LEGG MASON
GLOBAL ASSET MANAGEMENT

- **INVESTMENT INVOLVES RISKS. The value of the Fund can be volatile and investors may not get back the amount originally invested. Past performance is not indicative of future results.**
- The Fund is a sub-fund of Legg Mason Global Funds plc, an open-ended umbrella investment company constituted in Ireland. The Fund seeks to generate long-term capital appreciation, by investing at least 70% of its Net Asset Value in equity securities of companies domiciled in any country of the world. The Sub-Investment Manager will seek to invest in companies domiciled in Developed and Emerging Market Countries, although it will primarily focus on companies from Developed Countries. The Fund will invest across a diversified range of industries. While there are no capitalisation restrictions, the Fund will seek to invest primarily in large capitalisation companies.
- Investors will be exposed to equity market, custody and settlement, currency and debt securities risks.
- Investors will be exposed to China-specific risks, including the risk of significant change in Chinese political, social or economic policy, which may adversely affect the capital growth and performance of such investments. There are also special risks associated with the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect.
- The Fund may use certain types of financial derivative instruments, which may involve a higher degree of risk including but not limited to counterparty, volatility, liquidity, leverage and valuation risks, and the Fund may suffer a substantial loss.
- The Fund may invest in emerging markets which involve special risks, including liquidity, volatility, currency, political, economic, legal and regulatory risks.
- The directors of Legg Mason Global Funds Plc may at their discretion pay dividends out of capital of a Distributing Plus Share Class. The payment of dividends out of capital effectively amounts to a return or withdrawal of an investor´s original capital investment or of capital gains attributable to that original investment. Such distribution will result in a corresponding immediate decrease in the Net Asset Value per share of these Share Classes.
- Investors should not invest based on this marketing material alone. Offering documents should be read for further details, including the risk factors.

Legg Mason QS
MV Global Equity Growth and Income Fund

Fund performance

Cumulative (%)[1]	3-Month	YTD	1-Year	3-Year	5-Year	Since inception
Class A Acc. (USD)	**1.86**	**1.78**	**5.64**	**25.53**	**48.74**	**71.17**
Benchmark: MSCI AC World Net Dividends Index	3.26	3.38	11.41	39.93	58.66	80.76

Rolling 12-month performance (%)[1] – period ending	31.08.18	31.08.17	31.08.16	31.08.15	31.08.14
Class A Acc. (USD)	**5.64**	**9.05**	**8.96**	**0.42**	**18.00**
Benchmark	11.41	17.11	7.24	-6.29	20.99

Monthly review

What happened in the market? In August, U.S. equity markets were preferred by investors over other regions, the latter of which continued to suffer from political turmoil. While global equities appreciated over the month, this was largely driven by the U.S. stock market, as stocks in most international developed and emerging markets declined in U.S. dollar terms. Following the February 2018 spike in volatility and resulting correction, U.S. equities have appreciated in each of the five months since April, exhibiting greater consistency than other regions. Investors were deeply concerned with Italian equities in August, driven by worries over the Italian budget deficit and economic growth. As in the past, contagion fears affected Spain and Greece. In emerging markets, trade tensions and tariff threats between the U.S. and China continued to impact Chinese stocks far more than those in the U.S. A strong U.S. dollar contributed to volatility across equity markets ex-U.S., while the U.S. stock market experienced very low volatility.

What happened in the Fund? In August, region/sector allocations were the largest detractors from returns. In particular, an underweight in U.S. information technology was the most significant headwind for results. Stock selection modestly detracted from performance, notably in the U.S., as well as in the resource-based Australia, New Zealand and Canada grouping and emerging markets. In contrast, holdings in Japan and Asia developed ex-Japan were beneficial for returns. Across sectors, stock selection in energy and banks added value, while industrials was the largest detractor from performance. Sector allocation was negative for returns, due to an underweight in information technology.

What did the portfolio manager do? Over the month the Fund increased the overweight in continental Europe, reduced the underweight in Japan and, most notably, increased the underweight to the U.S., particularly in the information technology and materials sectors.

What is the outlook? The market narrative has moved from talk of global synchronization to global divergence, with significant deviations between U.S. markets and those overseas. In the meantime, in the U.S. this historically long-running bull market continues. U.S. market valuations may be stretched amid a low-volatility environment, while international markets are seeing heightened reactions to geopolitical concerns. Emerging markets are being hurt by the strong U.S. dollar, rising interest rates in the U.S., and potential contagion from crises in Turkey and Argentina. These dynamics may cause further rotations in market performance and increased volatility. The manager believes that their well-diversified, disciplined strategy is positioned to benefit in this environment.

Investment Aim: The Fund seeks to generate long-term capital appreciation, by investing at least 70% of its Net Asset Value in equity securities of companies domiciled in any country of the world. The Sub-Investment Manager will seek to invest in companies domiciled in Developed and Emerging Market Countries, although it will primarily focus on companies from Developed Countries. The Fund will invest across a diversified range of industries. While there are no capitalisation restrictions, the Fund will seek to invest primarily in large capitalisation companies.

This Fund is managed by QS Investors, LLC

[1] Source: Legg Mason, as of 31 August 2018. Class A Acc USD performance is net of fees and is calculated on a NAV to NAV basis (USD). Performance for periods greater than one year is cumulative. Performance is based on reinvestment of any income and capital gains distribution derived from securities held in the Fund. Inception date: 6 September 2012. Class A Acc USD calendar year net of fees performance for year-to-date (1.78%), 2017 (15.72%), 2016 (6.23%), 2015 (-1.19%), 2014 (8.23%) and 2013 (20.72%). On 13 May 2015, the investment objective, policy and restrictions were changed. Benchmark: MSCI AC World Net Dividends Index. **Investment involves risks. Past performance is not indicative of future results.**

IMPORTANT INFORMATION

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Exchange rate changes may cause the value of overseas investments to rise or fall. Where the Fund's base currency is not US/HK Dollars, US/HK Dollar-based investors are exposed to exchange rate fluctuations.

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