



Core Bond Fund
Quarterly
Investment Report

As of June 30, 2019

Overview

Fund objective

The Fund seeks long-term total return consistent with the preservation of capital.

Fund valuation

Total net assets (all share classes)

Fund Value at March 31, 2019	\$51,219,849
Fund Value at June 30, 2019	\$46,650,245

Source: SEI.

Performance

Periods to June 30, 2019

Total returns (%)	QTD	1 Year	Since Inception
Fund (R6)	2.90	7.70	4.88
Bloomberg Barclays U.S. Aggregate Bond Index	3.08	7.87	5.16
Relative Performance (R6)	-0.18	-0.17	-0.28

Source: SEI, Schroders. Inception Date: January 31, 2018.

Performance versus benchmark (%)



Calendar year performance (%)

	YTD 2019	2018	2017	2016	2015
R6 Shares	6.08	n/a	n/a	n/a	n/a
Bloomberg Barclays U.S. Aggregate Bond Index	6.11	n/a	n/a	n/a	n/a

Source: SEI, Schroders.

Performance shown reflects past performance, which is no guarantee of future results. Current performance may be higher or lower than the performance shown. Principal value and investment returns will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. For the most recent month-end performance, visit www.schroders.com/us or call (800) 464-3108. Performance for periods less than one year is not annualized. Total fees and expenses as shown in the Fund's prospectus: Gross 1.48%; Net 0.32%¹

R6 Shares are available for purchase by eligible institutional investors, including employer sponsored retirement plans, pension plans, endowments and foundations, and eligible high net worth investors. R6 Shares are generally not available to investors who invest or hold their shares through financial intermediaries, such as clearing firms or record keepers that expect to receive compensation from the Fund or from Schroders. The minimum initial investment for R6 Shares is \$5,000,000 and there is no minimum for additional purchases of R6 Shares.

Total return figures are net of fees and expenses and reflect reinvestment of all dividends and distributions at net asset value. As described in the prospectus, during certain periods shown the expenses borne by the Fund were limited by the investment adviser; otherwise total return would have been lower. ¹In order to limit the Fund's expenses, the Fund's adviser, Schroder Investment Management North America Inc. ("Schroders" or the "Adviser"), has contractually agreed through February 28, 2020 to waive its fees, pay Fund operating expenses, and/or reimburse the Fund to the extent that Total Annual Fund Operating Expenses (other than acquired fund fees and expenses, other indirect acquired fund expenses, interest, taxes, and extraordinary expenses), for the Fund's R6 Shares, exceed 0.32% of R6 Shares' average daily net assets. The expense limitation may only be terminated during its term by the Board of Trustees.

Performance review

The Fund underperformed the benchmark in second quarter. Positive sector selection was the largest contributor as the Fund benefited from the overweight to corporates and underweight to Treasuries. Our overweight to financials and industrials aided excess returns benefitting from the markets risk on sentiment and a dovish US Federal Reserve (Fed). The overweight to non-Agency MBS also aided returns as they outperformed the broader securitized sector during the quarter. Issue selection was negative for the primarily within the corporate sector. Specific financials and industrials such as **American Tower**, **JPMorgan** and **Cox Communications** underperformed the broader sector. Finally, yield curve and duration in aggregate were negative however this was more a result of the asset allocation decisions rather than an expressed view on the direction of interest rates.

Securities mentioned are for illustrative purposes only and should not be viewed as a recommendation to buy/sell.

Market review, outlook and policy

The first half of 2019 saw remarkable gains across a variety of asset classes, with many fixed income sectors posting near double-digit returns. A large part of this rally is attributable to the notable pivot made by global central banks to assure markets that they would be willing to intervene to sustain the economic expansion. Although the Fed has not yet acted, the market is discounting nearly 75bps of rate cuts for the remainder of the year. This has led to tremendous returns in Treasury markets, in addition to continued momentum in credit markets. With risk assets now having retraced nearly all of the weakness from late last year, we think the easy money has been made and would suggest investors tread with a degree of caution when it comes to the higher-beta sectors. Our expectation is that fixed income broadly will remain well supported in the second half, but will post more modest, coupon-like returns.

In July, the US economy will enter its longest economic expansion in its history. While the economy is still in expansionary mode, the pace of economic growth has clearly slowed as trade policy uncertainty takes its toll on business confidence and capital expenditures. We are also seeing the lagged effects of reduced fiscal stimulus, higher interest rates and a stronger dollar weighing on economic output. One bright spot remains the US consumer, who has benefited from an unemployment rate at generational lows in addition to lower taxes and modest wage gains. Consumer leverage remains modest and a still-elevated household savings rate suggests that consumption growth will remain elevated. Globally, the slowdown has been starker with growth in Europe expected to be barely above stall speed in 2019 and Chinese growth dropping to its lowest levels since 1990. This has increased the pressure on the respective central banks to support policy initiatives aimed at boosting growth.

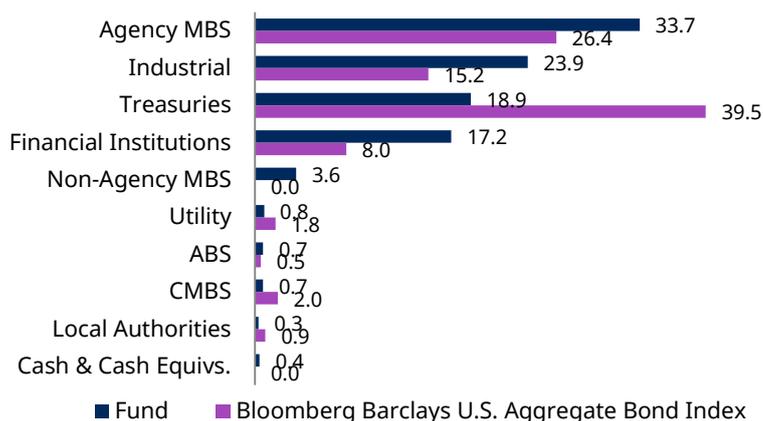
At the moment, risk assets appear to believe in the omnipotence of central banks. Easier monetary policy has buoyed risk assets for the better part of a decade, and investors continue to chase returns in response to lower bond yields. One only needs to look at global equity indices (nearly every major market is posting half-year returns in excess of 10%) as compared to their fundamental underpinnings. First quarter earnings growth in US equities was essentially flat from a 20% run rate in late 2018 and expectations for the second half aren't much brighter. Multiple expansion, instead, has driven equities higher, as markets perceive the monetary-policy driven liquidity environment to be enough to keep things going. Another example of liquidity trumping fundamentals is short maturity Italian bonds trading with a negative yield. With flows rather than fundamentals driving returns we would suggest investors should proceed with caution at this current juncture. Markets will need to navigate various cross-currents in the second half of 2019: uncertainty with regards to trade, a Fed that is easing amidst a cyclical slowdown, Brexit and the ramp-up of the 2020 election cycle...just to name a few. Our view is that the easy money in most markets has been made and that risk assets will face some challenges ahead. This is particularly true as valuations in the credit sectors are now approaching the more expensive end of their cyclical range. The liquidity environment will likely keep risk assets supported, but it's difficult to see material appreciation from here absent a change in the underlying fundamentals.

Portfolio composition (%)*

Data is shown as a percentage of market value.

Sectors are shown for illustrative purposes only and should not be viewed as a recommendation to buy/sell.

*May not add to 100% due to rounding.
Source: Schroders.



Top ten holdings

Securities are shown for illustrative purposes only and should not be viewed as a recommendation to buy/sell.

Holdings may vary in calculation methodology from reconciled portfolio holdings information contained in the Fund's annual and semi-annual shareholder reports or first and third quarter reports filed with the SEC on Form N-Q. This data may vary from any holdings information found on the firm's other marketing materials. Holdings are shown as a percent of total net assets.

Fund	Coupon %	Maturity	% Mkt Value
1. T 4 5/8 02/15/40	4.63	2/15/2040	2.9
2. T 2 3/8 02/29/24	2.38	2/29/2024	2.9
3. Fn Ma3564 4.5% 01/01/49	4.50	1/1/2049	2.8
4. T 3 3/8 11/15/48	3.38	11/15/2048	2.8
5. Fn Bh5752 3.5% 11/01/47	3.50	11/1/2047	2.6
6. Fn Bm2005 4% 12/01/47	4.00	12/1/2047	2.4
7. Fn Bm4835 3.5% 11/01/48	3.50	11/1/2048	2.2
8. Fg G08857 4% 01/01/49	4.00	1/1/2049	2.0
9. T 4 3/8 05/15/40	4.38	5/15/2040	1.8
10. Fn Bh9392 3.5% 11/01/47	3.50	11/1/2047	1.8
Total			24.2

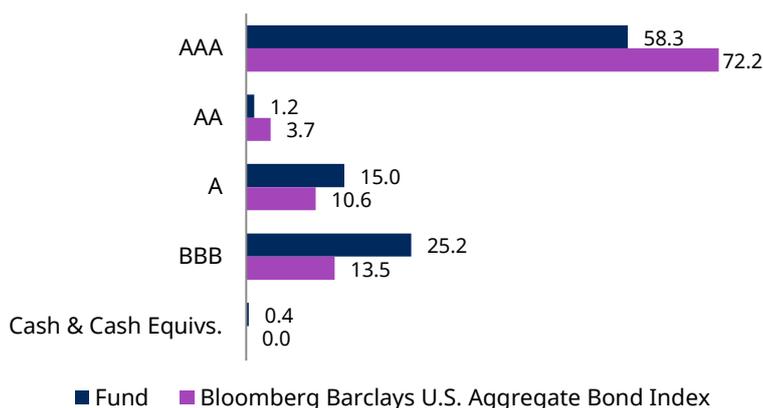
Source: SEI.

Credit quality allocation (%)*

Data is shown as a percentage of market value.

Schroders receives credit quality ratings on underlying securities of the Fund from the three major reporting agencies - S&P, Moody's and Fitch. Securities that are not rated by all three agencies are reflected as such. Schroders converts all ratings to the equivalent S&P major rating category for purposes of the category shown. Below investment-grade is represented by a rating of BB and below. Ratings and portfolio credit quality may change over time. Non-rated securities do not necessarily indicate low quality.

*May not add to 100% due to rounding.
Source: Schroders.



Fund statistics

The Effective Duration and Yield data are shown as of March 31, 2019 and are based on Investor Shares.

	Fund	Benchmark
Effective Duration (years) ¹	5.67	5.68
Sec 30 Day Yield (%) ²	2.59	n/a
30-Day Unsubsidized Yield (%) ³	2.15	n/a

Source: Schroders, SEI.

Important Information

Please consider a fund's investment objectives, risks, charges and expenses carefully before investing. For a free prospectus, which contains this and other information on any Schrodgers fund, visit www.schrodgers.com/us, call your financial advisor or call (800) 464-3108. Read the prospectus carefully before investing.

Definitions:

The Bloomberg Barclays U.S. Aggregate Bond Index provides a measure of the performance of the U.S. dollar denominated investment grade bond market, which includes investment grade government bonds, investment grade corporate bonds, mortgage pass through securities, commercial mortgage backed securities and asset backed securities that are publicly for sale in the United States. Investors cannot invest directly in an index.

¹**Effective Duration** measures the security's price sensitivity to changes in interest rates, expressed in years. The higher the number, the greater potential for volatility as interest rates change.

²**SEC 30 Day Yield** reflects the dividends and interest earned during the most recent 30-day period, after the deduction of the Fund's expenses.

³**30-Day Unsubsidized Yield** does not reflect waivers.

The views and opinions contained herein are those of the Schrodgers Multi-Sector Fixed Income team, and do not necessarily represent Schroder Investment Management North America Inc.'s house view. These views and opinions are subject to change.

All investments involve risks including the risk of possible loss of principal. The market value of a fund's portfolio may decline as a result of a number of factors, including interest rate risk, credit risk, inflation/deflation risk, mortgage and asset-backed securities risk, US Government securities risk, foreign investment risk and liquidity risk. Frequent trading of the Fund's portfolio may result in relatively high transaction costs and may result in taxable capital gains. Duration is a measure of volatility expressed in years. The higher the number, the greater potential for volatility as interest rates change. Please see the prospectus for a full description of the risks associated with the Fund.

This document does not constitute an offer to sell or any solicitation of any offer to buy securities or any other instrument described in this document. The information and opinions contained in this document have been obtained from sources we consider to be reliable. No responsibility can be accepted for errors of facts obtained from third parties. Reliance should not be placed on the views and information in the document when making individual investment and/or strategic decisions.

The opinions stated in document include some forecasted views. We believe that we are basing our expectations and beliefs on reasonable assumptions within the bounds of what we currently know. However, there is no guarantee that any forecasts or opinions will be realized.

Sectors/securities illustrate examples of types of sectors/securities in which the Fund invested and may not be representative of the Fund's current or future investments. Portfolio sectors/securities and allocations are subject to change at any time and should not be viewed as a recommendation to buy/sell.

Countries mentioned are shown for illustrative purposes only and should not be viewed as a recommendation to buy/sell.

Past performance is not a guide to future performance. The value of investments can go down as well as up and is not guaranteed.

The Fund's investment adviser and sub-adviser are Schroder Investment Management North America Inc. ("SIMNA") and Schroder Investment Management North America Ltd., respectively. Each are wholly-owned, indirect subsidiaries of Schrodgers plc (collectively referred to as "Schrodgers" herein), a UK-based company with shares listed on the London Stock Exchange. The Fund is distributed by SEI Investments Distribution Co ("SIDCO"), a member of FINRA. Schroder Fund Advisors LLC, a subsidiary of SIMNA and a member of FINRA, previously served as the distributor of the Fund and continues to be involved in the distribution of its shares through an agreement with SIDCO. SIDCO is not an affiliate of Schrodgers plc.

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