Fund Research Centre
Independently Minded

Legal & General Strategic Bond – addition to our Recommended list

9 December 2025

We have added Legal & General Strategic Bond to our Recommended list.

Fund Snapshot

A flexibly managed, diversified fixed income fund. The team aims to deliver a smoother risk-adjusted return experience through an adaptable approach that combines credit allocation with active duration management. Within its sector, the fund features in our 'Dynamic' category.

Fund Highlights

- This Recommended fund is managed by an established and experienced team of fixed income practitioners. The strategy utilises the full range of the firm's fixed income capabilities, including teams of investment grade credit, emerging markets and high yield research analysts, investment specialists and credit strategists. Additionally, they take inputs from the firm's wider multi-asset capabilities.
- The team has built a pragmatic and repeatable process that harnesses the broader team's credit and macro-economic views, building a well-balanced, diversified and risk-aware portfolio.
- The team has an absolute return philosophy and a focus upon minimising drawdowns. Significant emphasis is placed on risk management and avoiding downside scenarios through dynamic credit allocation and active duration management. Legal & General Investment Management's in-house systems assist the team in calibrating portfolio risk.

Key Characteristics and Expected Outcome

- This is a diversified portfolio which is managed in a risk-aware manner. In keeping with this, the team seeks to deliver attractive risk-adjusted returns from multiple sources of alpha, including active duration management. Ultimately, the team aims to deliver a smoother return experience for investors.
- Nevertheless, they will use the bounds of the mandate when they have a strong view on specific areas of value within the fixed income markets. This means that there is scope for variability in relative performance when higher conviction views are being reflected, although they are sensitive to absolute risks and returns, keeping the fund highly diversified.
- The managers make use of derivatives to both protect the portfolio and hedge specific risks, as well as to enhance the performance of the fund. Investors should be comfortable with the relatively sophisticated and pro-active approach.
- We see this as a good option for investors who are seeking a flexibly managed and diversified fixed income fund, where all aspects of the global opportunity set are considered.

To view our factsheet, please visit the fund page on our website.

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