
Banco Nacional de Desenvolvimento Economico e Social	6.50%	10.6.2019	USD	200,000	215,860	0.78
Brazilian Government International Bond	2.63%	5.1.2023	USD	320,000	296,800	1.08
Brazilian Government International Bond	5.00%	27.1.2045	USD	478,000	433,187	1.57
Brazilian Government International Bond	5.63%	21.2.2047	USD	200,000	197,250	0.72
					<b>1,143,097</b>	<b>4.15</b>
<b>British Virgin Islands</b>						
Sinochem Overseas Capital	4.50%	12.11.2020	USD	190,000	206,809	0.76
Sinopec Group Overseas Development 2012	4.88%	17.5.2042	USD	250,000	293,351	1.06
					<b>500,160</b>	<b>1.82</b>
<b>Canada</b>						
CNOOC Nexen Finance 2014 ULC	4.25%	30.4.2024	USD	120,000	130,052	0.47
<b>Cayman Islands</b>						
Mestenio	8.50%	2.1.2020	USD	213,333	227,645	0.83
<b>Chile</b>						
Corp Nacional del Cobre de Chile	3.00%	17.7.2022	USD	360,000	358,117	1.30
Corp Nacional del Cobre de Chile	4.50%	13.8.2023	USD	123,000	131,935	0.48
Corp Nacional del Cobre de Chile	6.15%	24.10.2036	USD	130,000	153,781	0.56
Corp Nacional del Cobre de Chile	4.88%	4.11.2044	USD	200,000	207,015	0.75
Latam Airlines Group	7.25%	9.6.2020	USD	200,000	205,200	0.74
					<b>1,056,048</b>	<b>3.83</b>
<b>Costa Rica</b>						
Costa Rica Government International Bond	7.00%	4.4.2044	USD	200,000	214,250	0.78
Instituto Costarricense de Electricidad	6.38%	15.5.2043	USD	200,000	175,500	0.64
					<b>389,750</b>	<b>1.42</b>
<b>Croatia</b>						
Croatia Government International Bond	6.25%	27.4.2017	USD	160,000	164,011	0.60
Croatia Government International Bond	6.75%	5.11.2019	USD	90,000	99,929	0.36
Croatia Government International Bond	6.38%	24.3.2021	USD	200,000	225,338	0.82
Croatia Government International Bond	5.50%	4.4.2023	USD	110,000	122,618	0.44
					<b>611,896</b>	<b>2.22</b>
<b>Dominican Republic</b>						
Dominican Republic International Bond	7.50%	6.5.2021	USD	90,000	101,025	0.37
Dominican Republic International Bond	6.88%	29.1.2026	USD	285,000	330,600	1.20
Dominican Republic International Bond	7.45%	30.4.2044	USD	180,000	214,650	0.78
					<b>646,275</b>	<b>2.35</b>
<b>Ecuador</b>						
Ecuador Government International Bond	10.75%	28.3.2022	USD	400,000	411,000	1.49
<b>Egypt</b>						
Egypt Government International Bond	5.75%	29.4.2020	USD	160,000	164,600	0.60
Egypt Government International Bond	6.88%	30.4.2040	USD	100,000	97,000	0.35
					<b>261,600</b>	<b>0.95</b>
<b>El Salvador</b>						
El Salvador Government International Bond	7.65%	15.6.2035	USD	14,000	14,718	0.05

## F&C Portfolios Fund – F&C Emerging Markets Bond Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>Georgia</b>						
Georgia Government International Bond	6.88%	12.4.2021	USD	350,000	392,000	1.42
<b>Guatemala</b>						
Guatemala Government Bond	5.75%	6.6.2022	USD	150,000	169,125	0.61
Guatemala Government Bond	4.50%	3.5.2026	USD	460,000	481,275	1.75
					<b>650,400</b>	<b>2.36</b>
<b>Honduras</b>						
Honduras Government International Bond	8.75%	16.12.2020	USD	120,000	138,300	0.50
<b>Hungary</b>						
Hungary Government International Bond	4.00%	25.3.2019	USD	10,000	10,507	0.04
Hungary Government International Bond	6.25%	29.1.2020	USD	180,000	202,635	0.74
Hungary Government International Bond	7.63%	29.3.2041	USD	90,000	141,750	0.51
					<b>354,892</b>	<b>1.29</b>
<b>India</b>						
Export-Import Bank of India	3.38%	5.8.2026	USD	200,000	202,951	0.74
ONGC Videsh	4.63%	15.7.2024	USD	640,000	692,857	2.51
Reliance Industries	4.13%	28.1.2025	USD	500,000	523,509	1.90
					<b>1,419,317</b>	<b>5.15</b>
<b>Indonesia</b>						
Indonesia Government International Bond	5.88%	13.3.2020	USD	115,000	128,675	0.47
Indonesia Government International Bond	4.88%	5.5.2021	USD	120,000	132,184	0.48
Indonesia Government International Bond	4.75%	8.1.2026	USD	200,000	224,100	0.81
Indonesia Government International Bond	8.50%	12.10.2035	USD	130,000	197,064	0.72
Indonesia Government International Bond	5.95%	8.1.2046	USD	200,000	254,081	0.92
Pertamina Persero	6.45%	30.5.2044	USD	500,000	580,690	2.11
Perusahaan Penerbit SBSN Indonesia III	4.55%	29.3.2026	USD	200,000	217,136	0.79
					<b>1,733,930</b>	<b>6.30</b>
<b>Ireland</b>						
SCF Capital	5.38%	16.6.2023	USD	200,000	209,901	0.76
Vnesheconombank Via VEB Finance	4.22%	21.11.2018	USD	180,000	183,733	0.67
					<b>393,634</b>	<b>1.43</b>
<b>Ivory Coast</b>						
Ivory Coast Government International Bond	5.38%	23.7.2024	USD	260,000	261,950	0.95
<b>Jamaica</b>						
Jamaica Government International Bond	6.75%	28.4.2028	USD	140,000	160,300	0.58
<b>Kazakhstan</b>						
Kazakhstan Government International Bond	3.88%	14.10.2024	USD	200,000	209,700	0.76
Kazakhstan Government International Bond	4.88%	14.10.2044	USD	70,000	73,325	0.27
KazMunayGas National JSC	7.00%	5.5.2020	USD	100,000	111,470	0.40
KazMunayGas National JSC	6.38%	9.4.2021	USD	70,000	77,306	0.28
					<b>471,801</b>	<b>1.71</b>
<b>Kenya</b>						
Kenya Government International Bond	6.88%	24.6.2024	USD	200,000	197,009	0.72
<b>Lithuania</b>						
Lithuania Government International Bond	6.13%	9.3.2021	USD	150,000	177,563	0.64
<b>Malaysia</b>						
Petronas Capital	3.50%	18.3.2025	USD	300,000	323,117	1.17
<b>Mexico</b>						
Banco Nacional de Comercio Exterior, V/R	3.80%	11.8.2026	USD	300,000	291,660	1.06
Mexico Government International Bond	5.95%	19.3.2019	USD	126,000	140,270	0.51
Mexico Government International Bond	4.75%	8.3.2044	USD	116,000	121,075	0.44
Petroleos Mexicanos	6.38%	4.2.2021	USD	140,000	152,320	0.56
Petroleos Mexicanos	4.63%	21.9.2023	USD	107,000	107,449	0.39
Petroleos Mexicanos	6.63%	15.6.2035	USD	60,000	61,071	0.22
Petroleos Mexicanos	6.50%	2.6.2041	USD	200,000	194,136	0.70
					<b>1,067,981</b>	<b>3.88</b>
<b>Morocco</b>						
Morocco Government International Bond	4.25%	11.12.2022	USD	200,000	213,250	0.77
<b>Netherlands</b>						
Petrobras Global Finance	8.38%	23.5.2021	USD	445,000	487,275	1.77
Petrobras Global Finance	8.75%	23.5.2026	USD	17,000	18,828	0.07
Republic of Angola Via Northern Lights III	7.00%	16.8.2019	USD	146,250	146,981	0.53
					<b>653,084</b>	<b>2.37</b>
<b>Nigeria</b>						
Nigeria Government International Bond	6.75%	28.1.2021	USD	200,000	202,250	0.73

## F&C Portfolios Fund – F&C Emerging Markets Bond Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>Pakistan</b>						
Pakistan Government International Bond	7.25%	15.4.2019	USD	348,000	366,926	1.33
Pakistan Government International Bond	8.25%	30.9.2025	USD	200,000	222,213	0.81
					<b>589,139</b>	<b>2.14</b>
<b>Panama</b>						
Aeropuerto Internacional de Tocumen	5.63%	18.5.2036	USD	200,000	212,000	0.77
Panama Government International Bond	5.20%	30.1.2020	USD	240,000	265,800	0.96
Panama Government International Bond	7.13%	29.1.2026	USD	340,000	459,850	1.67
Panama Government International Bond	8.88%	30.9.2027	USD	175,000	263,375	0.96
Panama Government International Bond	9.38%	1.4.2029	USD	10,000	15,525	0.06
Panama Government International Bond	6.70%	26.1.2036	USD	105,000	143,850	0.52
					<b>1,360,400</b>	<b>4.94</b>
<b>Paraguay</b>						
Paraguay Government International Bond	4.63%	25.1.2023	USD	180,000	191,700	0.69
Paraguay Government International Bond	5.00%	15.4.2026	USD	200,000	217,000	0.79
					<b>408,700</b>	<b>1.48</b>
<b>Peru</b>						
Peruvian Government International Bond	7.35%	21.7.2025	USD	215,000	298,850	1.09
Peruvian Government International Bond	5.63%	18.11.2050	USD	320,000	424,800	1.54
					<b>723,650</b>	<b>2.63</b>
<b>Philippines</b>						
Philippine Government International Bond	3.70%	1.3.2041	USD	214,000	236,283	0.86
<b>Poland</b>						
Poland Government International Bond	6.38%	15.7.2019	USD	200,000	225,750	0.82
Poland Government International Bond	5.13%	21.4.2021	USD	145,000	164,140	0.60
Poland Government International Bond	5.00%	23.3.2022	USD	80,000	91,400	0.33
Poland Government International Bond	4.00%	22.1.2024	USD	80,000	88,500	0.32
					<b>569,790</b>	<b>2.07</b>
<b>Romania</b>						
Romanian Government International Bond	4.88%	22.1.2024	USD	110,000	126,156	0.46
Romanian Government International Bond	6.13%	22.1.2044	USD	40,000	54,100	0.19
					<b>180,256</b>	<b>0.65</b>
<b>Serbia</b>						
Serbia International Bond	7.25%	28.9.2021	USD	200,000	233,202	0.85
<b>South Africa</b>						
Eskom Holdings SOC	5.75%	26.1.2021	USD	200,000	200,550	0.73
South Africa Government International Bond	4.88%	14.4.2026	USD	350,000	368,812	1.34
South Africa Government International Bond	4.30%	12.10.2028	USD	150,000	147,879	0.53
					<b>717,241</b>	<b>2.60</b>
<b>Sri Lanka</b>						
Sri Lanka Government International Bond	6.00%	14.1.2019	USD	280,000	289,493	1.05
Sri Lanka Government International Bond	6.83%	18.7.2026	USD	400,000	431,023	1.57
					<b>720,516</b>	<b>2.62</b>
<b>Tunisia</b>						
Banque Centrale de Tunisie International Bond	5.75%	30.1.2025	USD	200,000	196,209	0.71
<b>Turkey</b>						
Turkey Government International Bond	5.13%	25.3.2022	USD	200,000	209,000	0.76
Turkey Government International Bond	5.75%	22.3.2024	USD	200,000	216,125	0.79
Turkey Government International Bond	6.88%	17.3.2036	USD	205,000	240,875	0.87
					<b>666,000</b>	<b>2.42</b>
<b>Ukraine</b>						
Ukraine Government International Bond	7.75%	1.9.2019	USD	50,000	49,550	0.18
Ukraine Government International Bond	7.75%	1.9.2020	USD	410,000	402,825	1.46
Ukraine Government International Bond	7.75%	1.9.2027	USD	130,000	123,175	0.45
					<b>575,550</b>	<b>2.09</b>
<b>Uruguay</b>						
Uruguay Government International Bond	4.38%	27.10.2027	USD	94,000	101,520	0.37
Uruguay Government International Bond	5.10%	18.6.2050	USD	392,500	408,691	1.48
					<b>510,211</b>	<b>1.85</b>
<b>Venezuela</b>						
Petroleos de Venezuela	6.00%	16.5.2024	USD	840,000	357,000	1.30
Petroleos de Venezuela	6.00%	15.11.2026	USD	405,000	171,578	0.62
Petroleos de Venezuela	5.38%	12.4.2027	USD	210,000	88,211	0.32
Venezuela Government International Bond	9.00%	7.5.2023	USD	200,000	102,500	0.37

The accompanying notes form an integral part of these financial statements.

## F&C Portfolios Fund – F&C Emerging Markets Bond Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
Venezuela Government International Bond	9.25%	15.9.2027	USD	120,000	66,150	0.24
					<b>785,439</b>	<b>2.85</b>
<b>Vietnam</b>						
Vietnam Government International Bond	6.75%	29.1.2020	USD	80,000	89,430	0.32
<b>Zambia</b>						
Zambia Government International Bond	5.38%	20.9.2022	USD	170,000	150,273	0.55
Zambia Government International Bond	8.97%	30.7.2027	USD	150,000	148,688	0.54
Zambia Government International Bond	8.97%	30.7.2027	USD	200,000	198,250	0.72
					<b>497,211</b>	<b>1.81</b>
<b>TOTAL BONDS</b>					<b>25,303,553</b>	<b>91.87</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>25,303,553</b>	<b>91.87</b>
<b>OTHER TRANSFERABLE SECURITIES</b>						
<b>BONDS</b>						
<b>Cayman Islands</b>						
Brazil Minas Via State of Minas Gerais	5.33%	15.2.2028	USD	200,000	197,000	0.72
					<b>197,000</b>	<b>0.72</b>
<b>TOTAL BONDS</b>					<b>197,000</b>	<b>0.72</b>
<b>TOTAL OTHER TRANSFERABLE SECURITIES</b>					<b>197,000</b>	<b>0.72</b>
<b>TOTAL INVESTMENTS</b>					<b>25,500,553</b>	<b>92.59</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>2,040,771</b>	<b>7.41</b>
<b>TOTAL NET ASSETS</b>					<b>27,541,324</b>	<b>100.00</b>

## F&C Portfolios Fund – F&C Emerging Markets Bond Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in USD
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	9,265,820	USD	(10,404,126)	31.10.2016	22,267
EUR	4,682,730	USD	(5,258,003)	31.10.2016	11,253
EUR	30,507	USD	(34,192)	31.10.2016	136
EUR	13,420	USD	(15,042)	31.10.2016	60
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>33,716</b>

The counterparty for forward foreign exchange contracts was State Street Bank & Trust Company.

F&C Portfolios Fund - F&C Emerging Markets Bond  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

Sector	% of Net Assets
Sovereign	65.09
Oil & Gas	15.85
Financial Services	3.27
Metals & Mining	3.09
Pipelines	0.82
Engineering & Construction	0.77
Holding Companies	0.76
Transportation	0.76
Airline	0.74
Electrical Equipment	0.73
Municipal	0.71
<hr/>	
Total Investments	92.59
Other Assets / (Liabilities)	7.41
<hr/>	
Total Net Assets	100.00

# F&C Portfolios Fund

## F&C European Equity

### Performance

In the twelve months to 30 September 2016, the A EUR share returned -0.9%. This compared to a return of +1.9% for the benchmark, the FTSE All-World Developed Europe NR Index. Performance is net of fees and in euro terms.

The stocks that detracted the most over the twelve months were Leonteq and Betsson. Switzerland-based structured investment product provider Leonteq announced in January that they were no longer partnering with DBS in Asia and as such question marks were raised on the future growth profile of the company. They are also adjusting their business model to move away from 'own issuance' to a more capital light software offering. Swedish online gaming group Betsson has come under pressure on the back of weaker revenue from their sports business, exposure to Turkey and continuing high operating costs. Positive stock selection came from Adidas where sentiment improved following the appointment of a new CEO.

### Market Review

Macroeconomic issues dominated, with investors worried about global economic growth, the impact of weak commodity prices, the effectiveness of central bank policies, the ongoing Greek debt crisis and the economic uncertainty created by the UK's surprise decision to leave the EU. In March 2016, President of the European Central Bank, Mario Draghi, announced further stimulus measures, which included a cut in the benchmark interest rate to zero, expanding its asset purchase programme to include investment grade corporate debt and reducing a key deposit rate further into negative territory to encourage bank lending. European Banking Authority stress tests delivered mixed results, with investors' concerns focused on the Italian banking sector. Later on, the European banking sector again became the focus of investor attention as concerns over the impact of negative eurozone yields and faltering profitability were compounded by US regulator demands for Deutsche Bank to pay a substantial fine over allegations of mortgage securities mis-selling dating back to 2005.

### Outlook

The final quarter of the year will witness a number of external events such as the US presidential election, a likely second increase to US interest rates, and higher crude oil prices and the impact on consumer demand and spending. Closer to home, the debate over the health of the European banking sector, saddled with a non-performing loan book, erosion of capital and regulatory headwinds, will remain forefront for investors. Movement on the Brexit front will also likely dominate ahead of the triggering of Article 50, expected in the first half of 2017. Despite the economic and political environments, our aim remains the same: invest in businesses that we believe are good quality and long-term winners based on our proprietary research. We continue to believe that by consistently following our investment process, we will deliver good returns for our clients over time.

### David Moss

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C European Equity

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Finland</b>			
Amer Sports	17,125	466,143	2.23
<b>France</b>			
Air Liquide	5,656	539,865	2.58
AXA	25,268	478,576	2.28
Publicis Groupe	7,297	491,234	2.35
Rexel	30,179	411,792	1.97
Schneider Electric	8,129	504,486	2.41
Unibail-Rodamco REIT	1,572	377,280	1.80
		<b>2,803,233</b>	<b>13.39</b>
<b>Germany</b>			
adidas	2,310	356,895	1.70
Allianz	4,134	546,101	2.61
Bayer	6,657	595,336	2.84
Continental	2,096	392,266	1.87
Deutsche Boerse	4,866	351,082	1.68
Deutsche Post	14,376	399,940	1.91
SAP	8,590	695,103	3.32
		<b>3,336,723</b>	<b>15.93</b>
<b>Ireland</b>			
CRH	17,745	528,180	2.52
Glanbia	1,807	30,945	0.15
Glanbia	18,185	305,508	1.46
Kerry Group 'A'	5,359	397,423	1.90
Kingspan Group	9,842	236,011	1.13
Smurfit Kappa Group	16,250	323,375	1.54
		<b>1,821,442</b>	<b>8.70</b>
<b>Isle Of Man</b>			
Playtech	25,962	273,086	1.30
<b>Italy</b>			
Intesa Sanpaolo	209,459	413,472	1.97
<b>Malta</b>			
Unibet Group SDR	29,370	243,122	1.16
<b>Netherlands</b>			
Akzo Nobel	7,837	472,493	2.26
Heineken	4,235	331,643	1.58
ING Groep	52,789	580,151	2.77
Wolters Kluwer	12,008	457,445	2.18
		<b>1,841,732</b>	<b>8.79</b>
<b>Norway</b>			
DNB	35,564	414,569	1.98
<b>Sweden</b>			
Autoliv SDR	1,946	183,927	0.88
Sandvik	46,698	457,617	2.18
Svenska Handelsbanken 'A'	40,480	495,697	2.37
		<b>1,137,241</b>	<b>5.43</b>
<b>Switzerland</b>			
Leonteq	3,589	173,123	0.83
Novartis	12,869	902,498	4.31
Roche Holding	4,003	885,545	4.23
Swatch Group	1,740	438,749	2.09
Syngenta	837	326,529	1.56
UBS Group	40,363	490,175	2.34
		<b>3,216,619</b>	<b>15.36</b>
<b>United Kingdom</b>			
Berendsen	17,590	252,933	1.21
Booker Group	183,224	376,983	1.80
Burberry Group	23,050	367,414	1.75
Daily Mail & General Trust 'A'	43,854	377,393	1.80
Diageo	21,146	540,305	2.58
GlaxoSmithKline	31,255	593,577	2.83
Intermediate Capital Group	30,636	208,932	1.00
Kingfisher	89,681	390,703	1.87
RELX	29,850	477,451	2.28
Rentokil Initial	143,265	368,129	1.76
Smiths Group	27,495	465,280	2.22

F&C Portfolios Fund – F&C European Equity  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Unilever	14,937	613,537	2.93
		<b>5,032,637</b>	<b>24.03</b>
<b>TOTAL SHARES</b>		<b>21,000,019</b>	<b>100.27</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>21,000,019</b>	<b>100.27</b>
<b>TOTAL INVESTMENTS</b>		<b>21,000,019</b>	<b>100.27</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>(55,614)</b>	<b>(0.27)</b>
<b>TOTAL NET ASSETS</b>		<b>20,944,405</b>	<b>100.00</b>

F&C Portfolios Fund - F&C European Equity  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	14.94
Pharmaceuticals	14.21
Food & Beverages	9.47
Chemicals	6.40
Miscellaneous Manufacturers	5.67
Commercial Services	5.25
Insurance	4.89
Software	4.62
Media	3.98
Retail	3.96
Building Materials	3.65
Leisure & Tourism	3.39
Cosmetics & Personal Care	2.93
Auto Parts & Equipment	2.75
Electrical Component & Equipment	2.41
Advertising	2.35
Machinery-Diversified	2.18
Distribution & Wholesale	1.97
Transportation	1.91
Real Estate	1.80
Forest Products & Paper	1.54
<hr/>	
Total Investments	100.27
Other Assets / (Liabilities)	(0.27)
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C European Growth and Income

### Performance

In the twelve months to 30 September 2016 the portfolio's A EUR shares returned -2.5%. This compared with the benchmark FTSE All-World Developed Europe NR Index return of +1.9%. All figures are net of fees and in euro terms.

The stocks that detracted the most over the twelve months were Betsson and Intesa Sanpaolo. Swedish online gaming group Betsson has come under pressure on the back of weaker revenue from their sports business, exposure to Turkey and continuing high operating costs. Italian banking group, Intesa Sanpaolo, saw its share price decline, reflecting concerns over the health of Italian economy and the company's capital base. SAP, the German technology and enterprise cloud group saw its share price rise sharply early in the quarter after a strong set of results showed an accelerating take-up of the latest product suite. Disciplined capital allocation and good organic growth boosted the share price of Dutch-based media and communication giant Wolters Kluwer during the period.

### Market Review

Macroeconomic issues dominated, with investors worried about global economic growth, the impact of weak commodity prices, the effectiveness of central bank policies, the ongoing Greek debt crisis and the economic uncertainty created by the UK's surprise decision to leave the EU. In March 2016, President of the European Central Bank, Mario Draghi, announced further stimulus measures, which included a cut in the benchmark interest rate to zero, expanding its asset purchase programme to include investment grade corporate debt and reducing a key deposit rate further into negative territory to encourage bank lending. European Banking Authority stress tests delivered mixed results, with investors' concerns focused on the Italian banking sector. In the month of the period, the European banking sector was once again the focus of investor attention as concerns over the impact of negative eurozone yields and faltering profitability were compounded by US regulator demands for Deutsche Bank to pay a substantial fine over allegations of mortgage securities mis-selling dating back to 2005.

### Outlook

The final quarter of the year will witness a number of external events such as the US presidential election, a likely second increase to US interest rates, and higher crude oil prices and the impact on consumer demand and spending. Closer to home, the debate over the health of the European banking sector, saddled with a non-performing loan book, erosion of capital and regulatory headwinds, will remain forefront for investors. Movement on the Brexit front will also likely dominate ahead of the triggering of Article 50, expected in the first half of 2017. Despite the economic and political environments, our aim remains the same: invest in businesses that we believe are good quality and long-term winners based on our proprietary research. We continue to believe that by consistently following our investment process, we will deliver good returns for our clients over time.

### David Moss

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C European Growth and Income

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>France</b>			
Air Liquide	12,136	1,158,381	2.41
AXA	58,827	1,114,184	2.32
Rexel	60,377	823,844	1.71
Schneider Electric	18,564	1,152,082	2.40
Unibail-Rodamco REIT	3,737	896,880	1.86
		<b>5,145,371</b>	<b>10.70</b>
<b>Germany</b>			
adidas	4,476	691,542	1.44
Allianz	9,756	1,288,767	2.68
BASF SE	18,338	1,395,705	2.90
Bayer	12,179	1,089,168	2.26
Continental	3,868	723,896	1.51
Deutsche Boerse	13,111	945,959	1.97
Deutsche Post	41,802	1,162,932	2.42
HUGO BOSS	11,834	582,529	1.21
SAP	19,259	1,558,438	3.24
		<b>9,438,936</b>	<b>19.63</b>
<b>Ireland</b>			
CRH	39,542	1,176,968	2.45
Glanbia	36,854	619,147	1.29
Kerry Group 'A'	8,841	655,648	1.36
Origin Enterprises	151,867	854,100	1.77
Smurfit Kappa Group	36,202	720,420	1.50
		<b>4,026,283</b>	<b>8.37</b>
<b>Isle Of Man</b>			
Playtech	83,217	875,334	1.82
<b>Italy</b>			
Intesa Sanpaolo	205,549	405,754	0.84
Intesa Sanpaolo	381,055	710,286	1.48
		<b>1,116,040</b>	<b>2.32</b>
<b>Malta</b>			
Unibet Group SDR	89,642	742,048	1.54
<b>Netherlands</b>			
Akzo Nobel	17,910	1,079,794	2.24
ING Groep	76,473	840,438	1.75
Wolters Kluwer	29,412	1,120,450	2.33
		<b>3,040,682</b>	<b>6.32</b>
<b>Norway</b>			
DNB	90,685	1,057,113	2.20
<b>Portugal</b>			
CTT-Correios de Portugal	134,646	807,203	1.68
<b>Sweden</b>			
Autoliv SDR	5,901	557,736	1.16
Sandvik	96,494	945,593	1.97
Svenska Handelsbanken 'A'	104,143	1,275,281	2.65
Swedbank 'A'	53,988	1,130,445	2.35
		<b>3,909,055</b>	<b>8.13</b>
<b>Switzerland</b>			
Givaudan	432	783,968	1.63
Novartis	26,986	1,892,517	3.94
Roche Holding	8,202	1,814,449	3.77
Swatch Group	2,839	715,866	1.49
Syngenta	1,959	764,243	1.59
UBS Group	76,203	925,422	1.92
		<b>6,896,465</b>	<b>14.34</b>
<b>United Kingdom</b>			
Booker Group	560,546	1,153,324	2.40
Daily Mail & General Trust 'A'	94,280	811,343	1.69
Diageo	30,361	775,759	1.61
GlaxoSmithKline	82,636	1,569,376	3.26
Intermediate Capital Group	93,688	638,934	1.33
Kingfisher	190,227	828,740	1.72
RELX	67,984	1,087,404	2.26
Smiths Group	62,066	1,050,304	2.18
UBM	80,864	667,380	1.39
Unilever	31,605	1,298,175	2.70

F&C Portfolios Fund – F&C European Growth and Income  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
WPP	44,923	941,946	1.96
		<b>10,822,685</b>	<b>22.50</b>
<b>TOTAL SHARES</b>		<b>47,877,215</b>	<b>99.55</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>47,877,215</b>	<b>99.55</b>
<b>TOTAL INVESTMENTS</b>		<b>47,877,215</b>	<b>99.55</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>215,012</b>	<b>0.45</b>
<b>TOTAL NET ASSETS</b>		<b>48,092,227</b>	<b>100.00</b>

F&C Portfolios Fund – F&C European Growth and Income  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	16.49
Pharmaceuticals	13.23
Chemicals	10.77
Food & Beverages	6.66
Commercial Services	5.33
Software	5.06
Insurance	5.00
Retail	4.42
Media	4.02
Miscellaneous Manufacturers	3.62
Cosmetics & Personal Care	2.70
Auto Parts & Equipment	2.67
Building Materials	2.45
Transportation	2.42
Electrical Component & Equipment	2.40
Machinery-Diversified	1.97
Advertising	1.96
Real Estate	1.86
Agriculture	1.77
Distribution & Wholesale	1.71
Leisure & Tourism	1.54
Forest Products & Paper	1.50
<hr/>	
Total Investments	99.55
Other Assets / (Liabilities)	0.45
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C European High Yield Bond

### Performance

In the twelve months to 30 September 2016, the A EUR share class returned 9.6% (net of fees). By comparison, the Portfolio benchmark, the Merrill Lynch European Currency High Yield BB-B rated, ex-Finance Index, also returned 9.6%.

The portfolio was largely flat against its benchmark over the period. Our holding in the infrastructure credit, Abengoa struggled at the start of the period. However, it reported strong results in the second quarter and finalised its recapitalisation. This saw its bonds rally significantly. We lost ground against the benchmark in April, when the commodities-orientated sectors rallied strongly on the back of firmer oil prices. We benefited from being defensively positioned in sterling high-yield bonds prior to the referendum on UK membership of the EU as in the weeks leading up to it, we reduced exposure to sterling high-yield financials given the perceived high risk of sterling depreciation. However, our underweight to sterling issues held back performance in July and August, with the segment performing strongly as investors shrugged off concerns over Brexit and the Bank of England unveiling new monetary easing measures. The underweight to the energy sector also detracted in August and September as oil prices rallied off lows, with Organisation of the Petroleum Exporting Countries pledge to cut production further supporting sentiment in the final trading days of the quarter. Our overweight to euro issues detracted from performance, with concerns over the European banking sector depressing market sentiment in September.

### Market Review

The market posted steady returns over the review period after struggling in the first half of the reporting period but improving towards the end. Concerns about highly indebted companies intensified in December with the shock liquidation of The Third Avenue Focused Credit Fund. The intense volatility in commodity prices continued to put pressure on low-rated corporate debt and the energy sector suffered once again. Into 2016, high yield bonds continued to struggle with the asset class experiencing heavy outflows and postponed deals. Concerns over Chinese and global growth prospects as well as a falling oil price, saw risk assets across financial markets suffer. This caused liquidity to dry up in the high yield market. However, sentiment soon turned more positive as a recovery in commodity prices (including oil) and further stimulus from the European Central Bank (ECB) both provided a boost to high yield bonds. The new measures included an increase in the monthly amount of bond purchases to include investment-grade corporate bonds. The announcement was followed by a record inflow of €1.11 billion into European high-yield funds. High yield bonds initially sold-off sharply on the day of the UK referendum result on EU membership, but rallied in subsequent trading sessions as central banks adopted an accommodative tone and risk sentiment improved. High yield bonds continued to improve as generally accommodative monetary policy from central banks supported risk sentiment. As worries over the impact of Brexit on the global economy eased and major central banks either loosened policy or provided dovish signals, high yield bonds made gains over July and August. The ongoing improvement in investor sentiment on China was also constructive for the high yield bond market. In the final month of the period, however, the high yield market experienced increased volatility and was held back by concerns over the European banking sector as well as mounting expectations that the Federal Reserve would hike interest rates in the aftermath of November's presidential election.

### Outlook

The high yield bond market is likely to remain sensitive to fluctuations in sentiment caused by a number of factors including Brexit and the resulting potential for a global economic growth slowdown, subdued commodity prices, distressed energy & mining companies and the possibility of defaults in these sectors and future expectations with regards to Federal Reserve interest rate hikes. High yield bonds appear attractively valued from a spread perspective after the recent weakness, which prices in a relatively high level of defaults and recession risk. Their appeal lies predominantly in the income they generate and the relatively low interest rate sensitivity. We believe that the major central banks will continue to adopt a broadly accommodative stance, providing general support for capital markets and continuing demand for the high yield asset class.

### Chris Brils

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C European High Yield Bond

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Belgium</b>						
Barry Callebaut Services	2.38%	24.5.2024	EUR	100,000	104,800	1.01
<b>Canada</b>						
Cott	5.50%	1.7.2024	EUR	100,000	105,267	1.01
<b>Cayman Islands</b>						
Viridian Group FundCo II	7.50%	1.3.2020	EUR	100,000	106,061	1.02
<b>France</b>						
Arkema, V/R	4.75%	29.10.2049	EUR	100,000	106,723	1.03
Casino Guichard Perrachon	3.25%	7.3.2024	EUR	100,000	108,582	1.05
Crown European Holdings	3.38%	15.5.2025	EUR	200,000	205,380	1.98
GIE PSA Tresorerie	6.00%	19.9.2033	EUR	100,000	124,532	1.20
Paprec Holding	7.38%	1.4.2023	EUR	100,000	102,362	0.99
Peugeot	2.38%	14.4.2023	EUR	50,000	52,902	0.51
SGD Group	5.63%	15.5.2019	EUR	100,000	103,072	0.99
Solvay Finance, V/R	5.87%	29.12.2049	EUR	100,000	109,199	1.05
SPCM	2.88%	15.6.2023	EUR	100,000	100,225	0.96
Tereos Finance Groupe I	4.13%	16.6.2023	EUR	100,000	102,710	0.99
					<b>1,115,687</b>	<b>10.75</b>
<b>Germany</b>						
Deutsche Raststaetten Gruppe IV	6.75%	30.12.2020	EUR	150,000	157,545	1.52
HeidelbergCement	2.25%	30.3.2023	EUR	200,000	210,813	2.03
IHO Verwaltungs	3.75%	15.9.2026	EUR	200,000	199,305	1.92
Trionista Holdco	5.00%	30.4.2020	EUR	100,000	103,003	0.99
Unitymedia Hessen Via Unitymedia NRW	6.25%	15.1.2029	EUR	250,000	279,262	2.69
					<b>949,928</b>	<b>9.15</b>
<b>Ireland</b>						
Ardagh Packaging Finance Via Ardagh Holdings USA	4.25%	15.1.2022	EUR	150,000	153,576	1.48
Ardagh Packaging Finance Via Ardagh Holdings USA	6.75%	15.5.2024	EUR	100,000	105,062	1.01
eircom Finance DAC	4.50%	31.5.2022	EUR	100,000	101,977	0.98
Smurfit Kappa Acquisitions	4.13%	30.1.2020	EUR	100,000	110,000	1.06
					<b>470,615</b>	<b>4.53</b>
<b>Italy</b>						
Snai	7.63%	15.6.2018	EUR	100,000	102,375	0.99
Telecom Italia	5.88%	19.5.2023	GBP	50,000	67,527	0.65
Telecom Italia	3.63%	19.1.2024	EUR	100,000	106,317	1.02
Telecom Italia	3.00%	30.9.2025	EUR	120,000	120,152	1.16
					<b>396,371</b>	<b>3.82</b>
<b>Japan</b>						
SoftBank Group	5.25%	30.7.2027	EUR	150,000	169,755	1.64
<b>Jersey</b>						
AA Bond	5.50%	31.7.2022	GBP	100,000	114,694	1.11
Adient Global Holdings	3.50%	15.8.2024	EUR	100,000	100,065	0.96
CPUK Finance	7.00%	28.8.2020	GBP	100,000	122,497	1.18
					<b>337,256</b>	<b>3.25</b>
<b>Luxembourg</b>						
Altice Financing	6.50%	15.1.2022	EUR	100,000	105,805	1.02
Cabot Financial Luxembourg	6.50%	1.4.2021	GBP	115,000	130,841	1.26
Cirsa Funding Luxembourg	5.88%	15.5.2023	EUR	100,000	104,375	1.00
Fiat Chrysler Finance Europe	4.75%	15.7.2022	EUR	250,000	273,725	2.64
Gestamp Funding Luxembourg	3.50%	15.5.2023	EUR	100,000	103,334	0.99
Glencore Finance Europe	1.88%	13.9.2023	EUR	100,000	99,393	0.96
Greif Nevada Holdings	7.38%	15.7.2021	EUR	100,000	121,000	1.17
Intralot Capital Luxembourg	6.75%	15.9.2021	EUR	140,000	140,556	1.35
Matterhorn Telecom Holding	4.88%	1.5.2023	EUR	100,000	99,031	0.95
Monitchem HoldCo 2	6.88%	15.6.2022	EUR	100,000	87,123	0.84
Monitchem HoldCo 3	5.25%	15.6.2021	EUR	100,000	100,628	0.97
SES, V/R	4.63%	29.12.2049	EUR	100,000	103,750	1.00
Trinseo Materials Operating Via Trinseo Materials Finance	6.38%	1.5.2022	EUR	100,000	105,480	1.02
Wind Acquisition Finance	4.00%	15.7.2020	EUR	200,000	203,000	1.96
					<b>1,778,041</b>	<b>17.13</b>
<b>Netherlands</b>						
Cable Communications Systems	7.50%	1.11.2020	EUR	100,000	104,170	1.00
Darling Global Finance	4.75%	30.5.2022	EUR	100,000	102,500	0.99
Goodyear Dunlop Tires Europe	3.75%	15.12.2023	EUR	100,000	104,763	1.01
InterGen	7.50%	30.6.2021	GBP	100,000	99,407	0.96
Koninklijke KPN, V/R	6.13%	29.3.2049	EUR	100,000	107,615	1.04
Petrobras Global Finance	6.25%	14.12.2026	GBP	100,000	108,195	1.04
Samvardhana Motherson Automotive Systems Group	4.13%	15.7.2021	EUR	100,000	101,900	0.98
Schaeffler Finance	3.25%	15.5.2025	EUR	100,000	108,432	1.04

## F&C Portfolios Fund – F&C European High Yield Bond

### Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
United Group	7.88%	15.11.2020	EUR	100,000	104,500	1.01
UPC Holding	6.75%	15.3.2023	EUR	125,000	134,839	1.30
Vonovia Finance, V/R	4.00%	29.12.2049	EUR	100,000	106,154	1.02
					<b>1,182,475</b>	<b>11.39</b>
<b>Portugal</b>						
Energias de Portugal, V/R	5.38%	16.9.2075	EUR	100,000	102,413	0.99
<b>Spain</b>						
Almirall	4.63%	1.4.2021	EUR	100,000	103,973	1.00
<b>Sweden</b>						
Volvo Car	3.25%	18.5.2021	EUR	100,000	105,437	1.02
<b>United Kingdom</b>						
Anglian Water Osprey Financing	5.00%	30.4.2023	GBP	100,000	121,037	1.17
Anglo American Capital	3.25%	3.4.2023	EUR	200,000	199,131	1.92
Enterprise Inns	6.00%	6.10.2023	GBP	100,000	117,383	1.13
IDH Finance	6.25%	15.8.2022	GBP	110,000	124,453	1.20
Ineos Finance	4.00%	1.5.2023	EUR	100,000	100,570	0.97
International Game Technology	4.75%	15.2.2023	EUR	100,000	107,883	1.04
Interoute Finco	7.38%	15.10.2020	EUR	100,000	106,775	1.03
Jaguar Land Rover Automotive	3.88%	1.3.2023	GBP	100,000	119,978	1.15
Melton Renewable Energy UK	6.75%	1.2.2020	GBP	80,000	95,481	0.92
OTE	3.50%	9.7.2020	EUR	100,000	101,480	0.98
Premier Foods Finance	6.50%	15.3.2021	GBP	100,000	117,613	1.13
Tesco Corporate Treasury Services	2.50%	1.7.2024	EUR	100,000	103,799	1.00
					<b>1,415,583</b>	<b>13.64</b>
<b>United States</b>						
Ball	4.38%	15.12.2023	EUR	200,000	223,875	2.16
Belden	5.50%	15.4.2023	EUR	100,000	105,425	1.01
Cemex Finance	4.63%	15.6.2024	EUR	200,000	205,720	1.98
Huntsman International	5.13%	15.4.2021	EUR	100,000	104,817	1.01
Infor US	5.75%	15.5.2022	EUR	100,000	97,893	0.94
MPT Operating Partnership Via MPT Finance	5.75%	1.10.2020	EUR	150,000	155,812	1.50
Spectrum Brands	4.00%	1.10.2026	EUR	100,000	101,930	0.98
XPO Logistics	5.75%	15.6.2021	EUR	100,000	102,367	0.99
ZF North America Capital	2.75%	27.4.2023	EUR	200,000	213,400	2.06
					<b>1,311,239</b>	<b>12.63</b>
<b>TOTAL BONDS</b>					<b>9,754,901</b>	<b>93.98</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>9,754,901</b>	<b>93.98</b>
<b>OTHER TRANSFERABLE SECURITIES</b>						
<b>BONDS</b>						
<b>Jersey</b>						
Corsair Jersey, V/R	4.58%	24.3.2017	EUR	300,000	307,980	2.97
					<b>307,980</b>	<b>2.97</b>
<b>TOTAL BONDS</b>					<b>307,980</b>	<b>2.97</b>
<b>TOTAL OTHER TRANSFERABLE SECURITIES</b>					<b>307,980</b>	<b>2.97</b>
<b>TOTAL INVESTMENTS</b>					<b>10,062,881</b>	<b>96.95</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>316,942</b>	<b>3.05</b>
<b>TOTAL NET ASSETS</b>					<b>10,379,823</b>	<b>100.00</b>

## F&C Portfolios Fund – F&C European High Yield Bond Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	680,702	GBP	(587,500)	31.10.2016	2,094
EUR	680,595	GBP	(587,500)	31.10.2016	1,988
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>4,082</b>

The counterparties for forward foreign exchange contracts were Barclays Bank Plc. Wholesale and ING Bank NV.

# F&C Portfolios Fund – F&C European High Yield Bond

## Distribution of Investments by Economic Sector

as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Auto Parts & Equipment	15.48
Telecommunication	12.41
Packaging & Containers	8.79
Chemicals	7.85
Food & Beverages	6.19
Media	6.01
Leisure & Tourism	5.56
Financial Services	4.23
Real Estate	4.04
Building Materials	4.01
Electrical Equipment	3.89
Metals & Mining	2.88
Healthcare	1.20
Water	1.17
Retail	1.13
Commercial Services	1.11
Forest Products & Paper	1.06
Oil & Gas	1.04
Electrical Component & Equipment	1.01
Internet	1.01
Pharmaceuticals	1.00
Agriculture	0.99
Environmental Control	0.99
Semiconductors	0.99
Transportation	0.99
Housewares	0.98
Software	0.94
<hr/>	
Total Investments	96.95
Other Assets / (Liabilities)	3.05
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C European SmallCap

### Performance

Over the twelve months to 30 September 2016, the A EUR share class returned -5.1%. Its benchmark, the Euromoney Smaller European Companies Index (NR), returned +5.5%. Performance is net of fees, in euro terms.

The majority of the underperformance came in the latter half of the reporting period, as the Portfolio lagged the market recovery post the Brexit vote. The predicted shock waves from the UK's vote to leave the European Union appear to have had little impact on the European economy thus far helping to drive the recovery in the markets. Leading indicators such as the PMIs (purchasing manager index) and the German IFO business climate index (Institute for Economic Research survey) continue to point towards an economic recovery in Europe. So at least for the time being the economic climate remains supportive for equities. What has been particularly disappointing is the fact that a number of companies that were hit especially hard following the June referendum, have not recovered in line with the market. Of note are our Irish holdings Origin Enterprises and Grafton Group. We find this frustrating, but believe the answer may lie in liquidity, or lack of, exacerbated by what appears to be some big market allocation decisions. Ireland, with its close links to the UK, and Italy, with the forthcoming referendum, appears to be taking the brunt of this. We do believe this poor performance to be transitory and that the fundamentals of the companies will win through over time, thus continue to hold the stocks. Other stocks which detracted notably from performance over the twelve months included Betsson, Leonteq and Permanent TSB. These have all now been sold out of the portfolio. Having performed strongly last year, shares of Swedish gaming company Betsson were hit by disappointing Q1 results where they faced competitive issues in Turkey and detrimental exchange rate moves. We conducted a review and met the company management and believed that these were temporary issues. However, the company has issued another profit warning and following further discussions with the management we believe that the investment thesis is broken as they are losing further market share and no longer have a differentiated product. Alongside this we no longer had faith in the management team and have thus sold our position. Swiss structured products provider Leonteq announced in January that they were no longer partnering with DBS in Asia and as such question marks were raised on the future growth profile of the company. They are also adjusting their business model to move away from 'own issuance' to a more capital light software offering. Following a detailed review and concern about progress of revenues and costs, we have now sold the position. Despite the attractive economic environment in Ireland, the performance of Permanent TSB has been hampered by a combination of government interference and concern about the UK leaving the EU. The latter is due to the fact that the expected sale of their performing UK buy-to-let mortgage book fell through. We decided to sell the position due to the UK's vote to leave the EU.

### Market Review

Macroeconomic issues dominated, with investors worried about global economic growth, the impact of weak commodity prices, the effectiveness of central bank policies and the economic uncertainty created by the UK's surprise decision to leave the EU. In March 2016, President of the European Central Bank, Mario Draghi, announced further stimulus measures, which included a cut in the benchmark interest rate to zero, expanding its asset purchase programme to include investment grade corporate debt and reducing a key deposit rate further into negative territory to encourage bank lending. European Banking Authority stress tests delivered mixed results, with investors' concerns focused on the Italian banking sector. In the month of the period, the European banking sector was once again the focus of investor attention as concerns over the impact of negative eurozone yields and faltering profitability were compounded by US regulator demands for Deutsche Bank to pay a substantial fine over allegations of mortgage securities mis-selling dating back to 2005. Within this challenging environment it is perhaps surprising that the index made progress under the period in question. We believe that the answer lies in the combination of the fact that the European economy continues to make progress in its recovery, and the fact that, given how low bond yields are, equities are one of the few asset classes that offer any sort of returns.

### Outlook

Our outlook remains little changed. We still see a slow, challenging European recovery, though it feels a little early to be complacent about the impact that Brexit may have on this. As we have discussed before, valuations are not obviously attractive currently, and we also have the additional problem of dispersion in the market making our preferred hunting ground, namely quality, look particularly expensive. Our portfolio, however, looks increasingly good value in this context. The final quarter of the year will witness a number of external events such as the US presidential election, a likely second increase of US interest rates, and potentially higher crude oil prices and the subsequent impact on consumer demand and spending. Closer to home, the debate over the health of the European banking sector, saddled with a non-performing loan book, erosion of capital and regulatory headwinds, will remain a major issue for investors. Movement on the Brexit front will also likely dominate headlines in the near future ahead of the possible triggering of Article 50, expected in the first half of 2017, and Europe continues to face challenges politically, with the most imminent being the Italian Referendum. We will, however, continue to invest on a company-specific basis and will continue to search for good quality businesses, run by competent managers and buy these business at attractive prices. The challenge at the moment is that the quality companies are trading at such a premium relative to the rest of the market, that we are having to look harder for ideas.

Patience is needed!

### Sam Cosh

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C European SmallCap

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Denmark</b>			
Ringkjoebing Landbobank	35,733	6,862,278	2.05
<b>Finland</b>			
Amer Sports	370,321	10,080,138	3.01
<b>France</b>			
Lectra	177,911	2,803,877	0.84
Plastic Omnium	173,121	5,110,532	1.52
		<b>7,914,409</b>	<b>2.36</b>
<b>Germany</b>			
Aareal Bank	224,988	6,612,397	1.97
CTS Eventim	258,153	8,180,869	2.44
Gerresheimer	134,973	10,208,008	3.05
Norma Group	107,840	4,939,072	1.48
Rational	11,036	4,922,056	1.47
SAF-Holland	501,953	5,772,459	1.72
Takkt	308,580	6,159,257	1.84
		<b>46,794,118</b>	<b>13.97</b>
<b>Ireland</b>			
C&C Group	1,460,600	5,389,614	1.61
C&C Group	164,300	611,196	0.18
Glanbia	302,254	5,176,100	1.54
Glanbia	76,302	1,281,873	0.38
Grafton Group	1,001,572	5,764,271	1.72
IFG Group	3,342,305	6,350,379	1.90
Irish Continental Group	2,306,991	10,081,551	3.01
Origin Enterprises	2,324,010	13,070,232	3.90
		<b>47,725,216</b>	<b>14.24</b>
<b>Italy</b>			
Azimut Holding	281,106	3,682,489	1.10
Cerved Information Solutions	1,366,219	10,287,629	3.07
Credito Emiliano	682,890	3,299,724	0.99
Industria Macchine Automatiche	129,475	7,651,973	2.28
Interpump Group	433,383	6,574,420	1.96
MARR	394,131	7,031,297	2.10
		<b>38,527,532</b>	<b>11.50</b>
<b>Netherlands</b>			
ASM International	161,736	5,888,808	1.76
IMCD Group	177,387	6,934,945	2.07
		<b>12,823,753</b>	<b>3.83</b>
<b>Norway</b>			
SpareBank 1 SR-Bank	1,388,809	7,050,932	2.10
Storebrand	1,513,242	6,654,948	1.99
Tomra Systems	489,915	5,059,106	1.51
		<b>18,764,986</b>	<b>5.60</b>
<b>Portugal</b>			
CTT-Correios de Portugal	1,213,192	7,273,086	2.17
<b>Spain</b>			
Bolsas y Mercados Espanoles	160,915	4,255,397	1.27
Mediaset Espana Comunicacion	521,659	5,503,502	1.64
Viscofan	47,005	2,263,761	0.68
		<b>12,022,660</b>	<b>3.59</b>
<b>Sweden</b>			
Indutrade	358,490	6,851,044	2.04
Inwido	588,265	7,087,498	2.12
		<b>13,938,542</b>	<b>4.16</b>
<b>Switzerland</b>			
Forbo Holding	9,124	10,937,962	3.27
Leonteq	70,483	3,399,891	1.01
Metall Zug	1,414	4,101,516	1.22
		<b>18,439,369</b>	<b>5.50</b>
<b>United Kingdom</b>			
A.G. Barr	1,092,810	6,480,106	1.93
Arrow Global Group	1,921,383	6,540,626	1.95
Avon Rubber	476,835	5,566,851	1.66
Berendsen	433,649	6,235,608	1.86
Booker Group	3,496,187	7,193,409	2.15

The accompanying notes form an integral part of these financial statements.

F&C Portfolios Fund – F&C European SmallCap  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Dignity	269,838	8,742,714	2.61
Dunelm Group	713,665	7,028,361	2.10
Howden Joinery Group	1,732,691	8,658,176	2.59
Laird	1,295,720	4,752,272	1.42
Senior	2,128,453	5,636,496	1.68
Spectris	226,722	5,157,495	1.54
Tyman	2,935,273	9,483,101	2.83
UBM	726,923	5,999,384	1.79
		<b>87,474,599</b>	<b>26.11</b>
<b>TOTAL SHARES</b>		<b>328,640,686</b>	<b>98.09</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>328,640,686</b>	<b>98.09</b>
<b>TOTAL INVESTMENTS</b>		<b>328,640,686</b>	<b>98.09</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>6,387,936</b>	<b>1.91</b>
<b>TOTAL NET ASSETS</b>		<b>335,028,622</b>	<b>100.00</b>

## F&C Portfolios Fund – F&C European SmallCap Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	49,658	CHF	(53,945)	4.10.2016	140
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>140</b>
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
CHF	10,921,752	EUR	(10,032,916)	31.10.2016	(4,582)
CHF	43,064	EUR	(39,562)	31.10.2016	(21)
CHF	53,945	EUR	(49,675)	31.10.2016	(142)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(4,745)</b>

The counterparty for forward foreign exchange contracts was State Street Bank & Trust Company.

F&C Portfolios Fund – F&C European SmallCap  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	14.34
Commercial Services	11.50
Food & Beverages	8.47
Building Materials	8.22
Miscellaneous Manufacturers	6.86
Retail	5.66
Leisure & Tourism	5.45
Machinery-Diversified	4.24
Electrical Equipment	4.06
Agriculture	3.90
Semiconductors	3.30
Auto Parts & Equipment	3.24
Packaging & Containers	3.05
Transportation	3.01
Distribution & Wholesale	2.10
Chemicals	2.07
Insurance	1.99
Media	1.64
Environmental Control	1.51
Telecommunication	1.42
Holding Companies	1.22
Software	0.84
<hr/>	
Total Investments	98.09
Other Assets / (Liabilities)	1.91
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Global Convertible Bond

### Performance

In the twelve months to 30 September 2016, the return on the A EUR shares was +3.8% compared to a return of +1.8% for the benchmark, the Thomson Reuters Global Focus Combined Index. The A EUR Hedged share class returned +3.4% and the I EUR Hedged share class returned +3.9% over the same period. Performance is net of fees and in euro terms.

The portfolio outperformed its benchmark over the twelve months. The outperformance was attributable to being underweight lower credit quality convertibles that suffered from strong credit spread widening, whilst also owning strong returning convertible positions outside of the benchmark. In the first half of the period, the Portfolio particularly benefited from being underweight in the Aabar convertible into Unicredit. Aabar is an indirect investment vehicle for the government of Abu Dhabi via International Petroleum Investment Company (AA-rated). Credit spreads on the convertible significantly widened as the market started to focus on the fact that there is no specific guarantee from the parent company towards the Aabar convertibles, particularly in light of the sharp decline in oil price. Also, being underweight in lower credit quality convertibles of Whiting Petroleum, Cobalt and Cheniere was helpful for relative returns. Whilst the Portfolio benefited from not owning Sunpower and Solarcity, SunEdison hurt returns as news flow continued to deteriorate. Delays in the release of financial statements and an SEC investigation into reported liquidity issues last autumn sent the convertibles into distressed levels. Although we have been significantly underweight over the years, the position still detracted from performance. The latter half of the period saw strong positive contributions from a number of off-benchmark positions including Allegheny, Aperam and Outokumpu (steels/metals), UK-listed Royal Dutch and BP synthetics (oil & gas), Adidas (retail/wholesale) and various US REITs convertibles such as Alexandria Real Estate, Empire State Realty and Spirit Realty.

### Market Review

The period was volatile for most financial markets including the convertible bond market. Initially, although the convertible market experienced some distressed issues such as SunEdison, Cobalt and Whiting Petroleum, the relatively limited exposure to commodity-related names shielded the asset class from being severely impacted from commodity price declines. 2016 started with a negative tone as the convertible bond market was hit by declining equity prices, a sharp widening of credit spreads and a cheapening of valuations due to selling pressure. Although the initial reaction to the shock outcome of the UK's EU referendum was a sharp decline in risk markets, there was a quick rebound as a new UK Prime Minister was appointed much faster than expected. New issuance in the twelve months amounted to \$80.4 billion. Investment grade quality issuance saw a revival through European issues from Technip, LVMH, Veolia, Telefonica and Grand City, as well as investment grade exchangeable convertibles such as Khazanah (Malaysian government) converting into Chinese water purification company Beijing Enterprises Water and Scandinavian telecom operator Telenor converting into Russian telecom operator Vimpelcom.

### Outlook

Our economic growth outlook continues to be largely unchanged, with expectations for around 2% growth for the US, 1.5% in Europe, 6% for China and Japan approximately 1% in the year ahead. One of the major risks to our basic scenario is a 'taper tantrum' from central banks (Bank of Japan, Federal Reserve, European Central Bank) in the coming year, with quantitative easing being reduced as the disadvantage of negative yields and the disturbance to markets is given more focus. Rising interest rates without a notable improvement in the macro-economy could hurt equities. We do not expect bond yields to rise by much. Higher bond yields due to lower unemployment, stronger economic numbers or higher inflation should not materially affect equities. Geopolitical risks continue to be the largest risk in our view, with the US elections now first in focus. We expect that the election of Donald Trump would lead to more uncertainty than a more predictable policy continuation if Hillary Clinton were to be elected with a Republican Congress majority. We then have the Italian referendum on constitutional reforms in December, and elections in France, Germany and The Netherlands in 2017. Increasing populism as well as the negotiations on how Article 50 will proceed may well have an influence on the outcome of the elections. The upcoming review from rating agency DBRS on its Portuguese credit rating, which is the sole rating agency that assigns Portugal an investment grade status and hence allows Portuguese debt to be eligible for the European Central Bank's asset program, may also affect markets. For a +20%/-20% equity market move we expect convertibles to return +13.4%/-7.7% respectively on a one year horizon.

### Anja Eijking

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Global Convertible Bond

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Austria</b>						
BUWOG	0.00%	9.9.2021	EUR	2,500,000	2,633,125	0.36
Steinhoff Finance Holdings	4.00%	30.1.2021	EUR	800,000	1,162,748	0.16
Steinhoff Finance Holdings	1.25%	11.8.2022	EUR	9,100,000	9,366,357	1.28
Steinhoff Finance Holdings	1.25%	21.10.2023	EUR	9,000,000	9,138,060	1.24
					<b>22,300,290</b>	<b>3.04</b>
<b>Belgium</b>						
Bekaert	0.00%	9.6.2021	EUR	1,900,000	1,969,930	0.27
BNP Paribas Fortis, V/R	1.70%	29.12.2049	EUR	4,750,000	3,144,809	0.43
Sagerpar	0.38%	9.10.2018	EUR	2,300,000	2,488,473	0.34
					<b>7,603,212</b>	<b>1.04</b>
<b>Bermuda</b>						
Bunge (Preferred)	4.88%	31.12.2049	USD	23,000	1,932,784	0.26
Jazz Investments I	1.88%	15.8.2021	USD	2,850,000	2,576,069	0.35
					<b>4,508,853</b>	<b>0.61</b>
<b>British Virgin Islands</b>						
CP Foods Holdings	0.50%	22.9.2021	USD	2,000,000	1,785,291	0.24
<b>Canada</b>						
Aecon Group	5.50%	31.12.2018	CAD	2,490,000	1,823,716	0.25
DH	6.00%	30.9.2018	CAD	2,036,000	1,481,212	0.20
Dorel Industries	5.50%	30.11.2019	USD	1,960,000	1,676,639	0.23
Element Financial	5.13%	30.6.2019	CAD	3,710,000	2,915,128	0.39
Element Financial	4.25%	30.6.2020	CAD	2,035,000	1,459,086	0.20
Northland Power	4.75%	30.6.2020	CAD	3,311,000	2,633,862	0.36
					<b>11,989,643</b>	<b>1.63</b>
<b>Cayman Islands</b>						
ASM Pacific Technology	2.00%	28.3.2019	HKD	24,000,000	2,803,999	0.38
AYC Finance	0.50%	2.5.2019	USD	3,600,000	3,472,568	0.47
China Overseas Finance Investment Cayman V	0.00%	5.1.2023	USD	2,000,000	1,841,671	0.25
Ctrip.com International	1.25%	15.10.2018	USD	3,815,000	4,393,360	0.60
Ctrip.com International	1.25%	15.9.2022	USD	3,480,000	3,126,890	0.43
ENN Energy Holdings	0.00%	26.2.2018	USD	3,250,000	3,030,355	0.41
Semiconductor Manufacturing International - Series 981	0.00%	7.7.2022	USD	2,500,000	2,528,441	0.35
Shenzhen International Group Holdings	0.50%	18.6.2019	HKD	18,000,000	3,023,895	0.41
Vipshop Holdings	1.50%	15.3.2019	USD	2,000,000	1,918,811	0.26
Zhen Ding Technology Holding	0.00%	26.6.2019	USD	1,600,000	1,435,451	0.20
					<b>27,575,441</b>	<b>3.76</b>
<b>China</b>						
China Railway Construction	0.00%	29.1.2021	USD	3,250,000	3,224,334	0.44
CRRC	0.00%	5.2.2021	USD	2,000,000	1,855,846	0.25
					<b>5,080,180</b>	<b>0.69</b>
<b>Cyprus</b>						
Aroundtown Property Holdings	3.00%	5.5.2020	EUR	2,300,000	3,100,963	0.42
Aroundtown Property Holdings	1.50%	18.1.2021	EUR	4,200,000	4,587,177	0.63
					<b>7,688,140</b>	<b>1.05</b>
<b>Finland</b>						
Outokumpu	3.25%	26.2.2020	EUR	2,000,000	2,036,550	0.28
<b>France</b>						
Air France-KLM	2.03%	15.2.2023	EUR	1,903,234	1,908,223	0.26
BIM	2.50%	13.11.2020	EUR	2,137,148	2,512,620	0.34
Capgemini	0.00%	1.1.2019	EUR	3,161,823	4,135,474	0.56
Ingenico Group	0.00%	26.6.2022	EUR	3,701,225	3,606,336	0.49
LVMH Moet Hennessy Louis Vuitton SE	0.00%	16.2.2021	USD	9,968,000	8,951,970	1.22
Orpar	0.00%	15.7.2019	EUR	2,000,000	2,068,980	0.28
Orpea	1.75%	1.1.2020	EUR	1,159,344	2,084,665	0.29
Suez	0.00%	27.2.2020	EUR	1,943,546	2,142,767	0.29
Technip	0.88%	25.1.2021	EUR	5,800,000	7,236,950	0.99
TOTAL	0.50%	2.12.2022	USD	10,800,000	9,826,241	1.34
Ubisoft Entertainment	0.00%	27.9.2021	EUR	1,872,108	1,947,451	0.27
Unibail-Rodamco	0.00%	1.7.2021	EUR	7,331,127	8,236,104	1.12
Unibail-Rodamco	0.00%	1.1.2022	EUR	3,850,257	3,880,731	0.53
Veolia Environnement	0.00%	15.3.2021	EUR	4,363,545	4,459,792	0.61
					<b>62,998,304</b>	<b>8.59</b>
<b>Germany</b>						
Deutsche Post	0.60%	6.12.2019	EUR	10,300,000	14,162,500	1.93
Fresenius	0.00%	24.9.2019	EUR	3,300,000	4,834,582	0.66
Fresenius Medical Care	1.13%	31.1.2020	EUR	3,500,000	4,384,590	0.60
Haniel Finance	0.00%	12.5.2020	EUR	2,000,000	2,046,440	0.28

# F&C Portfolios Fund – F&C Global Convertible Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
MTU Aero Engines	0.13%	17.5.2023	EUR	3,700,000	3,853,032	0.53
RAG-Stiftung	0.00%	18.2.2021	EUR	10,400,000	11,553,152	1.57
					<b>40,834,296</b>	<b>5.57</b>
<b>Hong Kong</b>						
Bagan Capital	0.00%	23.9.2021	USD	2,110,000	1,924,497	0.26
Baosteel Hong Kong Investment	0.00%	1.12.2018	USD	2,150,000	1,909,431	0.26
					<b>3,833,928</b>	<b>0.52</b>
<b>Hungary</b>						
Magyar Nemzeti Vagyonkezelő	3.38%	2.4.2019	EUR	3,600,000	4,068,486	0.55
<b>Ireland</b>						
Allergan - Series A (Preferred)	5.50%	1.3.2018	USD	2,090	1,523,145	0.21
<b>Italy</b>						
Azimut Holding	2.13%	25.11.2020	EUR	1,700,000	1,729,580	0.24
Eni	0.00%	13.4.2022	EUR	4,200,000	4,388,433	0.60
Prismian	1.25%	8.3.2018	EUR	1,800,000	2,071,656	0.28
Telecom Italia	1.13%	26.3.2022	EUR	8,700,000	8,451,745	1.15
					<b>16,641,414</b>	<b>2.27</b>
<b>Japan</b>						
Asics	0.00%	1.3.2019	JPY	260,000,000	2,451,322	0.33
Chugoku Electric Power	0.00%	25.3.2020	JPY	220,000,000	1,958,185	0.27
Daio Paper	0.00%	17.9.2020	JPY	80,000,000	719,673	0.10
Ebara - Series 6	0.00%	19.3.2018	JPY	197,000,000	2,249,499	0.31
Iwatani	0.00%	22.10.2020	JPY	80,000,000	729,157	0.10
Kansai Paint	0.00%	17.6.2019	JPY	80,000,000	748,910	0.10
Kansai Paint	0.00%	17.6.2022	JPY	80,000,000	733,297	0.10
Kawasaki Kisen Kaisha	0.00%	26.9.2018	JPY	280,000,000	2,543,769	0.35
Nagoya Railroad	0.00%	11.12.2024	JPY	140,000,000	1,397,237	0.19
Park24	0.00%	26.4.2018	JPY	140,000,000	1,565,856	0.21
Resorttrust	0.00%	1.12.2021	JPY	370,000,000	3,355,410	0.46
Sony - Series 6	0.00%	30.9.2022	JPY	521,000,000	4,875,676	0.66
Suzuki Motor	0.00%	31.3.2021	JPY	320,000,000	3,083,752	0.42
Suzuki Motor	0.00%	31.3.2023	JPY	370,000,000	3,635,182	0.50
Takashimaya	0.00%	11.12.2020	JPY	330,000,000	3,001,493	0.41
Teijin	0.00%	10.12.2021	JPY	80,000,000	825,602	0.11
Terumo	0.00%	6.12.2021	JPY	480,000,000	5,022,720	0.69
Tohoku Electric Power	0.00%	3.12.2020	JPY	310,000,000	2,764,082	0.38
Toppan Printing	0.00%	19.12.2019	JPY	280,000,000	2,597,677	0.35
Toray Industries	0.00%	31.8.2021	JPY	320,000,000	3,611,365	0.49
Unicharm	0.00%	25.9.2020	JPY	290,000,000	3,113,684	0.42
Yamada Denki	0.00%	28.6.2019	JPY	120,000,000	1,155,542	0.16
					<b>52,139,090</b>	<b>7.11</b>
<b>Jersey</b>						
British Land	1.50%	10.9.2017	GBP	5,500,000	6,615,051	0.90
British Land White 2015	0.00%	9.6.2020	GBP	3,700,000	4,048,574	0.55
Carillion Finance	2.50%	19.12.2019	GBP	800,000	895,170	0.12
Derwent London Capital No 2	1.13%	24.7.2019	GBP	1,800,000	2,169,534	0.29
Great Portland Estates Capital	1.00%	10.9.2018	GBP	1,900,000	2,331,111	0.32
Intu	2.50%	4.10.2018	GBP	2,100,000	2,550,518	0.35
PHP Finance	4.25%	20.5.2019	GBP	1,300,000	1,741,218	0.24
Remgro	2.63%	22.3.2021	GBP	4,000,000	4,889,825	0.67
St Modwen Properties Securities	2.88%	6.3.2019	GBP	900,000	1,011,701	0.14
					<b>26,252,702</b>	<b>3.58</b>
<b>Korea</b>						
Lotte Shopping	0.00%	24.1.2018	KRW	2,200,000,000	1,763,977	0.24
<b>Luxembourg</b>						
APERAM	0.63%	8.7.2021	USD	4,400,000	4,792,625	0.65
GBL Verwaltung	1.25%	7.2.2017	EUR	2,800,000	2,813,090	0.39
Grand City Properties	0.25%	2.3.2022	EUR	5,500,000	5,802,445	0.79
					<b>13,408,160</b>	<b>1.83</b>
<b>Malaysia</b>						
Cahaya Capital	0.00%	18.9.2021	USD	5,500,000	4,838,904	0.66
Indah Capital	0.00%	24.10.2018	SGD	5,300,000	3,812,985	0.52
					<b>8,651,889</b>	<b>1.18</b>
<b>Malta</b>						
Brait	2.75%	18.9.2020	GBP	1,600,000	1,888,407	0.26
<b>Mexico</b>						
America Movil	0.00%	28.5.2020	EUR	23,100,000	22,742,643	3.10
Cemex	3.75%	15.3.2018	USD	2,294,000	2,288,805	0.31
					<b>25,031,448</b>	<b>3.41</b>
<b>Netherlands</b>						
ACS Actividades Finance 2	1.63%	27.3.2019	EUR	4,500,000	4,914,855	0.67

The accompanying notes form an integral part of these financial statements.

# F&C Portfolios Fund – F&C Global Convertible Bond Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Amorim Energia	3.38%	3.6.2018	EUR	4,100,000	4,213,160	0.58
BNP Paribas Arbitrage Issuance	0.00%	27.12.2018	GBP	415,000	558,177	0.08
BNP Paribas Arbitrage Issuance	0.00%	18.12.2019	EUR	4,545,000	4,957,686	0.68
BNP Paribas Arbitrage Issuance	0.00%	2.1.2020	GBP	4,220,000	5,372,514	0.73
BNP Paribas Arbitrage Issuance	0.00%	9.1.2020	GBP	2,363,000	3,507,652	0.48
BNP Paribas Arbitrage Issuance	0.00%	1.6.2020	EUR	5,800,000	7,435,600	1.01
Brenntag Finance	1.88%	2.12.2022	USD	5,250,000	5,002,075	0.68
Iberdrola International	0.00%	11.11.2022	EUR	1,800,000	1,791,279	0.24
Koninklijke BAM Groep	3.50%	13.6.2021	EUR	2,500,000	2,625,962	0.36
Lehman Brothers Treasury	0.00%	28.8.2009	EUR	350,000	5,259	0.00
NXP Semiconductors	1.00%	1.12.2019	USD	7,370,000	7,793,752	1.06
QIAGEN	0.88%	19.3.2021	USD	4,200,000	4,375,691	0.60
Siemens Financieringsmaatschappij	1.65%	16.8.2019	USD	31,500,000	32,568,358	4.44
STMicroelectronics	0.00%	3.7.2019	USD	3,000,000	2,636,572	0.36
STMicroelectronics	1.00%	3.7.2021	USD	4,600,000	4,191,841	0.57
					<b>91,950,433</b>	<b>12.54</b>
<b>Norway</b>						
Marine Harvest	0.13%	5.11.2020	EUR	4,700,000	5,454,514	0.74
Telenor East Holding II	0.25%	20.9.2019	USD	4,400,000	4,139,340	0.57
					<b>9,593,854</b>	<b>1.31</b>
<b>Portugal</b>						
Parpublica - Participacoes Publicas	5.25%	28.9.2017	EUR	3,400,000	3,584,144	0.49
<b>Singapore</b>						
CapitaLand	1.85%	19.6.2020	SGD	1,750,000	1,107,914	0.15
CapitaLand	1.95%	17.10.2023	SGD	7,500,000	4,976,765	0.68
CapitaLand Commercial Trust	2.50%	12.9.2017	SGD	3,750,000	2,719,661	0.37
Ruby Assets	1.60%	1.2.2017	SGD	3,000,000	2,436,043	0.33
Suntec Real Estate Investment Trust	1.75%	5.9.2021	SGD	3,250,000	2,105,364	0.29
					<b>13,345,747</b>	<b>1.82</b>
<b>Spain</b>						
International Consolidated Airlines Group	0.63%	17.11.2022	EUR	3,000,000	2,739,690	0.37
Telefonica Participaciones	0.00%	9.3.2021	EUR	5,600,000	5,625,536	0.77
					<b>8,365,226</b>	<b>1.14</b>
<b>Sweden</b>						
Industrivarden	1.88%	27.2.2017	EUR	4,550,000	4,660,451	0.63
Industrivarden	0.00%	15.5.2019	SEK	20,000,000	2,262,609	0.31
SAS	3.63%	1.4.2019	SEK	15,000,000	1,434,256	0.20
					<b>8,357,316</b>	<b>1.14</b>
<b>Switzerland</b>						
Swiss Life Holding	0.00%	2.12.2020	CHF	5,885,000	6,453,956	0.88
<b>Taiwan</b>						
Advanced Semiconductor Engineering	0.00%	5.9.2018	USD	2,000,000	2,233,769	0.30
United Microelectronics	0.00%	18.5.2020	USD	2,200,000	1,868,405	0.26
					<b>4,102,174</b>	<b>0.56</b>
<b>United Arab Emirates</b>						
Aabar Investments	0.50%	27.3.2020	EUR	10,000,000	7,989,750	1.09
DP World	1.75%	19.6.2024	USD	4,800,000	4,292,215	0.58
					<b>12,281,965</b>	<b>1.67</b>
<b>United Kingdom</b>						
BP Capital Markets	1.00%	28.4.2023	GBP	7,500,000	9,949,737	1.36
Inmarsat	3.88%	9.9.2023	USD	5,800,000	5,220,000	0.71
J Sainsbury	1.25%	21.11.2019	GBP	3,500,000	4,176,828	0.57
					<b>19,346,565</b>	<b>2.64</b>
<b>United States</b>						
Akamai Technologies	0.00%	15.2.2019	USD	3,925,000	3,425,172	0.47
Alexandria Real Estate Equities - Series D (Preferred)	7.00%	31.12.2049	USD	68,300	2,157,546	0.29
Allegheny Technologies	4.75%	1.7.2022	USD	2,240,000	2,818,338	0.38
Allscripts Healthcare Solutions	1.25%	1.7.2020	USD	2,060,000	1,877,729	0.26
Bank of America - Series L (Preferred)	7.25%	31.12.2049	USD	3,785	4,126,687	0.56
Blackhawk Network Holdings	1.50%	15.1.2022	USD	1,820,000	1,544,895	0.21
CenterPoint Energy	4.18%	15.9.2029	USD	66,100	3,385,728	0.46
Cheniere Energy	4.25%	15.3.2045	USD	4,180,000	2,392,602	0.33
Citrix Systems	0.50%	15.4.2019	USD	4,990,000	5,017,152	0.68
Colony Capital	5.00%	15.4.2023	USD	2,060,000	1,823,067	0.25
Colony Starwood Homes	3.00%	1.7.2019	USD	2,395,000	2,325,822	0.32
Depomed	2.50%	1.9.2021	USD	370,000	467,672	0.06
DISH Network	3.38%	15.8.2026	USD	1,930,000	1,885,365	0.26
Dominion Resources (Preferred)	6.38%	1.7.2017	USD	36,500	1,625,903	0.22
Dycom Industries	0.75%	15.9.2021	USD	2,860,000	2,788,691	0.38
Electronics For Imaging	0.75%	1.9.2019	USD	625,000	617,689	0.08
Empire State Realty	2.63%	15.8.2019	USD	2,690,000	2,782,694	0.38
Extra Space Storage	3.13%	1.10.2035	USD	2,150,000	2,064,013	0.28
General Cable	4.50%	15.11.2029	USD	1,717,000	1,035,715	0.14

# F&C Portfolios Fund – F&C Global Convertible Bond

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
GNC Holdings	1.50%	15.8.2020	USD	1,890,000	1,483,258	0.20
Hologic	2.00%	1.3.2042	USD	1,560,000	1,893,863	0.26
Illumina	0.50%	15.6.2021	USD	3,698,000	3,590,265	0.49
Impax Laboratories	2.00%	15.6.2022	USD	2,845,000	2,242,355	0.31
Intel	2.95%	15.12.2035	USD	7,592,000	9,333,133	1.27
Intel	3.25%	1.8.2039	USD	3,006,000	4,900,625	0.67
Ionis Pharmaceuticals	1.00%	15.11.2021	USD	1,830,000	1,521,694	0.21
Lam Research	1.25%	15.5.2018	USD	3,080,000	4,371,048	0.60
Liberty Interactive	1.75%	30.9.2046	USD	1,877,000	1,770,673	0.24
Liberty Media	1.38%	15.10.2023	USD	3,880,000	3,614,514	0.49
Liberty Media	2.25%	30.9.2046	USD	4,245,000	3,924,509	0.54
Macquarie Infrastructure	2.88%	15.7.2019	USD	1,730,000	1,816,315	0.25
Mentor Graphics	4.00%	1.4.2031	USD	1,166,000	1,390,822	0.19
Microchip Technology	1.63%	15.2.2025	USD	6,150,000	6,985,925	0.95
Micron Technology - Series G	3.00%	15.11.2043	USD	4,010,000	3,193,602	0.44
Molina Healthcare	1.63%	15.8.2044	USD	1,660,000	1,756,250	0.24
National Grid North America	0.90%	2.11.2020	GBP	3,000,000	3,718,396	0.51
National Health Investors	3.25%	1.4.2021	USD	1,940,000	1,980,317	0.27
New York Community Capital Trust V (Preferred)	6.00%	1.11.2051	USD	38,850	1,740,610	0.24
Nuance Communications	1.50%	1.11.2035	USD	1,850,000	1,552,853	0.21
Old Republic International	3.75%	15.3.2018	USD	1,359,000	1,460,024	0.20
ON Semiconductor	1.00%	1.12.2020	USD	2,330,000	2,104,049	0.29
Priceline Group	1.00%	15.3.2018	USD	4,017,000	5,667,390	0.77
Priceline Group	0.35%	15.6.2020	USD	9,115,000	10,394,409	1.42
Quidel	3.25%	15.12.2020	USD	1,865,000	1,674,973	0.23
Red Hat	0.25%	1.10.2019	USD	2,050,000	2,316,876	0.32
Restoration Hardware Holdings	0.00%	15.6.2019	USD	1,860,000	1,434,623	0.20
Rovi	0.50%	1.3.2020	USD	1,885,000	1,673,906	0.23
RTI International Metals	1.63%	15.10.2019	USD	3,160,000	2,994,366	0.41
salesforce.com	0.25%	1.4.2018	USD	6,375,000	6,777,876	0.92
Spirit Realty Capital	3.75%	15.5.2021	USD	1,995,000	2,013,879	0.27
Starwood Property Trust	4.55%	1.3.2018	USD	3,250,000	3,180,665	0.43
Starwood Property Trust	4.00%	15.1.2019	USD	2,050,000	2,056,804	0.28
Tesla Motors	1.25%	1.3.2021	USD	6,002,000	4,576,218	0.62
Teva Pharmaceutical Finance - Series C	0.25%	1.2.2026	USD	2,707,000	2,875,916	0.39
Toll Brothers Finance	0.50%	15.9.2032	USD	2,537,000	2,221,907	0.30
Verint Systems	1.50%	1.6.2021	USD	1,850,000	1,572,451	0.21
Vishay Intertechnology	2.25%	15.11.2040	USD	2,341,000	2,359,592	0.32
Wells Fargo & Co - Series L (Preferred)	7.50%	31.12.2049	USD	3,150	3,644,587	0.50
Wright Medical Group	2.00%	15.2.2020	USD	2,125,000	2,025,983	0.28
Yahoo!	0.00%	1.12.2018	USD	6,040,000	5,505,924	0.75
					<b>175,475,925</b>	<b>23.93</b>
<b>TOTAL BONDS</b>					<b>702,460,151</b>	<b>95.78</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>702,460,151</b>	<b>95.78</b>
<b>OTHER TRANSFERABLE SECURITIES</b>						
<b>BONDS</b>						
<b>Japan</b>						
HIS	0.00%	30.8.2019	JPY	140,000,000	1,252,681	0.17
Iida Group Holdings	0.00%	18.6.2020	JPY	70,000,000	660,608	0.09
LIXIL Group	0.00%	4.3.2022	JPY	170,000,000	1,494,963	0.20
Mitsui OSK Lines	0.00%	24.4.2020	USD	3,400,000	2,717,958	0.37
Nipro	0.00%	29.1.2021	JPY	80,000,000	771,068	0.11
Paramount Bed Holdings	0.00%	26.7.2018	JPY	65,000,000	622,677	0.09
Shimizu	0.00%	16.10.2020	JPY	70,000,000	642,515	0.09
Shionogi	0.00%	17.12.2019	JPY	200,000,000	2,361,285	0.32
					<b>10,523,755</b>	<b>1.44</b>
<b>TOTAL BONDS</b>					<b>10,523,755</b>	<b>1.44</b>
<b>TOTAL OTHER TRANSFERABLE SECURITIES</b>					<b>10,523,755</b>	<b>1.44</b>
<b>TOTAL INVESTMENTS</b>					<b>712,983,906</b>	<b>97.22</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>20,394,842</b>	<b>2.78</b>
<b>TOTAL NET ASSETS</b>					<b>733,378,748</b>	<b>100.00</b>

# F&C Portfolios Fund – F&C Global Convertible Bond

## Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Gain on Forward Foreign Exchange Contracts</b>					
EUR	7,117,346	CAD	(10,500,000)	8.12.2016	26,032
EUR	22,751	CHF	(24,716)	4.10.2016	64
EUR	30,221	CHF	(32,830)	4.10.2016	85
EUR	321,885	CHF	(350,000)	8.12.2016	363
EUR	3,242,058	GBP	(2,800,000)	8.12.2016	11,195
EUR	696,203	GBP	(600,000)	8.12.2016	3,875
EUR	36,554,017	GBP	(31,000,000)	8.12.2016	783,744
EUR	114,469	HKD	(1,000,000)	8.12.2016	8
EUR	3,974,343	HKD	(34,700,000)	8.12.2016	2,528
EUR	1,064,713	JPY	(120,000,000)	8.12.2016	10,607
EUR	2,634,013	SEK	(25,200,000)	8.12.2016	16,153
EUR	12,074,969	SGD	(18,500,000)	8.12.2016	32,518
EUR	893,131	USD	(1,000,000)	20.10.2016	3,971
EUR	4,456,944	USD	(5,000,000)	20.10.2016	11,146
EUR	12,514,638	USD	(14,000,000)	20.10.2016	66,404
EUR	6,974,324	USD	(7,800,000)	20.10.2016	38,879
EUR	17,494	USD	(19,607)	31.10.2016	69
EUR	11,040	USD	(12,370)	31.10.2016	47
<b>Total Unrealised Gain on Forward Foreign Exchange Contracts</b>					<b>1,007,688</b>
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
CHF	14,343,988	EUR	(13,176,643)	31.10.2016	(6,018)
CHF	5,605,237	EUR	(5,149,070)	31.10.2016	(2,352)
CHF	36,876,955	EUR	(33,875,828)	31.10.2016	(15,471)
CHF	149,200	EUR	(137,066)	31.10.2016	(71)
CHF	22,536	EUR	(20,704)	31.10.2016	(11)
CHF	57,618	EUR	(52,932)	31.10.2016	(27)
CHF	32,830	EUR	(30,231)	31.10.2016	(87)
CHF	24,716	EUR	(22,759)	31.10.2016	(65)
EUR	336,411	CAD	(500,000)	8.12.2016	(1,270)
EUR	4,206,853	CHF	(4,600,000)	8.12.2016	(18,863)
EUR	40,228,396	JPY	(4,600,000,000)	8.12.2016	(178,996)
EUR	263,330	JPY	(30,000,000)	8.12.2016	(197)
EUR	2,221,205	USD	(2,500,000)	20.10.2016	(1,693)
EUR	201,327,525	USD	(228,000,000)	20.10.2016	(1,400,850)
GBP	500,000	EUR	(587,136)	8.12.2016	(10,196)
USD	12,370	EUR	(11,054)	3.10.2016	(46)
USD	6,597,056	EUR	(5,875,278)	31.10.2016	(12,549)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(1,648,762)</b>

The counterparties for forward foreign exchange contracts were Barclays Bank Plc. Wholesale, BNP Paribas S.A., Canadian Imperial Bank of Commerce, Citibank N.A. London, HSBC Bank Plc., JP Morgan Securities Plc., Royal Bank of Canada (UK), State Street Bank & Trust Company and Westpac Banking Corporation.

F&C Portfolios Fund – F&C Global Convertible Bond  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Real Estate	11.23
Financial Services	10.58
Semiconductors	8.25
Miscellaneous Manufacturers	7.06
Telecommunication	6.30
Oil & Gas	6.25
Electrical Equipment	5.04
Internet	4.23
Healthcare	4.05
Software	3.54
Transportation	2.84
Engineering & Construction	2.31
Holding Companies	1.95
Pharmaceuticals	1.64
Coal	1.57
Food & Beverages	1.55
Auto Parts & Equipment	1.54
Media	1.53
Chemicals	1.48
Commercial Services	1.39
Computers	1.32
Metals & Mining	1.31
Sovereign	1.27
Retail	1.21
Insurance	1.08
Water	0.90
Airline	0.83
Biotechnology	0.70
Electrical Component & Equipment	0.69
Aerospace & Defense	0.53
Building Materials	0.51
Lodging	0.46
Cosmetics & Personal Care	0.42
Home Builders	0.39
Pipelines	0.33
Machinery-Diversified	0.31
Agriculture	0.26
Leisure & Tourism	0.17
Distribution & Wholesale	0.10
Forest Products & Paper	0.10
<hr/>	
Total Investments	97.22
Other Assets / (Liabilities)	2.78
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Global Smaller Cap Equity

### Performance

Over the twelve months to 30 September 2016, the A Acc USD shares returned 9.5% (net of fees). By comparison, the Portfolio benchmark, the MSCI World Small Cap Index, returned 14.3%.

The Portfolio posted a positive return but lagged the benchmark. Sector allocation weighed heavily on performance with the overweight position in financials and underweight exposure to utilities detracting from returns. Our overweight exposure to UK stocks and underweight holdings in the US impacted performance in a year that saw sterling fall 14% following the UK's decision to leave the European Union. Stock picking in financials further weighed on performance with the share price of Leonteq (Swiss provider of structured financial products) falling sharply following the loss of one of its strategic partners in Asia. Our underweight position to US real estate investment trusts was also a laggard over the period. Property company, CLS Holdings saw its share price fall with the UK property market out of favour following the Brexit vote. Within healthcare, the share price of London-listed health service provider and care-home operator, Cambian Group retreated on poor expectations in its children car business. Positive performance came from Fevertree (specialist producer of mixers and soft drinks) which saw its share price rise with its brand continuing to gain wider recognition amid rising sales volumes, helped by a weaker pound.

### Market Review

Smaller company equities rose in US dollar terms over the review period. Equity markets recovered as the view took hold that interest rates in the US would not move up materially in the near term following the first US rate hike in nearly a decade in December 2015. While rising commodity prices in the first quarter of the calendar year was taken positively as an indicator that the world economy was not heading into a deflationary decline, sluggish corporate profit growth served to allay fears of any significant inflationary threat and reduce investor anxiety over any imminent further rises in interest rates. Outside of the US, central banks were generally in easing mode, with the phenomenon of negative interest rates now present in a number of countries. The UK's vote to leave the European Union further reduced the likelihood of monetary tightening outside of the US for the foreseeable future as governments seek to re-ignite economic growth. Brent crude prices slumped to below \$30 a barrel at the start of 2016, but drifted higher over the remainder of the period as the markets correctly started to anticipate a supply response - which duly came in September, with the oil price ending the period at over \$50 a barrel. Lower oil prices were expected to boost the global economy by encouraging extra retail spending, but consumers in most nations have remained cautious in using this windfall. In the UK, many smaller companies have seen their competitive position improve as a result of weaker sterling and fiscal stimulus.

### Outlook

With the economic and market outlook becoming more challenging, we believe all major markets are likely to face some issues. Concerns around the potential implications of Brexit, the upcoming US presidential elections in November and weak growth remain at the forefront. While we expect ongoing pressure on earnings forecasts, we believe 'quality' will maintain a premium valuation especially for strong balance sheets. With expectations for fiscal stimulus rising globally, we believe there are still pockets of the equity markets that offer attractive returns. We continue to believe that smaller companies remain better value for growth than its larger counterparts do.

### Catherine Stanley

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Global Smaller Cap Equity

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Canada</b>			
Waste Connections	9,392	699,264	1.85
WSP Global	7,147	224,756	0.60
		<b>924,020</b>	<b>2.45</b>
<b>Denmark</b>			
Chr Hansen Holding	6,042	359,276	0.95
<b>Finland</b>			
Amer Sports	18,867	577,138	1.53
<b>France</b>			
Maisons du Monde	14,426	407,568	1.08
Plastic Omnium	14,917	494,865	1.31
Rubis	5,405	495,650	1.32
		<b>1,398,083</b>	<b>3.71</b>
<b>Germany</b>			
Aareal Bank	12,740	420,783	1.11
Gerresheimer	6,877	584,497	1.55
Symrise	4,867	356,778	0.95
		<b>1,362,058</b>	<b>3.61</b>
<b>Guernsey</b>			
Sirius Real Estate	1,362,510	811,530	2.15
<b>Ireland</b>			
Dalata Hotel Group	62,508	288,011	0.77
Glanbia	22,468	432,398	1.15
Origin Enterprises	85,878	542,771	1.44
Tarsus Group	106,207	381,812	1.01
		<b>1,644,992</b>	<b>4.37</b>
<b>Italy</b>			
Azimut Holding	9,663	142,257	0.38
Enav	153,425	630,709	1.67
Interpump Group	28,108	479,186	1.27
		<b>1,252,152</b>	<b>3.32</b>
<b>Japan</b>			
Disco	5,200	610,557	1.62
Hitachi Chemical	19,800	450,884	1.20
Jafco	10,300	299,037	0.79
Kansai Paint	19,600	426,394	1.13
Kose	2,800	284,244	0.75
Mitsubishi UFJ Lease & Finance	122,400	556,007	1.48
		<b>2,627,123</b>	<b>6.97</b>
<b>Netherlands</b>			
ASM International	10,905	446,206	1.18
<b>New Zealand</b>			
Z Energy	60,891	371,951	0.99
<b>Norway</b>			
SpareBank 1 SR-Bank	40,056	228,539	0.61
Storebrand	99,816	493,316	1.31
		<b>721,855</b>	<b>1.92</b>
<b>Spain</b>			
Mediaset Espana Comunicacion	28,652	339,701	0.90
Viscofan	10,101	546,688	1.45
		<b>886,389</b>	<b>2.35</b>
<b>Sweden</b>			
Nobina	107,031	680,859	1.81
<b>Switzerland</b>			
Forbo Holding	388	522,723	1.38
Leonteq	3,248	176,070	0.47
		<b>698,793</b>	<b>1.85</b>
<b>United Kingdom</b>			
Clinigen Healthcare	29,337	273,240	0.72
CLS Holdings	18,784	383,331	1.02
Craneware	2,547	42,101	0.11
Dechra Pharmaceuticals	32,254	583,638	1.55
Fevertree Drinks	29,593	372,881	0.99
Genus	15,310	387,412	1.03
Halma	28,500	388,356	1.03

## F&C Portfolios Fund – F&C Global Smaller Cap Equity

### Schedule of Investments as at 30 September 2016 (continued)

Security Description	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
Hill & Smith Holdings	38,777	571,211	1.51
James Fisher & Sons	17,443	369,106	0.98
Melrose Industries	305,968	693,554	1.84
Micro Focus International	24,247	692,301	1.83
Restore	108,635	488,970	1.30
Senior	149,184	443,973	1.18
Sophos Group	98,674	341,978	0.91
STERIS	10,355	756,950	2.01
Vectura Group	112,964	203,235	0.54
		<b>6,992,237</b>	<b>18.55</b>
<b>United States</b>			
Alleghany	1,838	964,987	2.56
Amdocs	9,121	527,650	1.40
Big Lots	8,043	384,053	1.02
Carriage Services	16,980	401,577	1.06
Carrizo Oil & Gas	13,236	537,646	1.43
CatchMark Timber Trust 'A' REIT	44,021	514,605	1.36
CDW	11,029	504,356	1.34
CH Robinson Worldwide	2,618	184,464	0.49
Chefs' Warehouse	28,397	316,343	0.84
Cinemark Holdings	17,291	661,899	1.76
ClubCorp Holdings	29,321	424,275	1.13
Covanta Holding	26,934	414,514	1.10
CSRA	20,111	540,986	1.43
Granite Construction	14,384	715,460	1.90
HealthSouth	13,845	561,692	1.49
Kansas City Southern	4,190	391,011	1.04
LKQ	17,923	635,550	1.69
Martin Marietta Materials	2,361	422,879	1.12
MEDNAX	5,922	392,332	1.04
Microsemi	10,146	425,929	1.13
Monro Muffler Brake	7,300	446,541	1.18
PharMerica	14,952	419,703	1.11
ProAssurance	12,923	678,199	1.80
State Bank Financial	30,613	698,589	1.85
Sterling Bancorp	19,643	343,753	0.91
US Physical Therapy	13,225	829,207	2.20
Vail Resorts	5,810	911,473	2.42
WCI Communities	25,106	595,514	1.58
WEX	4,521	488,675	1.30
Zayo Group Holdings	14,343	426,131	1.13
		<b>15,759,993</b>	<b>41.81</b>
<b>TOTAL SHARES</b>		<b>37,514,655</b>	<b>99.52</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>37,514,655</b>	<b>99.52</b>
<b>TOTAL INVESTMENTS</b>		<b>37,514,655</b>	<b>99.52</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>181,266</b>	<b>0.48</b>
<b>TOTAL NET ASSETS</b>		<b>37,695,921</b>	<b>100.00</b>

F&C Portfolios Fund - F&C Global Smaller Cap Equity  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	9.44
Healthcare	7.46
Leisure & Tourism	6.84
Commercial Services	5.85
Insurance	5.67
Food & Beverages	5.38
Real Estate	4.53
Transportation	4.32
Engineering & Construction	4.17
Computers	3.74
Oil & Gas	3.74
Semiconductors	3.34
Chemicals	3.28
Pharmaceuticals	3.20
Environmental Control	2.95
Machinery-Diversified	2.89
Miscellaneous Manufacturers	2.69
Building Materials	2.50
Agriculture	2.47
Internet	2.42
Software	1.94
Distribution & Wholesale	1.69
Home Builders	1.58
Packaging & Containers	1.55
Auto Parts & Equipment	1.31
Telecommunication	1.13
Retail	1.02
Media	0.90
Lodging	0.77
Cosmetics & Personal Care	0.75
<hr/>	
Total Investments	99.52
Other Assets / (Liabilities)	0.48
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Japanese Equity

### Performance

In the twelve months to 30 September 2016, the I EUR share class returned +15.3%. By comparison, the benchmark, the FTSE World Japan NR Index, returned +11.5%. Performance is net of fees and in euro terms.

Stock selection was the main contributor to returns over the twelve-month period, with sector allocation also contributing positively but to a lesser extent. Key contributors to the Portfolio outperformance included Keyence Corporation (global factory automation specialist), Ono Pharmaceutical and Suruga Bank (specialised lending). Keyence continued to attract growing demand for its manufacturing-performance-enhancing sensors and measuring instruments, as well as for its vision system and digital microscopes. Ono Pharmaceutical saw its share price benefit from growing investor optimism with regard to future sales of its immunotherapy-derived anti-cancer drug, Optivo. Suruga Bank continued to attract demand for its shares with its unique business model of offering higher margin, personal loans to borrowers deemed undesirable by other lenders. Among the detractors to performance were Resona (banks), Honda Motor (automobiles), and NOK (auto parts). In terms of sector allocation, being underweight the food producers sector was helpful for returns whilst our underweight to the mobile telecommunications sector detracted.

### Market Review

Early in 2016, in a bid to prevent the economy from slipping back into deflation, the Bank of Japan (“BoJ”) surprised markets by cutting interest rates into negative territory. In April, however, the BoJ disappointed the market by not engaging in further stimulus, despite data showing that the country had fallen back into deflation for the first time since 2013. In order to alleviate pressure on domestic consumers, Prime Minister Shinzo Abe confirmed a much-anticipated delay to its planned hike in the rate of consumption tax, pushing it back to October 2019. Towards period-end, stimulus measures announced by the Japanese government largely underwhelmed investors. Japanese economic growth was virtually flat in the second quarter of 2016, with weaker exports and corporate investment. In a bid to reinvigorate its stimulus measures, the BoJ surprised markets in September by introducing a 0% target for 10-year rates.

### Outlook

The domestic economy is still in reasonable shape, with unemployment remaining low. In this benign environment, there is still a reasonable expectation that companies will try to offer higher returns to shareholders by making use of buybacks and increasing dividend payouts, as long as their earnings outlook has not been too impaired by the ongoing appreciation of the yen. Japan’s policy outlook for the rest of the year is likely to be dominated by events in the US, September’s BoJ meeting having essentially deferred a decision about further monetary easing until after November’s US presidential election and a possible Federal Reserve rate move. Thereafter, the focus is likely to return to more regional geo-politics, with the South China Sea tensions poised to be a flashpoint.

### Jamie Jenkins

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Japanese Equity

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Japan</b>			
Canon	15,800	405,893	2.30
Central Japan Railway	1,900	287,333	1.63
Chubu Electric Power	26,600	342,663	1.94
Daiichi Sankyo	17,500	371,370	2.11
East Japan Railway	9,000	718,092	4.08
FUJIFILM Holdings	7,800	254,833	1.45
Fujitsu	33,000	156,588	0.89
Hitachi Construction Machinery	19,400	340,774	1.93
Hitachi Metals	53,400	578,101	3.28
Idemitsu Kosan	12,300	224,812	1.28
Iida Group Holdings	8,100	144,061	0.82
Isuzu Motors	55,200	572,122	3.25
ITOCHU	32,400	359,299	2.04
Japan Exchange Group	39,600	544,579	3.09
Japan Post Bank	23,700	248,867	1.41
JX Holdings	81,600	291,906	1.66
Kansai Paint	29,000	561,389	3.19
Keyence	1,100	710,060	4.03
Kobe Steel	18,300	145,851	0.83
Konami Holdings	9,000	308,036	1.75
Kubota	41,300	549,268	3.12
Mitsubishi	22,000	441,734	2.51
Mitsubishi Motors	43,000	177,212	1.01
Mitsubishi UFJ Financial Group	117,400	521,071	2.96
Mitsui & Co	32,800	400,771	2.27
Mitsui OSK Lines	96,000	196,553	1.12
Mizuho Financial Group	301,300	446,384	2.53
Nikon	23,100	305,289	1.73
Nippon Paper Industries	7,000	113,241	0.64
Nippon Steel & Sumitomo Metal	16,400	296,363	1.68
Nippon Telegraph & Telephone	9,000	364,898	2.07
NTT Data	6,800	300,558	1.71
NTT DOCOMO	5,700	128,323	0.73
Ono Pharmaceutical	15,700	387,183	2.20
Osaka Gas	65,000	241,091	1.37
Otsuka Holdings	10,100	407,278	2.31
Panasonic	28,100	247,415	1.40
Sapporo Holdings	14,300	351,087	1.99
SCSK	17,000	608,735	3.46
Showa Denko KK	19,400	215,988	1.23
Sojitz	129,400	292,226	1.66
Sony	14,300	413,789	2.35
Sumitomo	36,300	358,210	2.03
Sumitomo Mitsui Financial Group	13,400	397,991	2.26
Sumitomo Rubber Industries	23,000	306,797	1.74
Suruga Bank	23,600	499,575	2.84
Tohoku Electric Power	13,500	155,995	0.88
Toyota Motor	7,300	370,704	2.10
Ube Industries	124,000	209,206	1.19
Yamazaki Baking	7,600	165,288	0.94
		<b>17,436,852</b>	<b>98.99</b>
<b>TOTAL SHARES</b>		<b>17,436,852</b>	<b>98.99</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>17,436,852</b>	<b>98.99</b>
<b>TOTAL INVESTMENTS</b>		<b>17,436,852</b>	<b>98.99</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>178,210</b>	<b>1.01</b>
<b>TOTAL NET ASSETS</b>		<b>17,615,062</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

F&C Portfolios Fund - F&C Japanese Equity  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	15.09
Distribution & Wholesale	10.51
Auto Parts & Equipment	8.10
Transportation	6.83
Pharmaceuticals	6.62
Electrical Equipment	6.57
Computers	6.06
Metals & Mining	5.79
Chemicals	5.61
Machinery-Diversified	5.05
Oil & Gas	4.31
Semiconductors	4.03
Miscellaneous Manufacturers	3.18
Food & Beverages	2.93
Telecommunication	2.80
Office & Business Equipment	2.30
Software	1.75
Home Builders	0.82
Forest Products & Paper	0.64
<hr/>	
Total Investments	98.99
Other Assets / (Liabilities)	1.01
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Plus Fund

### Performance

Over the twelve months to 30 September 2016, the I EUR shares returned -1.6% (net of fees, in euro terms).

During the period, we maintained a low duration stance (around 3 years) in the fixed income segment of the portfolio, a position which detracted from performance against a backdrop of falling interest rates. At the same time, the Portfolio overweight to Portuguese government bonds was also negative for performance as spreads widened due to general elections and political instability. Although credit spreads narrowed after the European Central Bank (ECB) announced it was expanding its bond-buying programme to include corporate bonds, the Portfolio was held back by exposure to Portuguese telecom names. On the positive side, the Portfolio benefited from its exposure to secured bonds in the energy sector, holdings that performed well over the twelve-month period. In addition, the short-dated position in Portuguese bank, Banco Comercial Português, was also positive (the fixed income segment of the portfolio corresponds to around 60% of the Portfolio's NAV).

The fund's equity component benefited from broader European exposure but this was not enough to offset the smaller positions in Banco Comercial Português and postal services provider CTT Correios de Portugal, which both had a negative impact on equity performance over the period.

### Market Review

The period was marked by the beginning of a new interest rate tightening cycle from the US Federal Reserve ("Fed"), which hiked rates in December 2015 – its first rate rise since 2006. Following the move, markets focused closely on the tone of communications from Fed officials and the quality of US economic data in a bid to forecast the pace of further rate hikes. However, the Fed's assumptions appeared to change constantly during the first three quarters of 2016, with the minutes of Fed meetings switching from "hawkish" to "dovish". The markets were left to guess on the timing of interest rate hikes, especially with the US presidential elections on the horizon. Meanwhile, the ECB announced an expanded approach to quantitative easing, with the inclusion of corporate bonds in its bond-buying programme; the move saw European credit spreads narrow and government bond yields plumb fresh lows. Early in 2016, the Bank of Japan also adopted a more accommodative stance, cutting rates into negative territory as it sought to revive inflation and depreciate its currency; the proportion of Japanese government bonds offering a negative yield rose even further. Commodities continued to be depressed at the beginning of 2016 but managed to rally after the first two months, helped by the price of oil, which bounced back from its January low. Despite the volatility, however, oil prices ended the twelve-month period little changed overall. There was some variation in performance across global equity markets; the US S&P 500 index reached all-time highs, posting a twelve-month return to September 2016 of 15.4%, while Europe's Eurostoxx returned just 2.7% and in Japan the Nikkei 225 index was down by 3.6% in local currency terms. Bonds generated positive returns in both the US (+4.3%) and Europe (+6.8%), with US yields moving lower despite the Fed's interest rate hike. In Europe, quantitative easing from the ECB also contributed to falling yields.

### Outlook

Over the next twelve months, investors are set to increasingly focus on fundamentals as some of 2016's unknowns are revealed (Brexit, US election, ECB/banking system, Fed interest rate cycle etc.). It's worth remembering that bubble valuations are now widely perceived to exist on bonds and equities, especially in the US. Earnings per share growth should play a major role in equity valuations as central banks begin to soften their accommodative stance and interest rates start to normalise. Government bonds are also at a crossroads due to central bank induced negative yields and disappearing risk premiums between assets. In the light of stretched valuations, we will continue to position the Portfolio somewhat more defensively, towards asset class re-rating. We still anticipate higher interest rates in Europe and the US, but not dramatically so. While equities will likely struggle to expand their already stretched valuation multiples, we should still be able to take advantage of opportunities in risk assets, with the proviso that global economic growth continues and China avoids a hard landing.

### Joao Eufrazio

Portfolio Manager  
October 2016

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Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Plus Fund

## Schedule of Investments as at 30 September 2016

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>						
<b>BONDS</b>						
<b>Canada</b>						
Canadian Imperial Bank of Commerce, V/R	0.25%	3.6.2018	EUR	2,500,000	2,515,075	1.84
<b>Cayman Islands</b>						
BCP Finance Bank	13.00%	13.10.2021	EUR	2,550,000	2,842,765	2.08
BCP Finance Bank, V/R	0.50%	21.12.2016	EUR	2,050,000	1,865,500	1.37
					<b>4,708,265</b>	<b>3.45</b>
<b>Denmark</b>						
Nykredit Realkredit, V/R	0.00%	1.10.2017	EUR	1,500,000	1,504,869	1.10
<b>Germany</b>						
Deutsche Pfandbriefbank	1.25%	4.2.2019	EUR	1,000,000	1,022,095	0.75
Sachsen Bank, V/R	0.08%	17.1.2030	EUR	1,000,000	888,645	0.65
					<b>1,910,740</b>	<b>1.40</b>
<b>Italy</b>						
Cassa Depositi e Prestiti	3.01%	20.11.2018	EUR	1,500,000	1,589,655	1.17
Enel - Series 1, V/R	2.91%	20.2.2018	EUR	3,000,000	3,123,750	2.29
Italy Buoni Poliennali Del Tesoro	2.00%	1.12.2025	EUR	3,500,000	3,771,845	2.77
Italy Certificati di Credito del Tesoro, V/R	2.34%	15.6.2017	EUR	5,000,000	5,090,250	3.73
UniCredit	2.25%	16.12.2016	EUR	2,000,000	2,010,642	1.47
UniCredit	2.10%	28.12.2017	EUR	2,000,000	2,048,942	1.50
					<b>17,635,084</b>	<b>12.93</b>
<b>Netherlands</b>						
ABN AMRO Bank, V/R	0.24%	30.9.2019	EUR	1,500,000	1,508,513	1.10
Amadeus Finance	0.63%	2.12.2017	EUR	1,000,000	1,007,323	0.74
Cooperatieve Rabobank, V/R	0.00%	13.1.2017	EUR	3,000,000	3,002,370	2.20
Deutsche Telekom International Finance, V/R	0.06%	3.4.2020	EUR	2,000,000	2,003,976	1.47
EDP Finance	5.75%	21.9.2017	EUR	2,600,000	2,744,258	2.01
EDP Finance	4.13%	20.1.2021	EUR	3,000,000	3,395,175	2.49
					<b>13,661,615</b>	<b>10.01</b>
<b>Portugal</b>						
Banco Comercial Portugues	3.38%	27.2.2017	EUR	3,900,000	3,875,188	2.84
Banco Santander Totta	1.50%	3.4.2017	EUR	2,500,000	2,522,450	1.85
Caixa Geral de Depositos	3.88%	6.12.2016	EUR	2,500,000	2,517,445	1.85
Caixa Geral de Depositos	4.25%	27.1.2020	EUR	2,500,000	2,846,878	2.09
Comboios de Portugal	4.17%	16.10.2019	EUR	4,000,000	4,268,072	3.13
Energias de Portugal, V/R	5.38%	16.9.2075	EUR	1,000,000	1,024,125	0.75
Galp Energia	4.13%	25.1.2019	EUR	3,000,000	3,206,319	2.35
Galp Gas Natural Distribuicao	1.38%	19.9.2023	EUR	900,000	894,500	0.66
Grupo Pestana, V/R	3.19%	22.12.2021	EUR	1,000,000	945,000	0.69
Parpublica - Participacoes Publicas	5.25%	28.9.2017	EUR	7,500,000	7,906,200	5.79
Portugal Obrigacoes do Tesouro	4.35%	16.10.2017	EUR	7,000,000	7,318,843	5.36
Portugal Obrigacoes do Tesouro	4.45%	15.6.2018	EUR	2,500,000	2,672,090	1.96
Portugal Obrigacoes do Tesouro	4.75%	14.6.2019	EUR	2,500,000	2,752,225	2.02
Portugal Obrigacoes do Tesouro	5.65%	15.2.2024	EUR	2,500,000	2,924,357	2.14
Portugal Obrigacoes do Tesouro	2.88%	15.10.2025	EUR	3,000,000	2,946,405	2.16
Portugal Obrigacoes do Tesouro	2.88%	21.7.2026	EUR	2,500,000	2,411,178	1.77
Portugal Obrigacoes do Tesouro	4.10%	15.4.2037	EUR	3,000,000	3,021,813	2.21
Sociedade Gestora de Recursos e Equipamentos da Saude dos Acores, V/R	2.81%	15.7.2020	EUR	1,500,000	1,511,250	1.11
Sociedade Gestora de Recursos e Equipamentos da Saude dos Acores, V/R	3.50%	29.6.2021	EUR	1,000,000	1,005,790	0.74
					<b>56,570,128</b>	<b>41.47</b>
<b>Spain</b>						
Banco Bilbao Vizcaya Argentaria	3.63%	18.1.2017	EUR	2,500,000	2,528,790	1.85
Spain Government Bond	2.75%	30.4.2019	EUR	2,500,000	2,685,690	1.97
Telefonica Emisiones	3.66%	18.9.2017	EUR	1,500,000	1,553,136	1.14
					<b>6,767,616</b>	<b>4.96</b>
<b>Supranational</b>						
European Investment Bank, V/R	1.10%	10.10.2020	EUR	2,000,000	2,042,500	1.50
<b>United Kingdom</b>						
Bank of Scotland, V/R	1.96%	16.3.2020	EUR	2,500,000	2,589,500	1.90
					<b>109,905,392</b>	<b>80.56</b>
<b>SHARES</b>						
<b>Portugal</b>						
Banco Comercial Portugues 'R'				29,663,275	456,815	0.34

# F&C Portfolios Fund – F&C Plus Fund

## Schedule of Investments as at 30 September 2016 (continued)

Security Description	Rate	Maturity Date	Currency	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
CTT-Correios de Portugal				100,000	599,500	0.44
					<b>1,056,315</b>	<b>0.78</b>
<b>TOTAL SHARES</b>					<b>1,056,315</b>	<b>0.78</b>
<b>FUNDS</b>						
<b>Ireland</b>						
iShares MSCI Japan EUR Hedged UCITS ETF				41,000	1,578,910	1.16
<b>Luxembourg</b>						
BCP Global Sicav Institutional EURO Equities				31,135	3,082,676	2.26
<b>TOTAL FUNDS</b>					<b>4,661,586</b>	<b>3.42</b>
<b>COLLATERIZED MORTGAGE OBLIGATIONS</b>						
<b>Italy</b>						
Cordusio RMBS Securitisation 'A2', V/R	0.00%	31.12.2040	EUR	1,588,106	1,587,082	1.16
<b>TOTAL COLLATERIZED MORTGAGE OBLIGATIONS</b>					<b>1,587,082</b>	<b>1.16</b>
<b>ASSET BACKED SECURITIES</b>						
<b>Italy</b>						
Siena Lease 2016-2 'A', V/R	0.95%	27.9.2040	EUR	692,565	698,869	0.51
<b>Portugal</b>						
TAGUS - Sociedade de Titularizacao de Creditos - Series 1 'SNR'	4.17%	16.2.2017	EUR	364,430	367,528	0.27
TAGUS - Sociedade de Titularizacao de Creditos - Series 2 'SNR'	2.98%	16.2.2018	EUR	1,493,383	1,516,157	1.11
TAGUS - Sociedade de Titularizacao de Creditos 'A1', V/R	1.58%	12.5.2025	EUR	6,020,273	5,783,347	4.24
<b>TOTAL ASSET BACKED SECURITIES</b>					<b>8,365,901</b>	<b>6.13</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>					<b>125,576,276</b>	<b>92.05</b>
<b>OTHER TRANSFERABLE SECURITIES</b>						
<b>BONDS</b>						
<b>Portugal</b>						
Banco Comercial Portugues, V/R	1.20%	29.9.2018	EUR	71,050	57,304	0.04
Banco Comercial Portugues, V/R	1.06%	27.8.2020	EUR	23,000	15,391	0.01
					<b>72,695</b>	<b>0.05</b>
<b>TOTAL BONDS</b>					<b>72,695</b>	<b>0.05</b>
<b>TOTAL OTHER TRANSFERABLE SECURITIES</b>					<b>72,695</b>	<b>0.05</b>
<b>TOTAL INVESTMENTS</b>					<b>125,648,971</b>	<b>92.10</b>
<b>OTHER ASSETS / (LIABILITIES)</b>					<b>10,774,303</b>	<b>7.90</b>
<b>TOTAL NET ASSETS</b>					<b>136,423,274</b>	<b>100.00</b>

F&C Portfolios Fund - F&C Plus Fund  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	37.54
Sovereign	33.05
Electrical Equipment	7.54
Transportation	3.13
Oil & Gas	3.01
Telecommunication	2.61
Healthcare	1.85
Supranational	1.50
Software	0.74
Lodging	0.69
Commercial Services	0.44
<hr/>	
Total Investments	92.10
Other Assets / (Liabilities)	7.90
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C Responsible Global Equity

### Performance

Over the twelve months to 30 September 2016, the A EUR shares returned 8.1% (net of fees). By comparison, the fund's benchmark, the MSCI World NR Index, returned 10.6%.

The portfolio underperformed the benchmark over the period amid weak sector allocation and, to a lesser extent, stock selection. The overweight positions in IT and industrials were positive contributors to Portfolio performance, but these were more than offset the negative contribution from the overweight exposure to healthcare and underweight to energy. From a stock selection perspective, consumer discretionary saw weak performance with US retailer Tractor Supply, cutting its profit outlook for the second half of 2016, citing the impact of macroeconomic headwinds on consumer spending, and Pearson which reported lower than expected earnings growth driven by weak US higher education enrolments and higher than expected textbook returns. We sold the position in Pearson in November 2015 given the reduced visibility around future earnings and management's inability to clearly articulate a path to their 2018 targets. Positive contributors to performance included Keyence (Japanese producer of automation sensors), Mettler-Toledo (US manufacturer of laboratory weighing instruments), and Spectra Energy (US natural gas storage & distribution specialist).

### Market Review

Global equity market returns were positive over the year under review. In the early part of the year interest rate expectations dominated financial markets with uncertainty prevailing as falling oil and commodity prices coupled with fears over potential higher short term interest rates resulted in significant market volatility. However continuing evidence of lower than expected global growth and low inflation soon changed consensus opinion on the need for tighter monetary policy, with a general acceptance that interest rates would stay lower for longer. The UK referendum on Europe produced a result unanticipated by the markets, and saw bond yields fall as central banks promised further accommodative monetary policy in order to help alleviate potential Brexit turmoil. As a result of interest rates being likely to stay lower for longer, optimism returned to financial markets over the summer. Meanwhile commodity prices struggled to gain traction amid concerns about sluggish demand from China and continuing worries over a supply glut in the oil market, with US inventories reaching record levels, meant inflationary pressures across developed economies remained largely subdued. Brent crude began the 12-month period at \$48 per barrel and stood around the \$50 per barrel mark as the period closed, a result which served to disguise the volatility that characterised the period.

### Outlook

Recent strength in cyclical sectors has been quite notable, coming at the expense of more defensive areas of the market, and this rotation has taken major equity indices to 2016 highs. Investors remain sceptical as to whether central bank initiatives can boost global confidence and continue to drive effective monetary policy, but we continue to look for sustainable growth companies whose investment theses are predicated on company specific drivers rather than macroeconomic policy changes. Low funding costs and cash-rich balance sheets are likely to sustain global M&A activity as companies seek more attractive returns on their capital.

### Jamie Jenkins & Alice Evans

Portfolio Managers

October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C Responsible Global Equity

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>Australia</b>			
CSL	32,205	2,346,505	1.08
<b>Belgium</b>			
Umicore	44,949	2,509,503	1.15
<b>Denmark</b>			
Novo Nordisk 'B'	55,544	2,054,300	0.95
<b>Finland</b>			
Amer Sports	109,274	2,974,438	1.37
<b>France</b>			
Essilor International	27,671	3,176,631	1.46
Suez	232,363	3,414,574	1.57
		<b>6,591,205</b>	<b>3.03</b>
<b>Germany</b>			
Allianz	22,851	3,018,617	1.39
Continental	9,619	1,800,196	0.83
Fresenius & Co	61,293	4,352,416	2.00
Gerresheimer	34,202	2,586,697	1.19
Nordex	98,667	2,667,956	1.23
SAP	56,967	4,609,769	2.12
		<b>19,035,651</b>	<b>8.76</b>
<b>Ireland</b>			
Accenture 'A'	42,288	4,597,192	2.11
Kerry Group 'A'	34,496	2,558,224	1.18
		<b>7,155,416</b>	<b>3.29</b>
<b>Japan</b>			
Daiseki	140,400	2,423,038	1.11
Keyence	6,822	4,403,664	2.03
Kubota	332,200	4,418,081	2.03
SCSK	77,700	2,782,276	1.28
Toray Industries	351,000	3,019,544	1.39
Toyota Motor	73,200	3,717,195	1.71
		<b>20,763,798</b>	<b>9.55</b>
<b>Netherlands</b>			
ING Groep	381,779	4,195,751	1.93
QIAGEN	168,447	4,112,997	1.89
		<b>8,308,748</b>	<b>3.82</b>
<b>Norway</b>			
DNB	280,853	3,273,896	1.51
Tomra Systems	129,505	1,337,333	0.61
		<b>4,611,229</b>	<b>2.12</b>
<b>Singapore</b>			
ComfortDelGro	1,815,500	3,329,464	1.53
Raffles Medical Group	1,383,400	1,381,373	0.64
		<b>4,710,837</b>	<b>2.17</b>
<b>Switzerland</b>			
Novartis	60,918	4,272,154	1.97
<b>Taiwan</b>			
Taiwan Semiconductor Manufacturing	690,000	3,574,767	1.64
<b>United Kingdom</b>			
Delphi Automotive	59,615	3,783,361	1.74
Intertek Group	45,619	1,839,784	0.85
Prudential	262,452	4,145,526	1.91
Rotork	1,007,158	2,458,734	1.13
		<b>12,227,405</b>	<b>5.63</b>
<b>United States</b>			
Acuity Brands	16,097	3,790,057	1.74
Amazon.com	6,065	4,518,851	2.08
Amdocs	118,933	6,122,329	2.82
Apple	69,273	6,968,600	3.21
Cardinal Health	101,181	6,995,696	3.22
Cognex	54,392	2,558,428	1.18
Crown Castle International REIT	50,766	4,255,797	1.96
CVS Health	54,901	4,347,428	2.00
eBay	64,812	1,897,415	0.87
Henry Schein	40,293	5,843,524	2.69
Intercontinental Exchange	15,723	3,768,595	1.73

F&C Portfolios Fund – F&C Responsible Global Equity  
**Schedule of Investments as at 30 September 2016 (continued)**

Security Description	Quantity/ Nominal Value	Market Value in EUR	% of Net Assets
Kansas City Southern	35,134	2,917,516	1.34
MasterCard	74,320	6,730,331	3.10
MEDNAX	77,935	4,594,406	2.11
Mettler-Toledo International	16,541	6,179,398	2.84
Paypal Holdings	42,658	1,555,168	0.72
Praxair	55,841	6,003,976	2.76
Principal Financial Group	80,519	3,690,633	1.70
Roper Technologies	26,285	4,267,862	1.96
Spectra Energy	80,226	3,051,843	1.40
SVB Financial Group	31,842	3,132,065	1.44
Tractor Supply	59,966	3,593,798	1.65
Union Pacific	52,356	4,543,763	2.09
US Bancorp	135,183	5,159,280	2.37
VF	81,696	4,074,622	1.88
Xylem	73,102	3,411,817	1.57
		<b>113,973,198</b>	<b>52.43</b>
<b>TOTAL SHARES</b>		<b>215,109,154</b>	<b>98.96</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>215,109,154</b>	<b>98.96</b>
<b>TOTAL INVESTMENTS</b>		<b>215,109,154</b>	<b>98.96</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>2,269,247</b>	<b>1.04</b>
<b>TOTAL NET ASSETS</b>		<b>217,378,401</b>	<b>100.00</b>

## F&C Portfolios Fund – F&C Responsible Global Equity Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Buy	Nominal	Sell	Nominal	Maturity Date	Unrealised Gain/(Loss) in EUR
<b>Unrealised Loss on Forward Foreign Exchange Contracts</b>					
JPY	2,558,161	EUR	(22,733)	3.10.2016	(254)
JPY	1,391,878	EUR	(12,369)	3.10.2016	(138)
JPY	1,974,994	EUR	(17,551)	3.10.2016	(196)
JPY	1,618,323	EUR	(14,381)	3.10.2016	(161)
JPY	2,360,472	EUR	(20,976)	3.10.2016	(234)
SGD	25,821	EUR	(16,962)	3.10.2016	(110)
SGD	10,845	EUR	(7,124)	3.10.2016	(46)
<b>Total Unrealised Loss on Forward Foreign Exchange Contracts</b>					<b>(1,139)</b>

The counterparty for forward foreign exchange contracts was State Street Bank London.

F&C Portfolios Fund – F&C Responsible Global Equity  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Financial Services	12.08
Healthcare	10.79
Computers	9.42
Semiconductors	7.64
Machinery-Diversified	6.74
Pharmaceuticals	6.14
Chemicals	5.30
Insurance	5.00
Transportation	4.96
Auto Parts & Equipment	4.28
Retail	3.65
Internet	2.95
Software	2.12
Real Estate	1.96
Miscellaneous Manufacturers	1.88
Electrical Component & Equipment	1.74
Environmental Control	1.72
Commercial Services	1.57
Water	1.57
Pipelines	1.40
Leisure & Tourism	1.37
Energy	1.23
Packaging & Containers	1.19
Food & Beverages	1.18
Biotechnology	1.08
<hr/>	
Total Investments	98.96
Other Assets / (Liabilities)	1.04
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## F&C US Smaller Companies

### Performance

Over the twelve months to 30 September 2016, the A USD shares returned 12.7% (net of fees). By comparison, the Portfolio benchmark, the Russell 2000 NR Index, returned 15.0%.

The Portfolio underperformed the benchmark over the period. CSRA (a government IT contractor) suffered as levered companies fell out of favour and CommScope Holding (a producer of telecommunications equipment) saw a slowdown in spending by its customers. Shares of The GEO Group (a provider of private prison services) fell after the Federal Bureau of Prisons announced its intention to stop using private prisons. On the positive side, Granite Construction (heavy civil construction services) and Astec Industries (a producer of construction equipment) benefitted from passage of a long term highway bill and ICF International (a consultant) appeared to be turning around its commercial business.

### Market Review

The US smaller companies lagged at the start of the year as the Federal Reserve (“Fed”) raised interest rates in December for the first time since 2008. In addition, US economic data softened in early 2016 and this caused the market to sell off. Against this backdrop, the Fed began to adopt a more cautious tone, dampening expectations regarding the pace of rate rises in 2016 and this led to a recovery in the stock market. The unexpected Brexit vote in June was shrugged off by investors.

### Outlook

While we expect the US economy to improve in the second half of 2016 as inventories are rebuilt, annual GDP growth is likely to remain in the 1-2% range, which is relatively low compared with previous cycles. Although consumer spending is reasonably healthy, with jobs being created at a solid pace, manufacturing has remained sluggish. The Fed continues to adopt a cautious stance in its current interest rate tightening cycle, amid low inflation and heightened global uncertainty. While corporate earnings have been declining for the past several quarters, earnings growth could stage a recovery once the headwinds of a strengthening dollar and falling commodity prices abate. Finally, volatility is expected to rise as we move closer towards November’s presidential election.

### Nish Patel

Portfolio Manager  
October 2016

Note: The information contained in this report is historical and not indicative of future performance. All performance figures provided represent total returns.

Statements contained in this report concerning future performance are the opinions of management and there can be no guarantee that such opinions will prove to be correct.

# F&C Portfolios Fund – F&C US Smaller Companies

## Schedule of Investments as at 30 September 2016

Security Description	Quantity/ Nominal Value	Market Value in USD	% of Net Assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>			
<b>SHARES</b>			
<b>United Kingdom</b>			
STERIS	4,274	312,429	1.63
<b>United States</b>			
Alleghany	872	457,817	2.38
Amdocs	5,893	340,910	1.78
America's Car-Mart	4,839	176,091	0.92
American Vanguard	20,528	329,680	1.72
Andersons	7,715	279,129	1.45
Astec Industries	3,784	226,548	1.18
ATN International	4,750	308,940	1.61
Big Lots	5,258	251,069	1.31
BioDelivery Sciences International	27,009	72,924	0.38
Brown & Brown	8,883	334,978	1.74
Cardinal Financial	14,028	365,991	1.91
Carriage Services	9,840	232,716	1.21
Carrizo Oil & Gas	8,673	352,297	1.83
CatchMark Timber Trust 'A' REIT	29,682	346,983	1.81
CDW	7,615	348,234	1.81
CH Robinson Worldwide	2,078	146,416	0.76
Chefs' Warehouse	16,521	184,044	0.96
Cinemark Holdings	6,844	261,988	1.36
ClubCorp Holdings	23,617	341,738	1.78
CommVault Systems	7,336	389,762	2.03
Covanta Holding	19,952	307,061	1.60
CSRA	13,087	352,040	1.83
Ensign Group	15,846	318,980	1.66
Franklin Financial Network	12,689	474,569	2.47
Generac Holdings	5,506	199,868	1.04
Genesee & Wyoming 'A'	3,850	265,457	1.38
Granite Construction	7,539	374,990	1.95
Hallmark Financial Services	26,085	268,415	1.40
HealthSouth	7,542	305,979	1.59
ICF International	7,984	353,851	1.84
Kansas City Southern	2,961	276,321	1.44
Leucadia National	15,066	286,857	1.49
Lincoln Electric Holdings	2,083	130,437	0.68
LKQ	13,518	479,348	2.50
Martin Marietta Materials	2,489	445,805	2.32
MEDNAX	4,283	283,749	1.48
Microsemi	6,861	288,025	1.50
Molina Healthcare	5,430	316,678	1.65
PharMerica	11,837	332,265	1.73
ProAssurance	6,535	342,957	1.79
Roper Technologies	1,987	362,568	1.89
Sabre	13,071	368,341	1.92
Safeguard Scientifics	16,618	215,369	1.12
Simpson Manufacturing	6,348	278,995	1.45
State Bank Financial	19,209	438,349	2.28
Sterling Bancorp	19,266	337,155	1.76
Total System Services	6,045	285,022	1.48
US Physical Therapy	4,536	284,407	1.48
Vail Resorts	2,051	321,761	1.68
VWR	10,851	307,734	1.60
WCI Communities	17,391	412,514	2.15
WellCare Health Plans	2,583	302,443	1.57
WEX	3,170	342,645	1.78
WR Berkley	3,880	224,109	1.17
Zayo Group Holdings	10,699	317,867	1.65
		<b>16,951,186</b>	<b>88.25</b>
<b>TOTAL SHARES</b>		<b>17,263,615</b>	<b>89.88</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR TRADED ON OTHER REGULATED MARKETS</b>		<b>17,263,615</b>	<b>89.88</b>
<b>TOTAL INVESTMENTS</b>		<b>17,263,615</b>	<b>89.88</b>
<b>OTHER ASSETS / (LIABILITIES)</b>		<b>1,943,480</b>	<b>10.12</b>
<b>TOTAL NET ASSETS</b>		<b>19,207,095</b>	<b>100.00</b>

The accompanying notes form an integral part of these financial statements.

## F&C Portfolios Fund – F&C US Smaller Companies Schedule of Investments as at 30 September 2016 (continued)

### DERIVATIVES

#### FUTURES CONTRACTS

Description	Currency	Number of Contracts	Maturity Date	Commitment in USD	Unrealised Gain/(Loss) in USD
<b>Unrealised Gain on Futures Contracts</b>					
Russel 2000 Mini Index	USD	9	16.12.2016	1,123,470	35,640
<b>Total Unrealised Gain on Futures Contracts</b>				<b>1,123,470</b>	<b>35,640</b>

The counterparty for futures contracts was Goldman Sachs & Co.

Collateral held for the above described derivatives includes USD 28,350 held as cash at the brokers.

F&C Portfolios Fund – F&C US Smaller Companies  
**Distribution of Investments by Economic Sector**  
as at 30 September 2016

<b>Sector</b>	<b>% of Net Assets</b>
Healthcare	12.66
Financial Services	9.54
Insurance	8.48
Commercial Services	8.23
Leisure & Tourism	4.82
Building Materials	3.77
Machinery-Diversified	3.75
Computers	3.61
Transportation	3.58
Telecommunication	3.26
Distribution & Wholesale	2.50
Retail	2.23
Home Builders	2.15
Pharmaceuticals	2.11
Software	2.03
Engineering & Construction	1.95
Oil & Gas	1.83
Internet	1.81
Real Estate	1.81
Chemicals	1.72
Environmental Control	1.60
Semiconductors	1.50
Holding Companies	1.49
Agriculture	1.45
Electrical Component & Equipment	1.04
Food & Beverages	0.96
<hr/>	
Total Investments	89.88
Other Assets / (Liabilities)	10.12
<hr/>	
Total Net Assets	<u>100.00</u>

# F&C Portfolios Fund

## Combined Statement of Net Assets

As at 30 September 2016

		BMO Global Absolute Return Bond* EUR	BMO Global Equity Market Neutral (SICAV)* USD	BMO Global Total Return Bond* EUR	BMO Responsible Global Emerging Markets Equity* USD
<b>ASSETS</b>					
<b>Investments at market value</b>	2	40,586,320	87,470,213	49,551,912	44,408,975
Investments at cost		40,875,003	87,459,595	49,569,852	42,493,873
Purchased options contracts at market value	2	8,325	–	19,778	–
Unrealised gain on futures contracts	2	10,790	–	173,582	–
Unrealised gain on forward foreign exchange contracts	2	79,744	176,703	106,555	–
Unrealised gain on swap contracts	2	–	1,191,461	133,138	–
Investments sold		264,545	–	282,441	434,743
Subscriptions receivable		–	32,163	–	12
Dividends and interest receivable		428,797	–	573,721	12,465
Formation expenses	8	14,918	15,460	12,107	–
Waiver of investment management fees		13,065	23,303	–	–
Other assets		–	–	32,466	2,309
<b>Balance at bankers:</b>					
Cash and deposits	2	6,675,905	1,790,554	54,133	864,369
Cash held at brokers		97,881	–	709,531	–
<b>Total Assets</b>		<b>48,180,290</b>	<b>90,699,857</b>	<b>51,649,364</b>	<b>45,722,873</b>
<b>LIABILITIES</b>					
Written options contracts at market value	2	1,189	–	2,825	–
Unrealised loss on futures contracts	2	13,966	–	332,377	–
Unrealised loss on forward foreign exchange contracts	2	169,807	19,268	33,068	–
Unrealised loss on swap contracts	2	8,989	10,200	254,936	–
OTC premium		264,545	–	785,766	–
Redemptions payable		–	–	–	497,343
Investment purchased		5,358,462	–	479,540	–
Investment management and management company fees	4	7,398	32,266	3,284	11,424
Expenses and taxes		17,127	79,178	54,055	52,032
Bank overdraft	2	817	–	6	247
Overdraft at brokers		76	–	103,416	–
<b>Total Liabilities</b>		<b>5,842,376</b>	<b>140,912</b>	<b>2,049,273</b>	<b>561,046</b>
<b>NET ASSETS</b>		<b>42,337,914</b>	<b>90,558,945</b>	<b>49,600,091</b>	<b>45,161,827</b>

\* Refer to Appendix I

F&C Portfolios Fund  
**Combined Statement of Net Assets (Continued)**

As at 30 September 2016

		F&C Diversified Growth EUR	F&C Emerging Markets Bond USD	F&C European Equity EUR	F&C European Growth and Income EUR
<b>ASSETS</b>					
<b>Investments at market value</b>	2	104,706,465	25,500,553	21,000,019	47,877,215
Investments at cost		101,749,087	24,560,211	17,539,695	38,363,130
Purchased options contracts at market value	2	154,440	–	–	–
Unrealised gain on futures contracts	2	339,438	–	–	–
Unrealised gain on forward foreign exchange contracts	2	223,969	33,716	–	–
Unrealised gain on swap contracts	2	576,397	–	–	–
Investments sold		–	266,860	–	–
Subscriptions receivable		7,591	2,093	–	–
Dividends and interest receivable		595,778	378,391	39,184	121,887
Formation expenses	8	–	–	–	–
Waiver of investment management fees		680	–	3,097	–
Other assets		–	–	–	–
<b>Balance at bankers:</b>					
Cash and deposits	2	8,471,154	1,825,505	7,181	314,093
Cash held at brokers		2,417,419	–	–	–
<b>Total Assets</b>		<b>117,493,331</b>	<b>28,007,118</b>	<b>21,049,481</b>	<b>48,313,195</b>
<b>LIABILITIES</b>					
Written options contracts at market value	2	52,599	–	–	–
Unrealised loss on futures contracts	2	552,950	–	–	–
Unrealised loss on forward foreign exchange contracts	2	328,471	–	–	–
Unrealised loss on swap contracts	2	172,032	–	–	–
OTC premium		–	–	–	–
Redemptions payable		–	4,568	–	–
Investment purchased		–	350,000	47,728	102,448
Investment management and management company fees	4	73,422	27,292	22,936	63,013
Expenses and taxes		112,100	83,934	34,412	55,507
Bank overdraft	2	–	–	–	–
Overdraft at brokers		49,508	–	–	–
<b>Total Liabilities</b>		<b>1,341,082</b>	<b>465,794</b>	<b>105,076</b>	<b>220,968</b>
<b>NET ASSETS</b>		<b>116,152,249</b>	<b>27,541,324</b>	<b>20,944,405</b>	<b>48,092,227</b>

# F&C Portfolios Fund

## Combined Statement of Net Assets (Continued)

As at 30 September 2016

		F&C European High Yield Bond EUR	F&C European SmallCap EUR	F&C Global Convertible Bond EUR	F&C Global Smaller Cap Equity USD
<b>ASSETS</b>					
<b>Investments at market value</b>	2	10,062,881	328,640,686	712,983,906	37,514,655
Investments at cost		9,947,513	317,561,081	657,439,117	31,991,097
Purchased options contracts at market value	2	–	–	–	–
Unrealised gain on futures contracts	2	–	–	–	–
Unrealised gain on forward foreign exchange contracts	2	4,082	140	1,007,688	–
Unrealised gain on swap contracts	2	–	–	–	–
Investments sold		–	1,019,071	1,831,375	–
Subscriptions receivable		2,647	242,186	35,076,674	–
Dividends and interest receivable		149,430	811,408	1,947,998	63,048
Formation expenses	8	–	–	–	3,530
Waiver of investment management fees		54,140	–	–	–
Other assets		–	–	–	2,414
<b>Balance at bankers:</b>					
Cash and deposits	2	146,772	6,339,313	3,272,728	198,591
Cash held at brokers		–	–	–	–
<b>Total Assets</b>		<b>10,419,952</b>	<b>337,052,804</b>	<b>756,120,369</b>	<b>37,782,238</b>
<b>LIABILITIES</b>					
Written options contracts at market value	2	–	–	–	–
Unrealised loss on futures contracts	2	–	–	–	–
Unrealised loss on forward foreign exchange contracts	2	–	4,745	1,648,762	–
Unrealised loss on swap contracts	2	–	–	–	–
OTC premium		–	–	–	–
Redemptions payable		653	1,279,243	259,328	–
Investment purchased		–	52,461	19,615,941	–
Investment management and management company fees	4	9,140	345,187	528,443	37,565
Expenses and taxes		30,336	342,441	586,050	48,752
Bank overdraft	2	–	105	103,097	–
Overdraft at brokers		–	–	–	–
<b>Total Liabilities</b>		<b>40,129</b>	<b>2,024,182</b>	<b>22,741,621</b>	<b>86,317</b>
<b>NET ASSETS</b>		<b>10,379,823</b>	<b>335,028,622</b>	<b>733,378,748</b>	<b>37,695,921</b>

# F&C Portfolios Fund

## Combined Statement of Net Assets (Continued)

As at 30 September 2016

		F&C Japanese Equity EUR	F&C Plus Fund EUR	F&C Responsible Global Equity EUR	F&C US Smaller Companies USD
<b>ASSETS</b>					
<b>Investments at market value</b>	2	17,436,852	125,648,971	215,109,154	17,263,615
Investments at cost		15,491,875	122,713,638	170,677,918	15,076,819
Purchased options contracts at market value	2	–	–	–	–
Unrealised gain on futures contracts	2	–	–	–	35,640
Unrealised gain on forward foreign exchange contracts	2	–	–	–	–
Unrealised gain on swap contracts	2	–	–	–	–
Investments sold		153,160	–	–	–
Subscriptions receivable		–	–	370,593	11,227
Dividends and interest receivable		136,453	1,881,481	268,382	14,179
Formation expenses	8	–	–	–	–
Waiver of investment management fees		–	–	–	–
Other assets		–	–	16,866	804
<b>Balance at bankers:</b>					
Cash and deposits	2	113,429	9,098,313	2,199,953	1,932,582
Cash held at brokers		–	–	–	28,350
<b>Total Assets</b>		<b>17,839,894</b>	<b>136,628,765</b>	<b>217,964,948</b>	<b>19,286,397</b>
<b>LIABILITIES</b>					
Written options contracts at market value	2	–	–	–	–
Unrealised loss on futures contracts	2	–	–	–	–
Unrealised loss on forward foreign exchange contracts	2	–	–	1,139	–
Unrealised loss on swap contracts	2	–	–	–	–
OTC premium		–	–	–	–
Redemptions payable		–	–	154,333	26,465
Investment purchased		153,160	–	132,025	–
Investment management and management company fees	4	14,409	154,188	164,291	24,697
Expenses and taxes		57,263	51,303	134,759	28,140
Bank overdraft	2	–	–	–	–
Overdraft at brokers		–	–	–	–
<b>Total Liabilities</b>		<b>224,832</b>	<b>205,491</b>	<b>586,547</b>	<b>79,302</b>
<b>NET ASSETS</b>		<b>17,615,062</b>	<b>136,423,274</b>	<b>217,378,401</b>	<b>19,207,095</b>

# F&C Portfolios Fund

## Combined Statement of Net Assets (continued)

As at 30 September 2016

		Combined 2016 EUR	Combined 2015 EUR
<b>ASSETS</b>			
<b>Investments at market value</b>	2	1,862,390,641	1,999,755,605
Investments at cost		1,721,302,872	1,841,950,635
Purchased options contracts at market value	2	182,543	859,522
Unrealised gain on futures contracts	2	555,524	402,822
Unrealised gain on forward foreign exchange contracts	2	1,609,417	1,516,318
Unrealised gain on swap contracts	2	1,769,742	576,234
Investments sold		4,174,905	10,023,706
Subscriptions receivable		35,740,174	2,899,816
Dividends and interest receivable		7,371,037	8,241,803
Formation expenses	8	43,923	5,198
Waiver of investment management fees		91,718	–
Other assets		54,250	117,924
<b>Balance at bankers:</b>			
Cash and deposits	2	42,576,228	35,927,845
Cash held at brokers		3,250,058	2,660,765
<b>Total Assets</b>		<b>1,959,810,160</b>	<b>2,062,987,558</b>
<b>LIABILITIES</b>			
Written options contracts at market value	2	56,613	149,603
Unrealised loss on futures contracts	2	899,293	545,341
Unrealised loss on forward foreign exchange contracts	2	2,203,137	4,207,833
Unrealised loss on swap contracts	2	445,033	545,121
OTC premium		1,050,311	–
Redemptions payable		2,163,726	3,865,414
Investment purchased		26,253,208	11,377,081
Investment management and management company fees	4	1,504,277	1,774,298
Expenses and taxes		1,735,218	2,482,060
Bank overdraft	2	104,245	506,932
Overdraft at brokers		153,000	464,625
<b>Total Liabilities</b>		<b>36,568,061</b>	<b>25,918,308</b>
<b>NET ASSETS</b>		<b>1,923,242,099</b>	<b>2,037,069,250</b>

# F&C Portfolios Fund

## Combined Statement of Operations and Changes in Net Assets

For the year ended 30 September 2016

		BMO Global Absolute Return Bond* EUR	BMO Global Equity Market Neutral (SICAV)* USD	BMO Global Total Return Bond* EUR	BMO Responsible Global Emerging Markets Equity* USD
<b>INCOME</b>					
Dividends (net of withholding taxes)	2	–	–	242,329	760,370
Interest (net of withholding taxes)	2	72,901	77,115	908,670	–
Security lending income	2	–	–	–	1,034
Waiver of investment management fees		13,065	23,303	–	–
Other income		–	–	2,348	–
<b>Total Income</b>		<b>85,966</b>	<b>100,418</b>	<b>1,153,347</b>	<b>761,404</b>
<b>EXPENDITURE</b>					
Investment management and management company fees	4,7	(13,659)	(135,074)	(118,020)	(64,146)
Performance fees	12	–	–	–	–
Administration and custodian fees	5	(6,688)	(45,529)	(73,265)	(110,557)
Audit, tax and legal fees		(2,600)	(25,799)	(26,847)	(48,719)
Amortisation of formation expenses	8	(82)	(2,199)	(2,894)	–
Taxe d'abonnement	9	(1,059)	(18,641)	(4,542)	(5,112)
Bank interest and charges		–	(984)	(64,533)	(261)
Directors' fees	6	(4)	(9)	(1,028)	(744)
Distribution fees	10	(2,830)	(16,755)	(23,150)	(19,223)
Sundry expenses**		(9,923)	(44,152)	(39,384)	(41,109)
<b>Total Expenditure</b>		<b>(36,845)</b>	<b>(289,142)</b>	<b>(353,663)</b>	<b>(289,871)</b>
Net equalisation	3	14,418	(30,128)	(38,851)	26,732
<b>Net income from investments</b>		<b>63,539</b>	<b>(218,852)</b>	<b>760,833</b>	<b>498,265</b>
Net realised gain / (loss) on sales of investments		(140,203)	(1,052,754)	619,884	(751,168)
Net realised gain / (loss) on foreign exchange and forward foreign exchange contracts		(487,157)	(1,698,959)	1,113,718	(1,878,443)
Net realised gain / (loss) on options contracts		–	–	–	–
Net realised gain / (loss) on futures contracts		3,114	–	(694,896)	–
Net realised gain / (loss) on swap contracts		–	(3,058,920)	75,762	–
<b>Net realised gain / (loss) for the year</b>		<b>(560,707)</b>	<b>(6,029,485)</b>	<b>1,875,301</b>	<b>(2,131,346)</b>
Net change in unrealised appreciation / (depreciation) on investments	2	(288,683)	10,618	(17,940)	8,910,306
Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts	2	(90,063)	157,435	73,487	–
Net change in unrealised appreciation / (depreciation) on options contracts	2	(13,531)	–	(32,146)	–
Net change in unrealised appreciation / (depreciation) on futures contracts	2	(3,176)	–	(158,795)	–

\* Refer to Appendix I

\*\* Sundry expenses includes, inter alia, expenses such as Marketing fees, KIID fees, Transfer Agent fees and reo@ service fees.

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		BMO Global Absolute Return Bond* EUR	BMO Global Equity Market Neutral (SICAV)* USD	BMO Global Total Return Bond* EUR	BMO Responsible Global Emerging Markets Equity* USD
Net change in unrealised appreciation / (depreciation) on swap contracts	2	(8,989)	1,181,261	(121,798)	–
Net change in unrealised appreciation / (depreciation) on foreign currencies	2	(883)	135	(10,308)	413
<b>Total net investment income / (loss) for the year</b>		<b>(966,032)</b>	<b>(4,680,036)</b>	<b>1,607,801</b>	<b>6,779,373</b>
Subscriptions of shares	3	43,303,946	96,476,696	53,002,185	11,116,282
Redemptions of shares	3	–	(1,237,715)	(5,009,895)	(10,913,988)
Dividends paid	15	–	–	–	(574,967)
<b>Total finance costs</b>		<b>43,303,946</b>	<b>95,238,981</b>	<b>47,992,290</b>	<b>(372,673)</b>
<b>Net assets at the beginning of the year</b>		–	–	–	<b>38,755,127</b>
Currency translation adjustment		–	–	–	–
<b>Net assets at the end of the year</b>		<b>42,337,914</b>	<b>90,558,945</b>	<b>49,600,091</b>	<b>45,161,827</b>
Swing Pricing	16	63,507	–	–	–
<b>Net assets at the end of the year (after swing pricing)</b>		<b>42,401,421</b>	<b>90,558,945</b>	<b>49,600,091</b>	<b>45,161,827</b>

\* Refer to Appendix I

# F&C Portfolios Fund

## Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C Diversified Growth EUR	F&C Emerging Markets Bond USD	F&C European Equity EUR	F&C European Growth and Income EUR
<b>INCOME</b>					
Dividends (net of withholding taxes)	2	703,049	–	553,226	2,043,614
Interest (net of withholding taxes)	2	249,920	2,505,019	13,152	–
Security lending income	2	4,382	1,779	10,374	31,478
Waiver of investment management fees		680	–	3,097	–
Other income		9,290	13,795	–	–
<b>Total Income</b>		<b>967,321</b>	<b>2,520,593</b>	<b>579,849</b>	<b>2,075,092</b>
<b>EXPENDITURE</b>					
Investment management and management company fees	4,7	(832,445)	(454,348)	(269,322)	(1,016,678)
Performance fees	12	–	–	–	–
Administration and custodian fees	5	(21,218)	(8,631)	(18,284)	(85,383)
Audit, tax and legal fees		(28,422)	(42,441)	(24,304)	(26,647)
Amortisation of formation expenses	8	–	–	–	–
Taxe d'abonnement	9	(33,326)	(8,649)	(10,646)	(31,681)
Bank interest and charges		(27,155)	(3,363)	–	(4,617)
Directors' fees	6	(2,189)	(2,083)	(394)	(1,296)
Distribution fees	10	(59,509)	(23,801)	(10,463)	(33,055)
Sundry expenses*		(70,420)	(58,239)	(22,053)	(38,441)
<b>Total Expenditure</b>		<b>(1,074,684)</b>	<b>(601,555)</b>	<b>(355,466)</b>	<b>(1,237,798)</b>
Net equalisation	3	24,558	(263,192)	(6,896)	(250,603)
<b>Net income from investments</b>		<b>(82,805)</b>	<b>1,655,846</b>	<b>217,487</b>	<b>586,691</b>
Net realised gain / (loss) on sales of investments		217,090	(1,683,824)	(24,422)	2,989,645
Net realised gain / (loss) on foreign exchange and forward foreign exchange contracts		(4,862,687)	(1,337,401)	49,190	(287,133)
Net realised gain / (loss) on options contracts		(1,947,459)	–	–	–
Net realised gain / (loss) on futures contracts		(102,226)	15,591	–	–
Net realised gain / (loss) on swap contracts		522,884	–	–	–
<b>Net realised gain / (loss) for the year</b>		<b>(6,255,203)</b>	<b>(1,349,788)</b>	<b>242,255</b>	<b>3,289,203</b>
Net change in unrealised appreciation / (depreciation) on investments	2	649,409	5,847,918	(449,016)	(6,164,062)
Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts	2	(473,584)	347,539	–	–
Net change in unrealised appreciation / (depreciation) on options contracts	2	648,167	–	–	–
Net change in unrealised appreciation / (depreciation) on futures contracts	2	(105,658)	–	–	–

\* Sundry expenses includes, inter alia, expenses such as Marketing fees, KIID fees, Transfer Agent fees and reo@ service fees.

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C Diversified Growth EUR	F&C Emerging Markets Bond USD	F&C European Equity EUR	F&C European Growth and Income EUR
Net change in unrealised appreciation / (depreciation) on swap contracts	2	373,252	–	–	–
Net change in unrealised appreciation / (depreciation) on foreign currencies	2	(5,209)	2,304	572	1,647
<b>Total net investment income / (loss) for the year</b>		<b>(5,168,826)</b>	<b>4,847,973</b>	<b>(206,189)</b>	<b>(2,873,212)</b>
Subscriptions of shares	3	10,615,934	8,786,379	2,556,603	4,406,621
Redemptions of shares	3	(7,991,014)	(90,075,683)	(1,200,319)	(21,528,052)
Dividends paid	15	–	(4,917,804)	(158,714)	(800,410)
<b>Total finance costs</b>		<b>2,624,920</b>	<b>(86,207,108)</b>	<b>1,197,570</b>	<b>(17,921,841)</b>
<b>Net assets at the beginning of the year</b>		<b>118,696,155</b>	<b>108,900,459</b>	<b>19,953,024</b>	<b>68,887,280</b>
Currency translation adjustment		–	–	–	–
<b>Net assets at the end of the year</b>		<b>116,152,249</b>	<b>27,541,324</b>	<b>20,944,405</b>	<b>48,092,227</b>
Swing Pricing	16	–	–	–	–
<b>Net assets at the end of the year (after swing pricing)</b>		<b>116,152,249</b>	<b>27,541,324</b>	<b>20,944,405</b>	<b>48,092,227</b>

# F&C Portfolios Fund

## Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C European High Yield Bond EUR	F&C European SmallCap EUR	F&C Global Convertible Bond EUR	F&C Global Smaller Cap Equity USD
<b>INCOME</b>					
Dividends (net of withholding taxes)	2	–	10,709,818	2,188,942	589,033
Interest (net of withholding taxes)	2	447,937	119,159	7,640,573	–
Security lending income	2	–	242,413	–	–
Waiver of investment management fees		49,452	–	–	–
Other income		–	–	–	–
<b>Total Income</b>		<b>497,389</b>	<b>11,071,390</b>	<b>9,829,515</b>	<b>589,033</b>
<b>EXPENDITURE</b>					
Investment management and management company fees	4,7	(92,171)	(5,294,872)	(6,134,883)	(435,005)
Performance fees	12	–	–	–	–
Administration and custodian fees	5	(40,652)	(454,196)	(458,596)	(54,715)
Audit, tax and legal fees		(19,598)	(83,432)	(144,080)	(48,241)
Amortisation of formation expenses	8	–	–	–	(2,272)
Taxe d'abonnement	9	(4,531)	(156,016)	(247,761)	(12,324)
Bank interest and charges		–	(273)	(120)	(290)
Directors' fees	6	(237)	(10,148)	(14,412)	(576)
Distribution fees	10	(4,447)	(226,814)	(347,433)	(17,831)
Sundry expenses*		(16,338)	(348,883)	(527,948)	(38,697)
<b>Total Expenditure</b>		<b>(177,974)</b>	<b>(6,574,634)</b>	<b>(7,875,233)</b>	<b>(609,951)</b>
Net equalisation	3	40,856	(678,240)	114,115	9,634
<b>Net income from investments</b>		<b>360,271</b>	<b>3,818,516</b>	<b>2,068,397</b>	<b>(11,284)</b>
Net realised gain / (loss) on sales of investments		(78,839)	539,318	937,683	1,731,836
Net realised gain / (loss) on foreign exchange and forward foreign exchange contracts		256,908	(3,264,460)	18,835,520	(765,385)
Net realised gain / (loss) on options contracts		–	–	–	–
Net realised gain / (loss) on futures contracts		–	–	–	–
Net realised gain / (loss) on swap contracts		–	–	–	–
<b>Net realised gain / (loss) for the year</b>		<b>538,340</b>	<b>1,093,374</b>	<b>21,841,600</b>	<b>955,167</b>
Net change in unrealised appreciation / (depreciation) on investments	2	319,255	(31,480,838)	(254,802)	3,100,877
Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts	2	(895)	(4,605)	2,143,359	–
Net change in unrealised appreciation / (depreciation) on options contracts	2	–	–	–	–
Net change in unrealised appreciation / (depreciation) on futures contracts	2	–	–	–	–

\* Sundry expenses includes, inter alia, expenses such as Marketing fees, KIID fees, Transfer Agent fees and reo@ service fees.

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C European High Yield Bond EUR	F&C European SmallCap EUR	F&C Global Convertible Bond EUR	F&C Global Smaller Cap Equity USD
Net change in unrealised appreciation / (depreciation) on swap contracts	2	–	–	–	–
Net change in unrealised appreciation / (depreciation) on foreign currencies	2	(3,077)	1,113	(79,688)	325
<b>Total net investment income / (loss) for the year</b>		<b>853,623</b>	<b>(30,390,956)</b>	<b>23,650,469</b>	<b>4,056,369</b>
Subscriptions of shares	3	3,819,422	203,561,346	251,573,666	11,358,023
Redemptions of shares	3	(6,076,509)	(361,262,699)	(301,706,640)	(8,937,524)
Dividends paid	15	(495,923)	(3,884,696)	(5,889,787)	–
<b>Total finance costs</b>		<b>(2,753,010)</b>	<b>(161,586,049)</b>	<b>(56,022,761)</b>	<b>2,420,499</b>
<b>Net assets at the beginning of the year</b>		<b>12,279,210</b>	<b>527,005,627</b>	<b>765,751,040</b>	<b>31,219,053</b>
Currency translation adjustment		–	–	–	–
<b>Net assets at the end of the year</b>		<b>10,379,823</b>	<b>335,028,622</b>	<b>733,378,748</b>	<b>37,695,921</b>
Swing Pricing	16	–	–	–	–
<b>Net assets at the end of the year (after swing pricing)</b>		<b>10,379,823</b>	<b>335,028,622</b>	<b>733,378,748</b>	<b>37,695,921</b>

# F&C Portfolios Fund

## Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C Japanese Equity EUR	F&C Plus Fund EUR	F&C Responsible Global Equity EUR	F&C Responsible Sharia Global Equity* USD
<b>INCOME</b>					
Dividends (net of withholding taxes)	2	380,385	2,614	3,406,727	13,762
Interest (net of withholding taxes)	2	–	2,711,849	–	–
Security lending income	2	1,531	–	25,880	–
Waiver of investment management fees		–	–	–	37,570
Other income		424	–	–	6,083
<b>Total Income</b>		<b>382,340</b>	<b>2,714,463</b>	<b>3,432,607</b>	<b>57,415</b>
<b>EXPENDITURE</b>					
Investment management and management company fees	4,7	(189,013)	(1,808,942)	(1,725,126)	(28,098)
Performance fees	12	–	–	–	–
Administration and custodian fees	5	(869)	(56,405)	(241,464)	(12,582)
Audit, tax and legal fees		(35,823)	(28,051)	(48,760)	(19,486)
Amortisation of formation expenses	8	–	–	–	–
Taxe d'abonnement	9	(3,845)	(13,423)	(72,582)	(449)
Bank interest and charges		(403)	(14,995)	(10,858)	–
Directors' fees	6	(776)	(2,557)	(3,273)	(47)
Distribution fees	10	(11,265)	–	(98,766)	(1,261)
Sundry expenses**		(22,186)	(56,840)	(140,420)	(19,116)
<b>Total Expenditure</b>		<b>(264,180)</b>	<b>(1,981,213)</b>	<b>(2,341,249)</b>	<b>(81,039)</b>
Net equalisation	3	(13,894)	–	(11,321)	(363)
<b>Net income from investments</b>		<b>104,266</b>	<b>733,250</b>	<b>1,080,037</b>	<b>(23,987)</b>
Net realised gain / (loss) on sales of investments		3,936,799	(3,134,958)	5,253,689	407,909
Net realised gain / (loss) on foreign exchange and forward foreign exchange contracts		1,000,449	–	5,020,795	(74,197)
Net realised gain / (loss) on options contracts		–	–	–	–
Net realised gain / (loss) on futures contracts		–	–	–	–
Net realised gain / (loss) on swap contracts		–	–	–	–
<b>Net realised gain / (loss) for the year</b>		<b>5,041,514</b>	<b>(2,401,708)</b>	<b>11,354,521</b>	<b>309,725</b>
Net change in unrealised appreciation / (depreciation) on investments	2	(2,952,835)	182,595	6,470,230	(104,451)
Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts	2	–	–	(1,139)	–
Net change in unrealised appreciation / (depreciation) on options contracts	2	–	–	–	–
Net change in unrealised appreciation / (depreciation) on futures contracts	2	–	–	–	–

\* Refer to Appendix I

\*\* Sundry expenses includes, inter alia, expenses such as Marketing fees, KIID fees, Transfer Agent fees and reo® service fees.

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C Japanese Equity EUR	F&C Plus Fund EUR	F&C Responsible Global Equity EUR	F&C Responsible Sharia Global Equity* USD
Net change in unrealised appreciation / (depreciation) on swap contracts	2	–	–	–	–
Net change in unrealised appreciation / (depreciation) on foreign currencies	2	(3,145)	–	(926)	1,243
<b>Total net investment income / (loss) for the year</b>		<b>2,085,534</b>	<b>(2,219,113)</b>	<b>17,822,686</b>	<b>206,517</b>
Subscriptions of shares	3	3,240,666	15,578,095	72,533,848	129,841
Redemptions of shares	3	(19,671,786)	(15,578,095)	(45,998,225)	(4,586,186)
Dividends paid	15	(252,652)	–	(647,557)	–
<b>Total finance costs</b>		<b>(16,683,772)</b>	<b>–</b>	<b>25,888,066</b>	<b>(4,456,345)</b>
<b>Net assets at the beginning of the year</b>		<b>32,213,300</b>	<b>138,642,387</b>	<b>173,667,649</b>	<b>4,249,828</b>
Currency translation adjustment		–	–	–	–
<b>Net assets at the end of the year</b>		<b>17,615,062</b>	<b>136,423,274</b>	<b>217,378,401</b>	<b>–</b>
Swing Pricing	16	–	–	–	–
<b>Net assets at the end of the year (after swing pricing)</b>		<b>17,615,062</b>	<b>136,423,274</b>	<b>217,378,401</b>	<b>–</b>

\* Refer to Appendix I

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C US Smaller Companies USD	Combined 2016 EUR	Combined 2015 EUR
<b>INCOME</b>				
Dividends (net of withholding taxes)	2	146,880	21,590,468	21,386,608
Interest (net of withholding taxes)	2	1,584	14,490,746	22,669,033
Security lending income	2	–	318,591	234,244
Waiver of investment management fees		–	121,109	–
Other income		–	29,962	89,828
<b>Total Income</b>		<b>148,464</b>	<b>36,550,876</b>	<b>44,379,713</b>
<b>EXPENDITURE</b>				
Investment management and management company fees	4,7	(280,426)	(18,753,188)	(21,780,402)
Performance fees	12	–	–	(24,821)
Administration and custodian fees	5	(39,215)	(1,701,256)	(2,762,547)
Audit, tax and legal fees		(20,553)	(653,377)	(362,390)
Amortisation of formation expenses	8	–	(7,002)	(1,968)
Taxe d'abonnement	9	(9,331)	(628,494)	(639,533)
Bank interest and charges		–	(127,365)	(40,903)
Directors' fees	6	(344)	(39,738)	(33,374)
Distribution fees	10	(9,116)	(896,962)	(1,082,919)
Sundry expenses*		(22,945)	(1,494,777)	(1,611,466)
<b>Total Expenditure</b>		<b>(381,930)</b>	<b>(24,302,159)</b>	<b>(28,340,323)</b>
Net equalisation	3	2,993	(1,034,871)	(436,390)
<b>Net income from investments</b>		<b>(230,473)</b>	<b>11,213,846</b>	<b>15,603,000</b>
Net realised gain / (loss) on sales of investments		667,134	10,502,579	139,421,434
Net realised gain / (loss) on foreign exchange and forward foreign exchange contracts		–	12,193,438	(11,587,271)
Net realised gain / (loss) on options contracts		–	(1,947,459)	2,344,875
Net realised gain / (loss) on futures contracts		14,684	(766,746)	1,604,879
Net realised gain / (loss) on swap contracts		–	(2,155,848)	3,210,240
<b>Net realised gain / (loss) for the year</b>		<b>451,345</b>	<b>29,039,810</b>	<b>150,597,157</b>
Net change in unrealised appreciation / (depreciation) on investments	2	1,582,848	(16,564,109)	(60,925,576)
Net change in unrealised appreciation / (depreciation) on forward foreign exchange contracts	2	–	2,101,279	5,635,395
Net change in unrealised appreciation / (depreciation) on options contracts	2	–	602,490	(2,662,088)
Net change in unrealised appreciation / (depreciation) on futures contracts	2	74,335	(200,692)	1,066,218

\* Sundry expenses includes, inter alia, expenses such as Marketing fees, KIID fees, Transfer Agent fees and reo® service fees.

## F&C Portfolios Fund

### Combined Statement of Operations and Changes in Net Assets (continued)

For the year ended 30 September 2016

		F&C US Smaller Companies USD	Combined 2016 EUR	Combined 2015 EUR
Net change in unrealised appreciation / (depreciation) on swap contracts	2	–	1,306,166	(84,551)
Net change in unrealised appreciation / (depreciation) on foreign currencies	2	–	(95,924)	(338,708)
<b>Total net investment income / (loss) for the year</b>		<b>2,108,528</b>	<b>16,189,020</b>	<b>93,287,847</b>
Subscriptions of shares	3	1,870,489	781,018,453	1,086,648,773
Redemptions of shares	3	(2,542,884)	(892,544,513)	(1,775,724,457)
Dividends paid	15	–	(17,075,866)	(22,805,664)
<b>Total finance costs</b>		<b>(672,395)</b>	<b>(128,601,926)</b>	<b>(711,881,348)</b>
<b>Net assets at the beginning of the year</b>		<b>17,770,962</b>	<b>2,037,069,250</b>	<b>2,613,281,361</b>
Currency translation adjustment		–	(1,414,245)	42,381,390
<b>Net assets at the end of the year</b>		<b>19,207,095</b>	<b>1,923,242,099</b>	<b>2,037,069,250</b>
Swing Pricing	16	–	63,507	–
<b>Net assets at the end of the year (after swing pricing)</b>		<b>19,207,095</b>	<b>1,923,305,606</b>	<b>2,037,069,250</b>

# F&C Portfolios Fund

## Number of Shares Outstanding

As at 30 September 2016

Portfolio	Share Class Currency	Outstanding shares
<b>BMO Global Absolute Return Bond, portfolio expressed in Euro</b>		
BMO Global Absolute Return Bond - Class F Acc Shares - GBP (Hedged) *	GBP	3,642,815
<b>BMO Global Equity Market Neutral (SICAV), portfolio expressed in US\$</b>		
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged) *	Euro	1,000
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged) *	Euro	1,000
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged) *	NOK	9,147
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged) *	SEK	9,213
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$ *	US\$	100
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$ *	US\$	100
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - Euro (Hedged) *	Euro	5,597,220
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - GBP (Hedged) *	GBP	843,575
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged) *	NOK	3,000,000
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - US\$ *	US\$	601,071
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged) *	Euro	1,000
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged) *	Euro	26,800
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged) *	NOK	902
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged) *	SEK	916
BMO Global Equity Market Neutral (SICAV) - Class I Shares - US\$ *	US\$	100
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$ *	US\$	25,100
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged) *	Euro	1,000
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$ *	US\$	109
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged) *	Euro	1,000
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$ *	US\$	109
BMO Global Equity Market Neutral (SICAV) - Class X Acc Shares - Euro (Hedged) *	Euro	835,589
<b>BMO Global Total Return Bond, portfolio expressed in Euro</b>		
BMO Global Total Return Bond - Class I Acc Shares - Euro *	Euro	4,451,472
BMO Global Total Return Bond - Class I Shares - GBP (Hedged) *	GBP	95,520
BMO Global Total Return Bond - Class I Shares - US\$ (Hedged) *	US\$	251,311
<b>BMO Responsible Global Emerging Markets Equity, portfolio expressed in US\$</b>		
BMO Responsible Global Emerging Markets Equity - Class A Shares - US\$	US\$	89,188
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$ *	US\$	444,401
BMO Responsible Global Emerging Markets Equity - Class X Shares - GBP	GBP	2,729,463
<b>F&amp;C Diversified Growth, portfolio expressed in Euro</b>		
F&C Diversified Growth - Class A Shares - Euro	Euro	20,905
F&C Diversified Growth - Class A Shares - GBP (Hedged)	GBP	3,954,610
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged) *	NOK	9,214
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged) *	SEK	9,240
F&C Diversified Growth - Class X Shares - Euro	Euro	423,956
F&C Diversified Growth - Class X Shares - GBP (Hedged)	GBP	213
<b>F&amp;C Emerging Markets Bond, portfolio expressed in US\$</b>		
F&C Emerging Markets Bond - Class A Shares - US\$	US\$	752,797
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	Euro	79,578
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	Euro	466,132
<b>F&amp;C European Equity, portfolio expressed in Euro</b>		
F&C European Equity - Class A Shares - Euro	Euro	1,194,719
F&C European Equity - Class ID Shares - Euro *	Euro	100
F&C European Equity - Class ID Acc Shares - Euro *	Euro	100
<b>F&amp;C European Growth and Income, portfolio expressed in Euro</b>		
F&C European Growth and Income - Class A Shares - Euro	Euro	534,816

# F&C Portfolios Fund

## Number of Shares Outstanding (continued)

As at 30 September 2016

Portfolio	Share Class Currency	Outstanding shares
F&C European Growth and Income - Class A Shares - GBP	GBP	2,148,621
<b>F&amp;C European High Yield Bond, portfolio expressed in Euro</b>		
F&C European High Yield Bond - Class A Shares - Euro	Euro	788,795
F&C European High Yield Bond - Class I Shares - Euro *	Euro	100
<b>F&amp;C European SmallCap, portfolio expressed in Euro</b>		
F&C European SmallCap - Class A Shares - Euro	Euro	5,997,146
F&C European SmallCap - Class A Acc Shares - Euro	Euro	3,191,879
F&C European SmallCap - Class I Shares - Euro	Euro	4,730,007
F&C European SmallCap - Class I Acc Shares - Euro	Euro	5,350,000
F&C European SmallCap - Class I Shares - GBP	GBP	36,525
F&C European SmallCap - Class R Acc Shares - Euro	Euro	790,132
F&C European SmallCap - Class R Acc Shares - CHF *	CHF	1,237,366
<b>F&amp;C Global Convertible Bond, portfolio expressed in Euro</b>		
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	CHF	479,834
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)	CHF	1,211,998
F&C Global Convertible Bond - Class A Shares - Euro *	Euro	5,848,148
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	Euro	16,468,214
F&C Global Convertible Bond - Class A Acc Shares - Euro	Euro	100
F&C Global Convertible Bond - Class A Acc Shares - Euro (Hedged)	Euro	658,792
F&C Global Convertible Bond - Class A Shares - GBP	GBP	211,354
F&C Global Convertible Bond - Class A Acc Shares - US\$ (Hedged)	US\$	538,405
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	CHF	3,305,740
F&C Global Convertible Bond - Class I Shares - Euro	Euro	5,163,106
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	Euro	8,413,880
F&C Global Convertible Bond - Class I Acc Shares - Euro *	Euro	100
F&C Global Convertible Bond - Class I Acc Shares - Euro (Hedged)	Euro	758,997
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	Euro	644,976
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged) *	Euro	1,000
F&C Global Convertible Bond - Class P Acc Shares - US\$ *	US\$	109
F&C Global Convertible Bond - Class R Shares - Euro	Euro	1,463,331
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged) *	Euro	1,000
F&C Global Convertible Bond - Class R Acc Shares - US\$ *	US\$	109
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	US\$	279,349
<b>F&amp;C Global Smaller Cap Equity, portfolio expressed in US\$</b>		
F&C Global Smaller Cap Equity - Class A Acc Shares - Euro	Euro	1,028,873
F&C Global Smaller Cap Equity - Class A Shares - US\$	US\$	1,750
F&C Global Smaller Cap Equity - Class A Acc Shares - US\$	US\$	134,691
F&C Global Smaller Cap Equity - Class I Acc Shares - GBP	GBP	403,900
F&C Global Smaller Cap Equity - Class I Shares - US\$	US\$	643,818
F&C Global Smaller Cap Equity - Class R Acc Shares - GBP	GBP	1,585
<b>F&amp;C Japanese Equity, portfolio expressed in Euro</b>		
F&C Japanese Equity - Class A Shares - Euro	Euro	138,130
F&C Japanese Equity - Class I Shares - Euro	Euro	343,033
F&C Japanese Equity - Class I Shares - GBP	GBP	304,222
F&C Japanese Equity - Class X Shares - GBP	GBP	119,224
<b>F&amp;C Plus Fund, portfolio expressed in Euro</b>		
F&C Plus Fund - Class I Shares - Euro	Euro	1,923,020
<b>F&amp;C Responsible Global Equity, portfolio expressed in Euro</b>		
F&C Responsible Global Equity - Class A Shares - Euro	Euro	1,649,484

**F&C Portfolios Fund**  
**Number of Shares Outstanding (continued)**

As at 30 September 2016

Portfolio	Share Class Currency	Outstanding shares
F&C Responsible Global Equity - Class A Shares - US\$	US\$	364,926
F&C Responsible Global Equity - Class I Shares - Euro	Euro	4,601,513
F&C Responsible Global Equity - Class I Shares - US\$ *	US\$	109
F&C Responsible Global Equity - Class P Acc Shares - Euro *	Euro	100
F&C Responsible Global Equity - Class P Acc Shares - US\$ *	US\$	109
F&C Responsible Global Equity - Class R Shares - Euro	Euro	8,108,344
F&C Responsible Global Equity - Class R Acc Shares - Euro *	Euro	100
F&C Responsible Global Equity - Class R Acc Shares - US\$ *	US\$	109
<b>F&amp;C US Smaller Companies, portfolio expressed in US\$</b>		
F&C US Smaller Companies - Class A Shares - US\$	US\$	118,022

\*Refer to Appendix I

# F&C Portfolios Fund

## Notes to the Financial Statements

as at 30 September 2016

### 1. F&C PORTFOLIOS FUND, (THE “FUND”)

The Fund is a “Société d’Investissement à Capital Variable” and is qualified as a Luxembourg investment company. Under the laws of the Grand Duchy of Luxembourg, the Fund is registered as an undertakings for collective investment pursuant to Part I of the amended Law of 17 December 2010, relating to undertakings for collective investment (the “Law”).

FundRock Management Company S.A. (formerly RBS (Luxembourg) S.A. until the 31 December 2015) was designated by the directors of the Fund as management company by an agreement dated 30 December 2005 and restatement by an agreement dated 25 February 2016 (the “Management Company”). The list of the investment funds managed by the Management Company may be obtained, on request, at the registered office of the Management Company.

The Management Company was incorporated as a “société anonyme” under the laws of the Grand Duchy of Luxembourg on 10 November 2004 and its articles have been amended for the last time on 1 July 2014 which was published in the Mémorial on 3 October 2014. The Management Company is approved as a management company and regulated by chapter 15 of the Law.

The Company continues to be run and valued on available market prices; based on the current liquidity conditions and the nature of the investments held. The below sub-funds would not achieve a greater than 90% liquidity, within 30 days, if the entire portfolio had to be disposed of:

F&C Emerging Markets Bond  
F&C Global Convertible Bond  
F&C Plus Fund

The Fund’s board of directors (the “Board”) has adopted the ALFI Code of Conduct, which sets out the principles of good governance, and considers that the Fund has been in compliance with it in all material respects throughout the financial year ended 30 September 2016.

UCITS V came into effect in March 2016. UCITS V aims to increase the level of protection already offered to investors in UCITS and to improve investor confidence in UCITS. It aims to do so by enhancing the rules on the responsibilities of depositaries and by introducing remuneration policy requirements for UCITS fund managers. It also aims to ensure that all EU regulators responsible for the supervision of UCITS funds and their managers have a common minimum set of powers available to investigate infringements.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### Presentation of financial statements

The financial statements have been presented in accordance with the reporting requirements of the Luxembourg supervisory authorities and Luxembourg generally accepted accounting principles (“GAAP”).

#### Combined accounts

The combined financial statements have been presented in Euro, the functional currency of the Fund. Where a Portfolio is denominated in a currency other than Euro, the average exchange rate has been used for the Statement of Operations and Changes in Net Assets. The exchange rate ruling as at the reporting date has been used for the Statement of Net Assets.

#### Investments

As per the Prospectus and for the purpose of determining the Net Asset Value used for subscriptions and redemptions, the quoted investments and those traded in other regulated markets are valued on the basis of the last available price at 30 September 2016.

Securities which are not quoted on, or dealt, in an official or another regulated market, or securities which are so quoted or dealt in but in which the last sale price is not available, and securities for which the last sale price is not representative of the fair market value, the value of such securities will be determined based on an agreed pricing basis and the reasonably foreseeable sales price determined prudently and in good faith, upon the advice of the Investment Manager, by the Directors.

Purchases and sales of investments are recognised on the trade date. Gains or losses on sales of investments are computed on the average cost basis and include transaction costs.

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

### Investment income

Dividends are recognised in income, net of irrecoverable withholding tax, on the date upon which the relevant securities are declared “ex-dividend”. Interest income, net of irrecoverable withholding tax, is accrued on a daily basis and includes the amortisation of premiums and accretion of discounts.

### Translation of foreign currencies

Assets and liabilities denominated in currencies other than the Portfolios’ reporting currencies have been translated at the rates of exchange ruling at 30 September 2016. Cost of investments and income and expenditure which are denominated in currencies other than the Portfolios’ reporting currency have been translated at the exchange rates ruling on the day of transaction. The exchange gain or loss arising from the translation of these items is taken into account in the determination of the results of operations. The average USD/EUR exchange rate during the year was 0.9005. The USD/EUR exchange rate as at 30 September 2016 was 0.8898.

### Cross portfolio investments

At 30 September 2016, the total cross portfolio investment (held by BMO Global Total Return Bond and F&C Diversified Growth) amounted to EUR 7,918,260 and therefore the total combined net assets at year-end, excluding the swing pricing adjustment and without cross portfolio investments would amount to EUR 1,915,323,839.

### Futures contracts on securities and indices

Initial margin deposits are made upon entering into futures contracts and can be made either in cash or securities. During the year the futures contract is open, changes in the value of the contract are recognised as unrealised gains or losses by “marking-to-market” on a daily basis to reflect the market value of the contract at the end of each day’s trading. Variation margin payments are made or received, depending upon whether unrealised losses or gains are incurred. When the contract is closed, the Fund records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Fund’s basis in the contract.

### Forward foreign exchange contracts

The unrealised gain or loss on open forward foreign exchange contracts is calculated as the difference between the contracted rate and the rate to close out the contract. Realised profit or loss includes net gains or losses on forward foreign exchange contracts which have been settled or offset by other contracts with the same counterparty.

### Options Purchased and Options Written

The premium paid for options purchased is recorded as an investment and is subsequently adjusted to the current market value of the option. Premiums paid for the purchase of options which expire unexercised are treated as realised losses on the expiration date. If a purchased put option is exercised, the premium is subtracted from the proceeds of the sale of the underlying security, foreign currency or index, in determining whether the relevant Portfolio has realised a gain or a loss. If a purchased call option is exercised, the premium increases the cost basis of the security, foreign currency or index purchased by the Portfolio.

For a written option, an amount equal to the premium received by the relevant Portfolio is recorded as a liability and is subsequently adjusted to the current market value of the option written. Premiums received from written options which expire unexercised are treated by the relevant Portfolio as realised gains on the expiration date. If a written call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether the relevant Portfolio has realised a gain or a loss. If a written put option is exercised, the premium reduces the cost basis of the security purchased by the relevant Portfolio.

### Total Return Swaps

The Fund may enter into swap contracts in which the Fund and the counterparty agree to exchange payments (periodically throughout the life of the contract) where one or both parties pay the returns generated by a security, index commodities, or instruments on an agreed upon notional amount. The relevant indices include, but are not limited to, currencies, interest rates, prices and total return on interest rates indices, fixed income indices and stock indices.

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

### Cash and cash equivalents

Cash and other liquid assets are valued at their face value, including interest accrued, where applicable. Interest is also accrued on bank overdrafts. All cash at bank balances are held either directly with a sub-custodian or by State Street Bank Luxembourg S.C.A., on overnight deposit with a third party institution which has been approved by the Board.

### Income from securities lending

The Fund may lend its portfolio securities to specialised banks and credit institutions and other financial institutions of high standing, and highly qualified registered brokers/dealers, or through recognised clearing institutions such as Clearstream or Euroclear, subject to complying with the provisions set forth in the ESMA guidelines (CSSF 14/592). The collateral received by the Fund in relation to these transactions would mainly consist of securities and other liquid assets authorised from time to time by the Luxembourg regulator. Any cash collateral is not reinvested. Each counterparty will possess an industry standard credit rating that is acceptable to the Investment Manager with reference to the market conditions prevailing at the relevant time.

### 3. EQUALISATION

The Fund follows the accounting practice known as “equalisation” by which a portion of the issue and redemption price representing, on a per share basis, accrued distributable investment income (excluding capital gains or losses), is credited or charged to distributable income. The amounts attributable to this income equalisation account are included in the proceeds from subscriptions to the Fund’s shares or in the payment for the Fund’s shares redeemed, and in the Net equalisation, items of the Statement of Operations and Changes in Net Assets.

### 4. INVESTMENT MANAGEMENT FEES

The Fund entered into an agreement with FundRock Management Company S.A. and F&C Management Limited (“FCM”) appointing FCM to act as investment manager to the Fund for a monthly fee calculated on the average of the net asset value of each Portfolio during the preceding month at the following rates:

Portfolio	Investment Management Fee rates per annum
BMO Global Absolute Return Bond - Class F Acc Shares - GBP (Hedged) *	0.200%
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged) *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged) *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged) *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged) *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$ *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$ *	1.800%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - Euro (Hedged) *	0.400%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - GBP (Hedged) *	0.400%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged) *	0.400%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - US\$ *	0.400%
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class I Shares - US\$ *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$ *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$ *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged) *	0.900%
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$ *	0.900%
BMO Global Total Return Bond - Class I Acc Shares - Euro *	0.400%
BMO Global Total Return Bond - Class I Shares - GBP (Hedged) *	0.400%
BMO Global Total Return Bond - Class I Shares - US\$ (Hedged) *	0.400%
BMO Responsible Global Emerging Markets Equity - Class A Shares - US\$ *	1.500%
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$ *	0.750%
F&C Diversified Growth - Class A Shares - Euro	1.500%
F&C Diversified Growth - Class A Shares - GBP (Hedged)	1.500%
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged) *	1.500%
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged) *	1.500%
F&C Emerging Markets Bond - Class A Shares - US\$	1.250%

**F&C Portfolios Fund**  
**Notes to the Financial Statements (continued)**  
as at 30 September 2016

Portfolio	Investment Management Fee rates per annum
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	1.250%
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	0.625%
F&C Emerging Markets Bond - Class I Shares - US\$ *	0.625%
F&C European Equity - Class A Shares - Euro	1.250%
F&C European Equity - Class ID Acc Shares - Euro *	0.300%
F&C European Equity - Class ID Shares - Euro *	0.300%
F&C European Growth and Income - Class A Shares - Euro	1.500%
F&C European Growth and Income - Class A Shares - GBP	1.500%
F&C European High Yield Bond - Class A Shares - Euro	1.000%
F&C European High Yield Bond - Class I Shares - Euro *	0.400%
F&C European SmallCap - Class A Shares - Euro	1.500%
F&C European SmallCap - Class A Acc Shares - Euro	1.500%
F&C European SmallCap - Class I Shares - Euro	0.750%
F&C European SmallCap - Class I Acc Shares - Euro	0.750%
F&C European SmallCap - Class I Shares - GBP	0.750%
F&C European SmallCap - Class R Acc Shares - Euro	0.750%
F&C European SmallCap - Class R Acc Shares - CHF (Hedged) *	0.750%
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	1.000%
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)	1.000%
F&C Global Convertible Bond - Class A Shares - Euro	1.000%
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	1.000%
F&C Global Convertible Bond - Class A Acc Shares - Euro *	1.000%
F&C Global Convertible Bond - Class A Acc Shares - Euro (Hedged)	1.000%
F&C Global Convertible Bond - Class A Shares - GBP	1.000%
F&C Global Convertible Bond - Class A Acc Shares - US\$ (Hedged)	1.000%
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	0.650%
F&C Global Convertible Bond - Class I Shares - Euro *	0.650%
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	0.650%
F&C Global Convertible Bond - Class I Acc Shares - Euro	0.650%
F&C Global Convertible Bond - Class I Acc Shares - Euro (Hedged)	0.650%
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	0.650%
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged) *	0.650%
F&C Global Convertible Bond - Class P Acc Shares - US\$ *	0.650%
F&C Global Convertible Bond - Class R Shares - Euro	0.650%
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged) *	0.650%
F&C Global Convertible Bond - Class R Acc Shares - US\$ *	0.650%
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	1.000%
F&C Global Smaller Cap Equity - Class A Shares - US\$	1.500%
F&C Global Smaller Cap Equity - Class A Acc Shares - Euro	1.500%
F&C Global Smaller Cap Equity - Class A Acc Shares - US\$	1.500%
F&C Global Smaller Cap Equity - Class I Acc Shares - GBP	0.750%
F&C Global Smaller Cap Equity - Class I Shares - US\$	0.750%
F&C Global Smaller Cap Equity - Class R Acc Shares - GBP	0.750%
F&C Japanese Equity - Class A Shares - Euro	1.500%
F&C Japanese Equity - Class I Shares - Euro	0.750%
F&C Japanese Equity - Class I Shares - GBP	0.750%
F&C Plus Fund - Class I Shares - Euro	1.300%
F&C Responsible Global Equity - Class A Shares - Euro	1.500%
F&C Responsible Global Equity - Class A Shares - US\$	1.500%
F&C Responsible Global Equity - Class I Shares - Euro	0.750%
F&C Responsible Global Equity - Class I Shares - US\$	0.750%
F&C Responsible Global Equity - Class P Acc Shares - Euro *	0.750%
F&C Responsible Global Equity - Class P Acc Shares - US\$ *	0.750%
F&C Responsible Global Equity - Class R Shares - Euro	0.750%
F&C Responsible Global Equity - Class R Acc Shares - Euro *	0.750%
F&C Responsible Global Equity - Class R Acc Shares - US\$ *	0.750%
F&C Responsible Sharia Global Equity - Class A Shares - US\$ *	1.500%
F&C Responsible Sharia Global Equity - Class X Shares - US\$ *	1.000%
F&C US Smaller Companies - Class A Shares - US\$	1.500%

\* Refer to Appendix I

FCM is a company incorporated in England and regulated by the Financial Conduct Authority (FCA).

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

For the F&C Global Convertible Bond Portfolio, FCM has delegated the management functions to F&C Netherlands B.V.

The Fund entered into an agreement with F&C Luxembourg S.A., FundRock Management Company S.A. and F&C Portugal, Gestão de Patrimónios S.A. dated 10 June 2009, which was amended and restated by an amendment and restated agreement dated 25 February 2016 under which the latter is appointed as investment manager to F&C Plus Fund for a monthly fee calculated on the average of the net asset value of the Portfolio during the preceding month at the following rate:

F&C Plus Fund - Class I Shares - Euro	1.30%
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There are no Investment Management Fees payable on Class X shares.

### 5. ADMINISTRATION AND CUSTODY FEES

State Street Bank Luxembourg S.C.A. (the "Custodian") is entitled to fees payable by the Fund, accruing daily and payable monthly in arrears, of up to 0.50% of the assets under custody plus a transaction charge with respect to its function as the Custodian of the Fund. In addition, for acting as Registrar, Transfer, Domiciliary, Administrative and Paying Agent to the Fund, State Street Bank Luxembourg S.C.A. is entitled to fees of up to 0.045% of the applicable Net Asset Value plus a transaction charge.

In addition, State Street Bank Luxembourg S.C.A. is entitled to pass on to the Fund fees charged by external price vendors where the cost of obtaining vendor prices is not contained within the standard State Street Bank Luxembourg S.C.A. fund accounting fixed percentage fee.

### 6. DIRECTORS' FEES

Each of the Directors of the Fund is entitled to remuneration for his services at the rate determined by the Fund in general meeting from time to time. Those Directors of the Fund who are employees of F&C Asset Management plc (parent of the Investment Managers), or any of its subsidiaries, waive their fees in carrying out their duties as Directors of the Fund. Directors' fees are paid to the remaining directors and allocated to the Portfolios based on average net assets. During the year to 30 September 2016, the Chairman Patrick Johns was entitled to a fee of EUR 25,000 per annum and director Jacques Elvinger was entitled to a fee of EUR 14,000 per annum.

### 7. MANAGEMENT COMPANY FEE

The Fund pays to the Management Company an annual Management Company fee payable out of the assets of the Fund of up to a maximum of 0.0375% of the net asset value (on a sliding scale dependant on the size of the Portfolio), with no minimum fee.

### 8. FORMATION EXPENSES

Formation expenses of the Fund and each Portfolio have been amortised over a five year period.

### 9. TAXATION

The Fund is not subject to taxation in Luxembourg on its income, profits or gains. However, the Fund is liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the basis of the total net assets of the Fund at the end of the relevant quarter. The rate of the annual subscription tax is reduced to 0.01% per annum for the Portfolios which, in accordance with Article 174 of the Law, invest exclusively in money market instruments as defined in the Grand-Ducal Regulation of 14 April 2003 and in respect of Classes of Shares which are only sold to and held by Institutional Investors. No stamp duty or other tax will be payable in Luxembourg on the issue of Shares in the Fund.

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the source countries. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin.

Distributions made by the Fund are not subject to withholding tax in Luxembourg.

The Fund is not subject to net wealth tax.

Dividend and interest income are recognised in the Combined Statement of Operations and Changes in Net Assets on a net basis.

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

As from 1 April 2007, investment vehicles listed in article 44, 1, d) of the Luxembourg VAT law (SICAVs, SICAFs and management companies of FCPs) should be registered as taxable persons for VAT purposes. As taxable persons for VAT purposes these investment vehicles must comply with the standard obligations foreseen in the Luxembourg VAT law such as VAT registration, VAT compliance and payment of the VAT due on services subject to reverse charge.

Investors should be aware that a new United Kingdom offshore funds regime was introduced applicable to United Kingdom investors into “offshore funds”. The Board has obtained reporting fund status approval from HM Revenue & Customs for certain classes of shares of the Fund, (except those listed below), for the accounting period commencing 1 October 2010 onwards or from the date of launch, for new share classes which were subsequently launched.

The following share classes were not included in the application:

BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$  
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$  
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$  
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$  
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged)  
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$  
BMO Global Equity Market Neutral (SICAV) - Class X Acc Shares - Euro (Hedged)  
BMO Global Total Return Bond - Class I Shares - US\$  
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$  
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged)  
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged)  
F&C Diversified Growth - Class A Shares - Euro  
F&C Diversified Growth - Class X Shares - Euro  
F&C European High Yield Bond - Class I Shares - Euro  
F&C European SmallCap - Class R Acc Shares - CHF (Hedged)  
F&C Global Convertible Bond - Class A Acc Shares - Euro  
F&C Global Convertible Bond - Class I Acc Shares - Euro  
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged)  
F&C Global Convertible Bond - Class P Acc Shares - US\$  
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged)  
F&C Global Convertible Bond - Class R Acc Shares - US\$  
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)  
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)  
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)  
F&C Plus Fund - Class I Shares - Euro  
F&C Responsible Global Equity - Class I Shares - US\$  
F&C Responsible Global Equity - Class P Acc Shares - Euro  
F&C Responsible Global Equity - Class P Acc Shares - US\$  
F&C Responsible Global Equity - Class R Acc Shares - Euro  
F&C Responsible Global Equity - Class R Acc Shares - US\$

The directors intend to issue the annual investor report on or around 31 March each year via the website [www.bmogam.com/reportingstatus](http://www.bmogam.com/reportingstatus).

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

### 10. RELATED PARTY TRANSACTIONS

F&C Management Limited may be entitled to a placing and/or introductory fee of not more than 5% of the subscription value of the Fund shares. Out of this fee, stockbrokers or other approved introducing agents may be paid a proportion.

Patrick Johns (Chairman) is a non-executive adviser to F&C.

Jacques Elvinger, a Director of the Fund, is a partner in the Luxembourg law firm Elvinger, Hoss & Prussen. Mr. Elvinger has been an Avocat à la Cour, Grand Duchy of Luxembourg since 1984.

Ernst Hagen, a Director of the Fund, is Executive Director of F&C Netherlands BV, a subsidiary of F&C Asset Management plc, the parent company of the Investment Manager.

João Santos, a Director of the Fund, is the Head of F&C Portugal, Gestão de Patrimónios, S.A., a subsidiary of F&C Asset Management plc, the parent company of the Investment Manager.

Hugh Moir, a Director of the Fund, is Global Head of Operations and Business Technology, BMO GAM, F&C Asset Management plc, the parent company of the Investment Manager.

The Fund has entered into an Agency Agreement for the lending of securities in return for a loan fee. During the year under review, State Street Bank GmbH, London Branch earned EUR 63,718 as securities lending agent. The Investment Manager earned EUR 42,479 for their monitoring and oversight of the securities lending program.

At 30 September 2016, the F&C Diversified Growth portfolio had invested in the F&C Emerging Markets Bond portfolio, managed by the same Investment Manager as the Fund. Investment management fees of EUR 45,849 for this portion of the net assets of this Portfolio is waived.

The BMO Global Total Return Bond portfolio had invested in the F&C European High Yield Bond portfolio, managed by the same Investment Manager as the Fund. Investment management fees of EUR 49,130 for this portion of the net assets of this Portfolio is waived.

The Investment Manager may pass on to the Fund certain approved expenses incurred in the marketing of the Fund. The maximum chargeable during any accounting period is 0.025% of the net asset value of the Fund as the respective Portfolio(s).

The Investment Manager will also charge a fee to the Fund to cover the costs incurred in the distribution of the Fund in the various jurisdictions in which it is registered. The amount to be charged during any accounting period is 0.05% of the net asset value of the Fund or the respective Portfolio(s).

No marketing expenses or distribution fee will be charged to the Hong Kong Share Classes of any Portfolio. Any costs incurred in relation to the distribution of the Hong Kong Share Classes (if any) will be borne by the Investment Manager.

The Investment Manager is entitled to an annual service fee of 0.015% of the equity and bond investments of the Fund for its Responsible Engagement Overlay services as described in the Prospectus. This service is not charged to the Hong Kong Share Classes for any Portfolio.

### 11. STATEMENT OF CHANGES IN INVESTMENTS

A list, specifying for each Portfolio the total purchases and sales which occurred during the year under review, may be obtained, upon request, at the registered office of the Fund and the Fund's Registrar/Administrative Agent, Custodian, or Paying Agent in the relevant jurisdiction.

### 12. PERFORMANCE FEE

There was no performance fee charged on the Portfolios during the year.

# F&C Portfolios Fund

## Notes to the Financial Statements (continued)

as at 30 September 2016

### 13. USE OF DEALING COMMISSION

The Investment Manager is regulated by the UK Financial Conduct Authority (“FCA”) for the conduct of its business in the United Kingdom. The rules of the FCA restrict the use of dealing commission to execution and research services. Services are only eligible for payment with commission if they qualify as substantive research by meeting specific criteria set by the FCA. These are known as “permitted services”.

The Investment Manager executes transactions on behalf of the Fund with a number of selected brokers. In the normal course of business, the Investment Manager has entered, or may enter into, arrangements (“Commission Sharing Arrangements”) whereby research credits accrued to the broker through trading can be recovered and redirected to one or more third parties, as payment for the provision of investment research to the Investment Manager.

The services received under such arrangements are directly relevant to and assist in the cost-effective provision of management services generally by the Investment Manager and are consistent with practices in the markets in which the Investment Manager does business.

### 14. SECURITIES LENDING

The volume of the securities lending transactions will be kept at an appropriate level. The Fund will be entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations. It will be ensured that securities lending transactions do not jeopardise the management of the Fund’s assets in accordance with the investment policy.

The income earned from the securities lending program is reflected net of fees in the Statement of Operations and Changes in Net Assets as disclosed in note 2.

State Street Bank GmbH, London Branch as the securities lending agent receives a 15% fee for their services. The Investment Manager as the Fund’s securities lending coordinator receives an administration fee of 10% to cover operational costs. As a result, the Fund receives 75% of the gross revenues generated from securities lending. It is the Investment Manager’s policy to return all revenue to the Fund less direct and indirect operational costs.

The table below shows the market value of securities on loan as well as the market value of collateral held as at 30 September 2016. The collateral held at this date provided coverage of 105.50%.

Portfolio	Market Value of Securities on Loan in EUR	Market Value of Collateral held in EUR	Nature of Collateral held
F&C Diversified Growth	9,716	10,416	Government Bonds
F&C European Equity	969,351	1,031,140	Government Bonds
F&C European Growth and Income	4,032,640	4,271,279	Government Bonds
F&C European SmallCap	18,416,666	19,396,577	Government Bonds
F&C Japanese Equity	2,069,869	2,194,761	Government Bonds
F&C Responsible Global Equity	2,249,271	2,368,245	Government Bonds
	<b>27,747,513</b>	<b>29,272,418</b>	

Counterparties	Total exposure in EUR
Barclays Capital Securities Ltd.	14,433,061
BNP Paribas Arbitrage SNC	1,832,887
Citigroup Global Markets Ltd.	875,447
Credit Suisse Securities (Europe) Ltd.	1,242,830
HSBC Bank Plc.	207,216
J.P. Morgan Securities Plc.	2,419,836
Merrill Lynch International	1,523,037
Morgan Stanley & Co. International Plc.	6,738,104

### 15. DIVIDENDS DISTRIBUTION

For all distributing classes of shares which have registered for United Kingdom Reporting Fund Status it is intended to distribute 100 per cent of reportable income (computed in accordance with the definition of reportable income under the United Kingdom Offshore Funds (Tax) Regulations 2009 (as amended)) which accrues to the Portfolio or distributing class, however it should be noted that this cannot be guaranteed. It may be that the Directors consider in certain cases that the amounts available for distribution are so minimal that a distribution is not commercially viable. Where share classes have not

**F&C Portfolios Fund**  
**Notes to the Financial Statements (continued)**  
as at 30 September 2016

been registered for UK Reporting Fund Status, the directors will determine an alternative basis for determining the level of any dividend.

The Board may decide to make dividend payments to Shareholders once a year or more frequently provided that no payment will be made as a result of which the total net assets of the Fund would become less than the minimum required by Luxembourg law.

During the year ended to 30 September 2016, dividends with an ex-dividend date of 4 January 2016 were paid out to shareholders on 29 January 2016 as follows:

Name	Share class Currency	Dividend per Share	Amount of Dividends paid out to Shareholders
BMO Responsible Global Emerging Markets Equity - Class X Shares - GBP	GBP	0.1432	390,814
F&C Emerging Markets Bond - Class A Shares - US\$	US\$	0.5522	384,953
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	Euro	5.0506	625,103
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	Euro	0.8574	1,266,005
F&C Emerging Markets Bond - Class I Shares - US\$	US\$	0.4131	2,478,541
F&C European Equity - Class A Shares - Euro	Euro	0.1314	158,714
F&C European Growth and Income - Class A Shares - Euro	Euro	0.1651	268,868
F&C European Growth and Income - Class A Shares - GBP	GBP	0.1742	390,915
F&C European High Yield Bond - Class A Shares - Euro	Euro	0.7931	495,923
F&C European SmallCap - Class A Shares - Euro	Euro	0.1475	1,145,873
F&C European SmallCap - Class I Shares - Euro	Euro	0.2062	2,655,890
F&C European SmallCap - Class I Shares - GBP	GBP	0.1658	61,073
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	CHF	0.0158	12,940
F&C Global Convertible Bond - Class A Shares - Euro	Euro	0.1190	923,939
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	Euro	0.1699	1,472,846
F&C Global Convertible Bond - Class A Shares - GBP	GBP	0.0689	19,144
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	CHF	0.0560	129,470
F&C Global Convertible Bond - Class I Shares - Euro	Euro	0.1759	968,475
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	Euro	0.2065	2,056,646
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	Euro	0.1264	99,437
F&C Global Convertible Bond - Class R Shares - Euro	Euro	0.1218	181,803
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	US\$	0.1089	32,039
F&C Japanese Equity - Class I Shares - Euro	Euro	0.1314	69,538
F&C Japanese Equity - Class I Shares - GBP	GBP	0.1163	46,661
F&C Japanese Equity - Class X Shares - GBP	GBP	0.7572	90,272
F&C Responsible Global Equity - Class I Shares - Euro	Euro	0.0689	281,111
F&C Responsible Global Equity - Class R Shares - Euro	Euro	0.0480	366,446

#### 16. SWING PRICING

Under certain circumstances (for example, large volumes of deals), investment and/or disinvestment costs may have an adverse effect on the shareholders' interests in a Portfolio. In order to prevent this effect, called "dilution", the Board may determine that a "swing pricing" methodology applies so as to allow for the net asset value per share to be adjusted upwards or downwards by dealing and other costs and fiscal charges which would be payable on the effective acquisition or disposal of assets in the relevant Portfolio if the net capital activity exceeds, as a consequence of the aggregate transactions in that Portfolio on a given Valuation Date (as defined in the Prospectus), a threshold set by the Board from time to time.

#### Description of the swing pricing methodology:

If the net capital activity on a given Valuation Date leads to a net inflow/outflow of assets in excess of the Threshold in the relevant Portfolio, the net asset value used to process all subscriptions, redemptions or conversions in that Portfolio is adjusted upwards/ downwards by the swing factors set by the Board from time to time.

In any case, the swing factors shall not exceed 2% of the net asset value per share of the relevant Portfolio. Further, for the purpose of calculating the expenses of a Portfolio which are based on the net asset value of the relevant Portfolio (including any applicable performance fee), the Administrative Agent will continue to use the un-swung net asset value.

**F&C Portfolios Fund**  
**Notes to the Financial Statements (continued)**  
as at 30 September 2016

The following sub-fund has adjusted the net asset value per share at year end:

- BMO Global Absolute Return Bond

The Net Assets as at 30 September 2016, as disclosed in the statement of net assets, exclude the swing price adjustment. The net asset value per share as at 30 September 2016, as disclosed in the Comparative Table, include the swing price adjustment.

**17. SUBSEQUENT EVENTS**

There were no material events which occurred after the end of the financial year, which would have a bearing on the understanding of the financial statements.

**18. TRANSACTION COSTS**

For the year ended 30 September 2016, the following Sub-Funds of the F&C Portfolios Fund incurred transaction costs related to purchases and sales of transferable securities as follows:

Portfolio	Portfolios Currency	Transaction Costs
BMO Responsible Global Emerging Markets Equity *	USD	99,650
F&C Diversified Growth	EUR	8,300
F&C European Equity	EUR	25,038
F&C European Growth and Income	EUR	68,959
F&C European SmallCap	EUR	532,073
F&C Global Convertible Bond	EUR	12,918
F&C Global Smaller Cap Equity	USD	62,099
F&C Japanese Equity	EUR	22,078
F&C Plus Fund	EUR	3,747
F&C Responsible Global Equity	EUR	162,666
F&C US Smaller Companies	USD	14,536

\* Refer to Appendix I

These transaction costs are corresponding to broker fees and are included in the caption "Investments at cost" in the Statement of Net Assets of the report, and respectively in the captions "Net realised gain / (loss) on sales of investments" and "Net change in net unrealised appreciation / (depreciation) on investments" in the Statement of Operations and Changes in Net Assets.

**19. SOCIALLY RESPONSIBLE INVESTMENT**

F&C Management Limited is convinced that investors increasingly care about environmental, social and corporate governance (ESG) issues and that these may have a material impact on the companies in which we invest. Therefore the Fund has appointed F&C's specialist Governance & Sustainable Investment team to engage with companies held by the portfolios in order to improve the ESG performance and safeguard investor value. The Responsible Engagement Overlay service, known as reo®, aims to encourage companies to enhance their business performance by adopting better corporate governance, social and environmental practices. reo® does not directly prevent the Fund from investing in specific companies, but over the long term is expected to lead to more sustainable companies and investment returns. reo® is about using the Investment Manager's ability, as manager of the Fund's equity and corporate bond portfolios, to encourage investee companies, through a constructive dialogue, to manage effectively their ESG risks and opportunities. In the Investment Manager's view, reo® may contribute towards business success and therefore increase the value of the investee companies and consequently the value of the Fund's investments. More information on specific companies engaged via the reo® service within each portfolio is available in the semi-annual engagement activity report on the BMO Global Asset Management website at:

<http://www.bmogam.com/documents/reo-report-fandc-portfolios-fund/>

**20. APPROVAL OF THE FINANCIAL STATEMENTS**

The Board approved the financial statements on 20 December 2016.

# F&C Portfolios Fund

## Risk Management, Remuneration and PEA Eligible Assets (Unaudited)

### RISK MANAGEMENT

#### Global exposure calculation method

#### The commitment approach

The following portfolios use the commitment approach in order to monitor and measure their global exposure:

BMO Responsible Global Emerging Markets Equity  
 F&C Emerging Markets Bond  
 F&C European Equity  
 F&C European Growth and Income  
 F&C European High Yield Bond  
 F&C European SmallCap  
 F&C Global Convertible Bond  
 F&C Global Smaller Cap Equity  
 F&C Japanese Equity  
 F&C Plus Fund  
 F&C Responsible Global Equity  
 F&C Responsible Sharia Global Equity \*  
 F&C US Smaller Companies

\* Refer to Appendix I

#### The VaR approach

The following portfolios use the Value-at-Risk (VaR) approach in order to monitor and measure their global exposure:

BMO Global Absolute Return Bond  
 BMO Global Equity Market Neutral (SICAV)  
 BMO Global Total Return Bond  
 F&C Diversified Growth

The VaR figures have been calculated based on the following input data and confidence interval:

Confidence interval	99%
Analysis time horizon	One Month (20 Days)
Time series extension	1 year
Methodology	Absolute VaR
VaR method	Historical simulation
CSSF Limit	20%

The utilisation of the VaR from 1 October 2015 to 30 September 2016 was as follows:

BMO Global Absolute Return Bond	VaR Amounts	Utilisation of the VaR Limit
Minimum	0.01%	0.05%
Maximum	3.95%	19.75%
Average	1.19%	5.95%

The average leverage used, computed with sum of notionals, was 100.47%.

BMO Global Equity Market Neutral (SICAV)	VaR Amounts	Utilisation of the VaR Limit
Minimum	2.70%	13.50%
Maximum	3.17%	15.85%
Average	2.92%	14.58%

The average leverage used, computed with sum of notionals, was 58.17%.

BMO Global Total Return Bond	VaR Amounts	Utilisation of the VaR Limit
Minimum	0.99%	4.95%
Maximum	3.05%	15.25%
Average	1.61%	8.06%

The average leverage used, computed with sum of notionals, was 340.04%.

## F&C Portfolios Fund

### Risk Management, Remuneration and PEA Eligible Assets (Unaudited)

(continued)

F&C Diversified Growth	VaR Amounts	Utilisation of the VaR Limit
Minimum	1.21%	6.05%
Maximum	4.25%	21.25%
Average	2.50%	12.48%

The average leverage used, computed with sum of notionals, was 307.65%.

#### REMUNERATION

The European Union Directive 2014/91/EU (known as the “UCITS V Directive”) came into effect on 18 March 2016. The Management Company is required to operate a remuneration policy in accordance with applicable requirements of the UCITS V Directive. Details of the management company’s remuneration and associated financial disclosures will be made within the annual report for the period to 30 September 2017.

#### PEA ELIGIBLE ASSETS

The following Portfolios are eligible for inclusion in a personal equity plan (“plan d’épargne en actions” or “PEA”) in France:

F&C Portfolios Fund - European Growth and Income (77.02% of invested in eligible assets as at 30 September 2016)

F&C Portfolios Fund - European Small Cap (90.80% of invested in eligible assets as at 30 September 2016)

F&C Portfolios Fund - European Equity (80.92% of invested in eligible assets as at 30 September 2016)

In any circumstances these Portfolios invest more than 75% of their assets in PEA eligible assets\*. At 30 September 2016, these Portfolios had the above mentioned percentage of their assets invested in PEA eligible assets.

\* Eligible PEA Assets are: (i) shares or investment certificates in companies and investment certificates in cooperative bodies, (ii) units in limited liability companies or equivalent companies (i.e. units not tradable and not listed) and units in companies governed by the French Law No. 47-1775 of 10 September 1947 relating to cooperative bodies, and (iii) subscription rights or warrants for shares/units mentioned in (i) and (ii) above.

## F&C Portfolios Fund

### Portfolio Turnover Ratio (Unaudited)

The Portfolio Turnover Ratio have been calculated for the year ended 30 September 2016 based on the following formula:

$$\text{PTR} = \frac{(\text{Total purchases} + \text{Total sales}) - (\text{Total subscriptions} + \text{Total redemptions})}{\text{Average net assets of the Portfolio}} \times 100$$

Portfolio	Portfolio Currency	Total Net Assets, average during the year	Portfolio Turnover Ratio as of 30 September 2016 (annualised) %
BMO Global Absolute Return Bond *	Euro	28,369,157	-5.50%
BMO Global Equity Market Neutral (SICAV) *	US\$	71,766,512	271.14%
BMO Global Total Return Bond *	Euro	48,426,176	119.71%
BMO Responsible Global Emerging Markets Equity *	US\$	38,488,522	94.11%
F&C Diversified Growth	Euro	118,966,983	136.02%
F&C Emerging Markets Bond	US\$	47,426,534	224.07%
F&C European Equity	Euro	20,894,090	46.93%
F&C European Growth and Income	Euro	65,920,911	46.63%
F&C European High Yield Bond	Euro	8,893,995	111.33%
F&C European SmallCap	Euro	451,752,981	-44.47%
F&C Global Convertible Bond	Euro	698,906,042	47.71%
F&C Global Smaller Cap Equity	US\$	35,647,160	63.30%
F&C Japanese Equity	Euro	22,562,916	199.96%
F&C Plus Fund	Euro	137,490,999	39.65%
F&C Responsible Global Equity	Euro	197,596,192	22.44%
F&C Responsible Sharia Global Equity *	US\$	4,421,766	44.64%
F&C US Smaller Companies	US\$	18,226,402	49.28%

\* Refer to Appendix I

## F&C Portfolios Fund

### Total Expense Ratio (Unaudited)

The following formula has been used to calculate the Total Expense Ratio:

$$\text{TER} = \frac{\text{Total operating expenses in share class currency}}{\text{Average Portfolio assets in share class currency}} \times 100$$

Portfolio	Share-Class Currency	Total Expense Ratio as of 30 September 2016 (annualised)% **
BMO Global Absolute Return Bond - Class F Acc Shares - GBP (Hedged) ***	GBP	0.40%
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged) ***	Euro	2.22%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged) ***	Euro	2.17%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged) ***	NOK	2.20%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged) ***	SEK	2.19%
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$ ***	US\$	2.06%
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$ ***	US\$	2.06%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - Euro (Hedged) ***	Euro	0.80%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - GBP (Hedged) ***	GBP	0.87%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged) ***	NOK	0.82%
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - US\$ ***	US\$	0.87%
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged) ***	Euro	1.33%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged) ***	Euro	1.37%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged) ***	NOK	1.38%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged) ***	SEK	1.36%
BMO Global Equity Market Neutral (SICAV) - Class I Shares - US\$ ***	US\$	0.88%
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$ ***	US\$	1.39%
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged) ***	Euro	1.38%
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$ ***	US\$	1.40%
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged) ***	Euro	1.38%
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$ ***	US\$	1.24%
BMO Global Equity Market Neutral (SICAV) - Class X Acc Shares - Euro (Hedged) ***	Euro	0.42%
BMO Global Total Return Bond - Class I Acc Shares - Euro ***	Euro	0.56%
BMO Global Total Return Bond - Class I Shares - GBP (Hedged) ***	GBP	0.67%
BMO Global Total Return Bond - Class I Shares - US\$ (Hedged) ***	US\$	0.70%
BMO Responsible Global Emerging Markets Equity - Class A Shares - US\$ *	US\$	2.15%
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$ ***	US\$	1.92%
BMO Responsible Global Emerging Markets Equity - Class X Shares - GBP *	GBP	0.59%
F&C Diversified Growth - Class A Shares - Euro	Euro	1.63%
F&C Diversified Growth - Class A Shares - GBP (Hedged)	GBP	1.62%
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged) ***	NOK	1.81%
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged) ***	SEK	1.81%
F&C Diversified Growth - Class X Shares - Euro	Euro	0.07%
F&C Diversified Growth - Class X Shares - GBP (Hedged)	GBP	0.11%
F&C Emerging Markets Bond - Class A Shares - US\$	US\$	1.86%
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	Euro	1.77%
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	Euro	0.84%
F&C Emerging Markets Bond - Class I Shares - US\$ *	US\$	1.10%
F&C European Equity - Class A Shares - Euro	Euro	1.66%
F&C European Equity - Class ID Shares - Euro ***	Euro	1.02%
F&C European Equity - Class ID Acc Shares - Euro ***	Euro	0.83%
F&C European Growth and Income - Class A Shares - Euro	Euro	1.85%
F&C European Growth and Income - Class A Shares - GBP	GBP	1.87%
F&C European High Yield Bond - Class A Shares - Euro	Euro	1.36%
F&C European High Yield Bond - Class I Shares - Euro ***	Euro	1.07%
F&C European SmallCap - Class A Shares - Euro	Euro	1.82%
F&C European SmallCap - Class A Acc Shares - Euro	Euro	1.84%

## F&C Portfolios Fund

### Total Expense Ratio (Unaudited) (continued)

Portfolio	Share-Class Currency	Total Expense Ratio as of 30 September 2016 (annualised)% **
F&C European SmallCap - Class I Shares - Euro	Euro	1.03%
F&C European SmallCap - Class I Acc Shares - Euro	Euro	1.06%
F&C European SmallCap - Class I Shares - GBP	GBP	1.05%
F&C European SmallCap - Class R Acc Shares - Euro	Euro	1.20%
F&C European SmallCap - Class R Acc Shares - CHF ***	CHF	1.18%
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	CHF	1.31%
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)	CHF	1.31%
F&C Global Convertible Bond - Class A Shares - Euro	Euro	1.29%
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	Euro	1.29%
F&C Global Convertible Bond - Class A Acc Shares - Euro ***	Euro	1.05%
F&C Global Convertible Bond - Class A Acc Shares - Euro (Hedged)	Euro	1.26%
F&C Global Convertible Bond - Class A Shares - GBP	GBP	1.30%
F&C Global Convertible Bond - Class A Acc Shares - US\$ (Hedged)	US\$	1.33%
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	CHF	0.94%
F&C Global Convertible Bond - Class I Shares - Euro	Euro	0.90%
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	Euro	0.90%
F&C Global Convertible Bond - Class I Acc Shares - Euro ***	Euro	0.69%
F&C Global Convertible Bond - Class I Acc Shares - Euro (Hedged)	Euro	0.89%
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	Euro	0.90%
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged) ***	Euro	0.88%
F&C Global Convertible Bond - Class P Acc Shares - US\$ ***	US\$	0.71%
F&C Global Convertible Bond - Class R Shares - Euro	Euro	0.94%
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged) ***	Euro	0.96%
F&C Global Convertible Bond - Class R Acc Shares - US\$ ***	US\$	0.98%
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	US\$	1.22%
F&C Global Smaller Cap Equity - Class A Acc Shares - Euro	Euro	1.98%
F&C Global Smaller Cap Equity - Class A Shares - US\$	US\$	3.29%
F&C Global Smaller Cap Equity - Class A Acc Shares - US\$	US\$	1.94%
F&C Global Smaller Cap Equity - Class I Acc Shares - GBP	GBP	1.17%
F&C Global Smaller Cap Equity - Class I Shares - US\$	US\$	1.32%
F&C Global Smaller Cap Equity - Class R Acc Shares - GBP	GBP	1.10%
F&C Japanese Equity - Class A Shares - Euro	Euro	1.97%
F&C Japanese Equity - Class I Shares - Euro	Euro	1.05%
F&C Japanese Equity - Class I Shares - GBP	GBP	1.06%
F&C Japanese Equity - Class X Shares - GBP	GBP	0.00%
F&C Plus Fund - Class I Shares - Euro	Euro	1.43%
F&C Responsible Global Equity - Class A Shares - Euro	Euro	1.83%
F&C Responsible Global Equity - Class A Shares - US\$	US\$	1.83%
F&C Responsible Global Equity - Class I Shares - Euro	Euro	1.05%
F&C Responsible Global Equity - Class I Shares - US\$ ***	US\$	0.80%
F&C Responsible Global Equity - Class P Acc Shares - Euro ***	Euro	1.64%
F&C Responsible Global Equity - Class P Acc Shares - US\$ ***	US\$	0.80%
F&C Responsible Global Equity - Class R Shares - Euro	Euro	1.09%
F&C Responsible Global Equity - Class R Acc Shares - Euro ***	Euro	0.83%
F&C Responsible Global Equity - Class R Acc Shares - US\$ ***	US\$	0.84%
F&C Responsible Sharia Global Equity - Class A Shares - US\$ *	US\$	4.53%
F&C Responsible Sharia Global Equity - Class X Shares - US\$ *	US\$	10.58%
F&C US Smaller Companies - Class A Shares - US\$	US\$	2.02%

\* Refer to Appendix I

\*\* The Performance fees are not included in the calculation of the TERs disclosed. For share classes that opened during the year, the operating expenses incurred up until the year end have been annualised to provide a more comparable estimate of the TER for the share class.

## F&C Portfolios Fund

### Total Expense Ratio (Unaudited) (continued)

\*\*\*This share class has been launched during the year (refer to Appendix I). The operating expenses incurred up until the year end have been annualised to provide a more comparable estimate of the TER for the share class.

#### Additional Information:

Investors in Switzerland can obtain the documents of the Fund, such as the Prospectus, the KIIDS, the Articles of Incorporation and the semi-annual and annual reports, the list of purchases and sales during the accounting period, and further information free of charge from the Swiss representative.

The Total Expense Ratio and Portfolio Turnover Ratio were calculated in accordance with Swiss Fund Association's guidelines 16 May 2008.

## F&C Portfolios Fund Performance Data

The performance data is calculated based on the movement of the net asset value per share during the year. Performance figures shown in the Investment Managers reports are based on total return figures, inclusive of distributions, and may differ from the below.

Portfolio	30 September	30 September	30 September
	2016	2015	2014
	%	%	%
BMO Global Absolute Return Bond - Class F Acc Shares - GBP (Hedged) *	0.70	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Shares - Euro (Hedged) *	0.30	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - Euro (Hedged) *	(5.20)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - NOK (Hedged) *	0.50	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - SEK (Hedged) *	0.20	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Shares - US\$ *	(4.60)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class A Acc Shares - US\$ *	(4.60)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - Euro (Hedged) *	(4.50)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - GBP (Hedged) *	0.40	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - NOK (Hedged) *	(0.80)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class F Acc Shares - US\$ *	0.20	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Shares - Euro (Hedged) *	0.60	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - Euro (Hedged) *	(4.70)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - NOK (Hedged) *	0.69	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - SEK (Hedged) *	0.66	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Shares - US\$ *	(4.00)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class I Acc Shares - US\$	(4.30)	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - Euro (Hedged) *	0.60	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class P Acc Shares - US\$ *	0.80	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - Euro (Hedged) *	0.60	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class R Acc Shares - US\$ *	0.80	N/A	N/A
BMO Global Equity Market Neutral (SICAV) - Class X Acc Shares - Euro (Hedged) *	(2.90)	N/A	N/A
BMO Global Total Return Bond - Class I Acc Shares - Euro *	3.80	N/A	N/A
BMO Global Total Return Bond - Class I Shares - GBP (Hedged) *	2.10	N/A	N/A
BMO Global Total Return Bond - Class I Shares - US\$ (Hedged) *	2.30	N/A	N/A
BMO Responsible Global Emerging Markets Equity - Class A Shares - US\$ *	18.08	(18.47)	1.41
BMO Responsible Global Emerging Markets Equity - Class R Acc Shares - US\$ *	(0.90)	N/A	N/A
BMO Responsible Global Emerging Markets Equity - Class X Shares - GBP *	37.52	(12.90)	2.58
F&C Diversified Growth - Class A Shares - Euro	1.97	2.30	2.76
F&C Diversified Growth - Class A Shares - GBP (Hedged)	2.85	2.66	2.82
F&C Diversified Growth - Class A Acc Shares - NOK (Hedged) *	1.50	N/A	N/A
F&C Diversified Growth - Class A Acc Shares - SEK (Hedged) *	1.00	N/A	N/A
F&C Diversified Growth - Class X Shares - Euro	3.63	3.92	4.38
F&C Diversified Growth - Class X Shares - GBP (Hedged)	4.39	4.30	4.44
F&C Emerging Markets Bond - Class A Shares - US\$	11.56	(8.04)	3.08
F&C Emerging Markets Bond - Class C Shares - Euro (Hedged)	9.73	(7.75)	3.49
F&C Emerging Markets Bond - Class I Shares - Euro (Hedged)	5.37	(8.94)	7.81
F&C Emerging Markets Bond - Class I Shares - US\$ *	N/A	(8.23)	4.97
F&C Euro Inflation Linked Bond - Class A Shares - Euro	N/A	N/A	3.94
F&C Euro Inflation Linked Bond - Class I Shares - Euro	N/A	N/A	3.85
F&C European Equity - Class A Shares - Euro	(1.63)	7.80	7.69
F&C European Equity - Class ID Shares - Euro *	3.30	N/A	N/A
F&C European Equity - Class ID Acc Shares - Euro *	3.40	N/A	N/A
F&C European Growth and Income - Class A Shares - Euro	(3.45)	8.46	9.25
F&C European Growth and Income - Class A Shares - GBP	13.06	2.62	1.70
F&C European High Yield Bond - Class A Shares - Euro	2.97	(11.56)	4.03
F&C European High Yield Bond - Class I Shares - Euro *	(0.20)	N/A	N/A
F&C European SmallCap - Class A Shares - Euro	(5.57)	19.49	10.27
F&C European SmallCap - Class A Acc Shares - Euro	(5.13)	19.77	(2.40)
F&C European SmallCap - Class I Shares - Euro	(5.60)	19.44	11.01
F&C European SmallCap - Class I Acc Shares - Euro	(4.35)	20.61	0.80
F&C European SmallCap - Class I Shares - GBP	11.03	13.10	3.39
F&C European SmallCap - Class R Acc Shares - Euro	(4.48)	20.70	9.20
F&C European SmallCap - Class R Acc Shares - CHF *	(9.30)	N/A	N/A
F&C Global Climate Opportunities - Class A Shares - Euro	N/A	N/A	10.54
F&C Global Climate Opportunities - Class A Shares - GBP	N/A	N/A	3.08

## F&C Portfolios Fund Performance Data (continued)

Portfolio	30 September	30 September	30 September
	2016	2015	2014
	%	%	%
F&C Global Climate Opportunities - Class I Shares - Euro	N/A	N/A	10.88
F&C Global Climate Opportunities - Class I Shares - GBP	N/A	N/A	(12.66)
F&C Global Climate Opportunities - Class X Shares - GBP	N/A	N/A	3.61
F&C Global Climate Opportunities - Hong Kong Class A Shares - US\$	N/A	N/A	3.34
F&C Global Convertible Bond - Class A Shares - CHF (Hedged)	2.58	0.43	3.20
F&C Global Convertible Bond - Class A Acc Shares - CHF (Hedged)	2.73	0.77	4.49
F&C Global Convertible Bond - Class A Shares - Euro	3.12	7.57	6.81
F&C Global Convertible Bond - Class A Shares - Euro (Hedged)	2.44	1.23	3.66
F&C Global Convertible Bond - Class A Acc Shares - Euro *	(0.70)	N/A	N/A
F&C Global Convertible Bond - Class A Acc Shares - Euro (Hedged)	3.46	1.72	4.86
F&C Global Convertible Bond - Class A Shares - GBP	21.67	1.58	(0.29)
F&C Global Convertible Bond - Class A Acc Shares - US\$ (Hedged)	4.40	1.46	4.67
F&C Global Convertible Bond - Class I Shares - CHF (Hedged)	2.62	0.27	4.64
F&C Global Convertible Bond - Class I Shares - Euro	2.92	7.55	7.61
F&C Global Convertible Bond - Class I Shares - Euro (Hedged)	2.63	0.95	2.92
F&C Global Convertible Bond - Class I Acc Shares - Euro *	(0.60)	N/A	N/A
F&C Global Convertible Bond - Class I Acc Shares - Euro (Hedged)	3.84	2.09	5.36
F&C Global Convertible Bond - Class P Shares - Euro (Hedged)	2.62	1.47	1.90
F&C Global Convertible Bond - Class P Acc Shares - Euro (Hedged) *	(0.30)	N/A	N/A
F&C Global Convertible Bond - Class P Acc Shares - US\$ *	(0.10)	N/A	N/A
F&C Global Convertible Bond - Class R Shares - Euro	3.12	7.96	6.80
F&C Global Convertible Bond - Class R Acc Shares - Euro (Hedged) *	(0.30)	N/A	N/A
F&C Global Convertible Bond - Class R Acc Shares - US\$ *	(0.10)	N/A	N/A
F&C Global Convertible Bond - Hong Kong Class A Shares - US\$	3.70	(5.97)	(0.14)
F&C Global Smaller Cap Equity - Class A Acc Shares - Euro	8.68	17.29	17.23
F&C Global Smaller Cap Equity - Class A Shares - US\$	8.13	2.61	(1.00)
F&C Global Smaller Cap Equity - Class A Acc Shares - US\$	9.49	3.49	9.37
F&C Global Smaller Cap Equity - Class I Acc Shares - GBP	28.63	11.72	9.98
F&C Global Smaller Cap Equity - Class I Shares - US\$	10.42	4.37	10.26
F&C Global Smaller Cap Equity - Class R Acc Shares - GBP	28.63	1.30	N/A
F&C Japanese Equity - Class A Shares - Euro	14.33	9.49	8.54
F&C Japanese Equity - Class I Shares - Euro	14.34	9.27	8.68
F&C Japanese Equity - Class I Shares - GBP	34.23	3.53	1.16
F&C Japanese Equity - Class X Shares - GBP	28.17	3.51	1.45
F&C Latin American Equity - Class I Shares - GBP	N/A	N/A	(0.90)
F&C Plus Fund - Class I Shares - Euro	(1.61)	(3.03)	6.66
F&C Responsible Global Equity - Class A Shares - Euro	8.12	12.46	14.34
F&C Responsible Global Equity - Class A Shares - US\$	8.91	(0.34)	6.60
F&C Responsible Global Equity - Class I Shares - Euro	8.48	12.95	14.68
F&C Responsible Global Equity - Class I Shares - US\$ *	1.00	N/A	N/A
F&C Responsible Global Equity - Class P Acc Shares - Euro *	0.30	N/A	N/A
F&C Responsible Global Equity - Class P Acc Shares - US\$ *	1.00	N/A	N/A
F&C Responsible Global Equity - Class R Shares - Euro	8.55	13.04	9.70
F&C Responsible Global Equity - Class R Acc Shares - Euro *	0.40	N/A	N/A
F&C Responsible Global Equity - Class R Acc Shares - US\$ *	0.90	N/A	N/A
F&C Responsible Sharia Global Equity - Class A Shares - US\$ *	N/A	(2.19)	0.60
F&C Responsible Sharia Global Equity - Class X Shares - US\$ *	N/A	(1.80)	7.06
F&C US Smaller Companies - Class A Shares - US\$	12.69	0.39	4.20

\* Refer to Appendix I

Past performance is no indication of current or future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of shares.

## **F&C Portfolios Fund Administration of the Fund**

### **REGISTERED OFFICE**

49, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### **MANAGEMENT COMPANY\***

FundRock Management Company S.A. (formerly RBS (Luxembourg) S.A.)  
33, rue de Gasperich  
L-5826 Hesperange  
Grand Duchy of Luxembourg

### **INVESTMENT MANAGER**

F&C Management Limited  
Exchange House, Primrose Street  
London EC2A 2NY  
United Kingdom  
*Authorised and Regulated in the United Kingdom by the Financial Conduct Authority (FCA)*

### **INVESTMENT MANAGER TO F&C PLUS FUND**

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\*The Royal Bank of Scotland plc ("RBS") announced on 18 August 2015 that it was selling RBS (Luxembourg) S.A. ("RBSL"), its Luxembourg-domiciled independent management company and funds governance business, to BlackFin Capital Partners ("BlackFin"), a private equity firm specialised in the financial services sector.

The acquisition of RBSL by BlackFin Financial Services Fund II, a private-equity fund managed by BlackFin, was completed on 31 December 2015. RBSL has been renamed FundRock Management Company S.A. and is no longer a member of the RBS Group.

## **F&C Portfolios Fund Administration of the Fund (continued)**

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## **F&C Portfolios Fund Administration of the Fund (continued)**

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## F&C Portfolios Fund

### Appendix I – Portfolio and Share Class Launches and Closures

As at 30 September 2016

During the period, the following Portfolios were launched:

Portfolio	Currency	Launch date
BMO Global Absolute Return Bond	Euro	15 July 2016
BMO Global Equity Market Neutral (SICAV)	US\$	8 April 2016
BMO Global Total Return Bond	Euro	15 October 2015

During the period, the following Portfolio was closed:

Portfolio	Currency	Close date
F&C Responsible Sharia Global Equity	US\$	Liquidated with effect from 28 April 2016

During the period, the following Share Classes were launched:

Portfolio	Share Class	Currency	Launch date
BMO Global Absolute Return Bond	Class F Acc Shares - GBP (Hedged)	GBP	15 July 2016
BMO Global Equity Market Neutral (SICAV)	Class A Shares - Euro (Hedged)	Euro	09 June 2016
BMO Global Equity Market Neutral (SICAV)	Class A Acc Shares - Euro (Hedged)	Euro	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class A Acc Shares - NOK (Hedged)	NOK	08 July 2016
BMO Global Equity Market Neutral (SICAV)	Class A Acc Shares - SEK (Hedged)	SEK	08 July 2016
BMO Global Equity Market Neutral (SICAV)	Class A Shares - US\$	US\$	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class A Acc Shares - US\$	US\$	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class F Acc Shares - Euro (Hedged)	Euro	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class F Acc Shares - GBP (Hedged)	GBP	27 May 2016
BMO Global Equity Market Neutral (SICAV)	Class F Acc Shares - NOK (Hedged)	NOK	19 May 2016
BMO Global Equity Market Neutral (SICAV)	Class F Acc Shares - US\$	US\$	26 May 2016
BMO Global Equity Market Neutral (SICAV)	Class I Shares - Euro (Hedged)	Euro	09 June 2016
BMO Global Equity Market Neutral (SICAV)	Class I Acc Shares - Euro (Hedged)	Euro	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class I Acc Shares - NOK (Hedged)	NOK	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class I Acc Shares - SEK (Hedged)	SEK	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class I Shares - US\$	US\$	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class I Acc Shares - US\$	US\$	08 April 2016
BMO Global Equity Market Neutral (SICAV)	Class P Acc Shares - Euro (Hedged)	Euro	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class P Acc Shares - US\$	US\$	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class R Acc Shares - Euro (Hedged)	Euro	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class R Acc Shares - US\$	US\$	12 August 2016
BMO Global Equity Market Neutral (SICAV)	Class X Acc Shares - Euro (Hedged)	Euro	10 May 2016
BMO Global Total Return Bond	Class I Acc Shares - Euro	Euro	15 October 2015
BMO Global Total Return Bond	Class I Shares - GBP (Hedged)	GBP	06 May 2016
BMO Global Total Return Bond	Class I Shares - US\$ (Hedged)	US\$	30 June 2016
BMO Responsible Global Emerging Markets Equity	Class R Acc Shares - US\$	US\$	27 September 2016
F&C Diversified Growth	Class A Acc Shares - NOK (Hedged)	NOK	13 June 2016
F&C Diversified Growth	Class A Acc Shares - SEK (Hedged)	SEK	13 June 2016
F&C European Equity	Class ID Acc Shares - Euro	Euro	15 July 2016
F&C European Equity	Class ID Shares - Euro	Euro	15 July 2016
F&C European High Yield Bond	Class I Shares - Euro	Euro	12 August 2016
F&C European SmallCap	Class R Acc Shares - CHF	CHF	06 January 2016
F&C Global Convertible Bond	Class A Acc Shares - Euro	Euro	12 August 2016
F&C Global Convertible Bond	Class I Acc Shares - Euro	Euro	12 August 2016
F&C Global Convertible Bond	Class P Acc Shares - Euro (Hedged)	Euro	12 August 2016
F&C Global Convertible Bond	Class P Acc Shares - US\$	US\$	12 August 2016
F&C Global Convertible Bond	Class R Acc Shares - Euro (Hedged)	Euro	12 August 2016
F&C Global Convertible Bond	Class R Acc Shares - US\$	US\$	12 August 2016
F&C Responsible Global Equity	Class I Shares - US\$	US\$	12 August 2016
F&C Responsible Global Equity	Class P Acc Shares - Euro	Euro	12 August 2016
F&C Responsible Global Equity	Class P Acc Shares - US\$	US\$	12 August 2016
F&C Responsible Global Equity	Class R Acc Shares - Euro	Euro	12 August 2016
F&C Responsible Global Equity	Class R Acc Shares - US\$	US\$	12 August 2016

## F&C Portfolios Fund

### Appendix I – Portfolio and Share Class Launches and Closures (Continued)

As at 30 September 2016

During the period, the following Share Classes were closed:

Portfolio	Share Class	Currency	Close date
F&C Emerging Markets Bond	Class I Shares - US\$	US\$	Liquidated with effect from 13 January 2016
F&C Responsible Sharia Global Equity	Class A Shares - US\$	US\$	Liquidated with effect from 28 April 2016
F&C Responsible Sharia Global Equity	Class X Shares - US\$	US\$	Liquidated with effect from 28 April 2016

During the period, the following Portfolios changed name:

Former name of Portfolio	New name of Portfolio	Date
F&C Global Total Return Bond	BMO Global Total Return Bond	30 March 2016
F&C Global Emerging Markets Portfolio	BMO Responsible Global Emerging Markets Equity	30 March 2016

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