

## FUND OVERVIEW



Fund Manager(s)	Henry Burrell, Henry Lowson
Fund Size	£373.58m
Domicile	United Kingdom
ISA	Eligible
Benchmark Index	FTSE 250 ex Inv Co
Investment Association Sector	IA UK All Companies
Currency	GBP
Initial Charge	0.0%
Fund Management Fee (FMPF):	M Acc: 0.77% Z Acc: 0.62% N Acc: 0.70%

### Share Class M (Accumulation)

Unit Launch Date	11.11.09
Minimum Investment	£100,000
SEDOL	B5BRW42
Mid Price	466.90p
Historic Yield	2.01%

### Share Class Z (Accumulation)

Unit Launch Date	06.05.14
Minimum Investment	£25,000,000
SEDOL	BG48LW0
Mid Price	163.40p
Historic Yield	2.15%

### Share Class N (Accumulation)

Unit Launch Date	20.03.20
Minimum Investment	£15,000,000
SEDOL	BLP52H7
Mid Price	149.80p
Historic Yield	2.07%

# ROYAL LONDON UK MID-CAP GROWTH FUND

31.03.24

## Overview

The Fund's investment objective is to achieve capital growth over the medium term (3-5 years), by investing at least 80% in the shares of UK medium-sized companies listed on the London Stock Exchange. The Fund's performance target is to outperform, after the deduction of charges, the FTSE 250 ex-IT (investment trust) Total Return GBP Index (the "Index") over rolling 5-year periods. The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index. In addition to the benchmark for the Fund's performance as noted above (the "Index"), the IA UK All Companies sector is considered an appropriate benchmark for performance comparison.

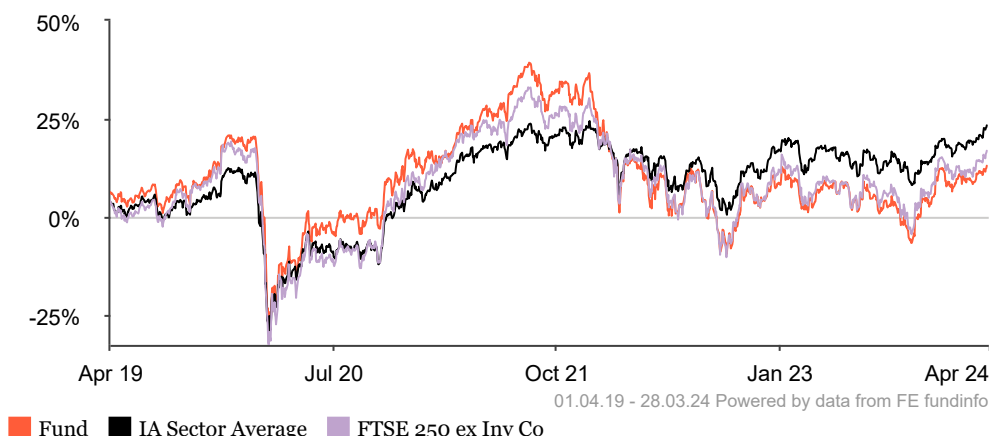
## Year-on-year performance

	31.03.23 to 31.03.24	31.03.22 to 31.03.23	31.03.21 to 31.03.22	31.03.20 to 31.03.21	31.03.19 to 31.03.20
Share Class M (Accumulation)	8.0%	-8.4%	-2.0%	41.5%	-16.9%
Share Class Z (Accumulation)	8.2%	-8.3%	-1.8%	41.8%	-16.9%
Share Class N (Accumulation)	8.1%	-8.3%	-1.9%	41.5%	-

## Cumulative Performance (as at 31.03.24)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Accumulation)	0.6%	10.8%	8.0%	-3.0%	14.0%
Share Class Z (Accumulation)	0.7%	10.9%	8.2%	-2.6%	14.8%
Share Class N (Accumulation)	0.6%	10.9%	8.1%	-2.8%	-
IA Sector Average	2.9%	7.5%	7.6%	11.3%	24.1%
FTSE 250 ex Inv Co	1.9%	11.4%	10.1%	1.3%	17.7%
Quartile Ranking	4	1	3	4	4

## Performance Chart



**Past performance is not a guide to future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.**

Source: RLAM and FE fundinfo as at 31.03.24. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

## Fund Manager(s)



### Henry Lawson

Lead Manager

Fund Manager tenure:  
01.01.18



### Henry Burrell

Deputy Manager

Fund Manager tenure:  
01.01.22

## Yield Definitions

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows.

## Important Information

This is a financial promotion and is not investment advice.

The Fund is a sub-fund of Royal London Equity Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC000807. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037. For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

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Source: RLAM, FE fundinfo and HSBC as at 31.03.24, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0124

Breakdowns exclude cash and futures.

## Fund Commentary

The UK Mid Cap Growth fund returned 4.3% during March, underperforming the benchmark (FTSE 250 ex IT) by 0.8%. Longer term performance over the last six months has been positive in both absolute & relative terms, with the fund returning 10.8% and outperforming the benchmark by over 1%.

UK equities performed strongly in March, & M&A, once again, was a feature during the month. A number of companies across the market cap spectrum were bid for – examples included Spirent Communications, Virgin Money, DS Smith and Accrol. The Bank of England continued to hold interest rates at current levels, but dovish commentary and no members of the Monetary Policy Committee voting to increase rates (for the first time since September 2021) gave hope for rate cuts in the near future. The government delivered its Budget for 2024, with one of the more relevant announcements being the launch of the British ISA. This will provide retail investors with an additional tax-free allowance should this be used to invest in UK equities or other UK investments.

Spirent Communications, Bodycote and Coats Group were positive contributors. As mentioned above, Spirent Communications was bid for, from Viavi initially, and from Keysight later in the month, at premiums of c60% & c85% respectively to Spirent's undisturbed share price. Bodycote released a solid set of financial year end results which revealed positive revenue growth, further progression towards its 20+% margin target and strong cash generation. Coats revealed a solid set of year-end results especially considering the destocking headwinds which the business has battled during the last year. Whilst revenues declined, profits were somewhat protected as a result of its strategic programmes, higher-than-expected synergies from its two most recent acquisitions and focus on cost control.

A reasonable proportion of the fund's underperformance came from the positive performance of a number of holdings not held in the fund – examples include retail bank Virgin Money, which was bid for by Nationwide Building Society, and housebuilder, Vistry Group, which delivered a well-received update during the month. For companies held in the fund, FDM Group, was a detractor. FDM's full year results were as expected, but challenging market conditions prompted the company to revise down its expectations for its financial performance for the coming year. Client engagement is reported to remain encouraging however, and we remain confident that a structural need for FDM's trained consultants still remains.

## Sector Breakdown

	Fund
Industrials	34.6%
Financials	17.9%
Consumer Discretionary	15.8%
Technology	8.1%
Real Estate	6.1%
Telecommunications	5.9%
Consumer Staples	5.1%
Basic Materials	4.4%
Health Care	2.2%

## Top 10 Holdings as at 31.03.24

	Fund
CRANSWICK PLC	3.3%
GENUIT GROUP PLC	3.2%
HILL AND SMITH PLC	3.2%
Rotork Plc	3.1%
COATS GROUP PLC	3.0%
BODYCOTE PLC	3.0%
ASCENTIAL PLC	2.9%
TELECOM PLUS PLC	2.8%
JTC PLC	2.8%
GRAINGER PLC	2.7%
<b>Total</b>	<b>30.0%</b>
<b>No of Holdings</b>	<b>48</b>

Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Nothing in this factsheet should be construed as advice and is therefore not a recommendation to buy or sell shares.

## CONTACT DETAILS

### Private Investors

For enquiries and dealing: Tel: 03456 04 04 04\*

### Intermediaries

For enquiries: Tel: 0203 272 5950\*

Email: BDSupport@rlam.co.uk

### Institutional Investors

For enquiries: Tel: 020 7506 6500\*

Email: Institutional@rlam.co.uk

### Head Office

Royal London Asset Management Limited

80 Fenchurch Street

London, EC3M 4BY

Tel: 020 7506 6500\*

Telephone calls may be recorded. For further information please see the privacy policy at <http://www.rlam.com>.

## Key Concepts to Understand

**Capital Growth:** Capital growth is defined as the rise in an investment's value over time.

**Rolling 5 Year Period:** A rolling 5-year period is any period of five years, no matter which day you start on.

**Efficient Portfolio Management:** A list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.

**Medium-sized companies (mid-cap):** Those worth between £250 million and £2 billion.

## Fund Risks

**Investment Risk:** The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

**EPM Techniques:** The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

**Counterparty Risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.