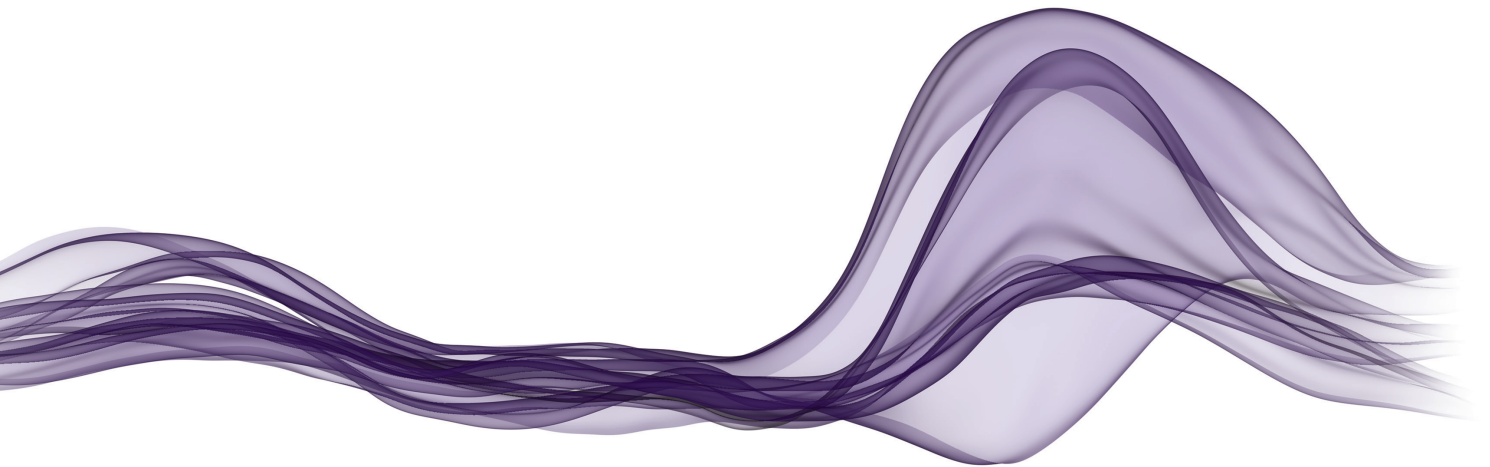


# **Royal London Bond Funds ICVC**

## **Interim Report**

For the six month period ended 30 April 2024 (unaudited)



## Contents

Company Information*	2
Directors' Report*	3
Summary of Significant Accounting Policies	4
Funds	
Royal London Sterling Credit Fund	8
Royal London Global Index Linked Fund	22
Royal London Short-Term Money Market Fund	30
Royal London Corporate Bond Fund	40
Royal London Index Linked Fund	54
Royal London UK Government Bond Fund	63
Royal London Short Term Fixed Income Fund	74
Royal London International Government Bond Fund	86
Royal London Diversified Asset-Backed Securities Fund	95
Royal London Short Duration Gilts Fund	106
Royal London Short Term Fixed Income Enhanced Fund	115
Royal London Cautious Managed Fund	126
Royal London Investment Grade Short Dated Credit Fund	133
Royal London Short Duration Global Index Linked Fund	146
Fact File	
Constitution	154
Investment Objectives and Policies*	159
Appendix – Additional Information	
Securities Financing Transactions	167
General Information	181

\* The Authorised Corporate Director's report comprises these items, together with the following for each individual sub-fund: Manager's Investment Report; Investment Objective and Policy and Portfolio Statement.

## Company Information

### Company

#### Royal London Bond Funds ICVC

Registered in England with Company Number IC000797

*Registered office:*

80 Fenchurch Street, London EC3M 4BY

### Director

**The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited which is the sole director.**

*Place of business and Registered office:*

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority; a member of The Investment Association (IA).

T: 020 7506 6500

F: 020 7506 6503

### Directors

J.M. Brett (Non-executive Director)

H.I. Georgeson

J.S. Glen (Appointed 1 April 2024)

A.L. Hunt

J.M. Jackson (Non-executive Director)

R. Kumar

S. Spiller

R.A.D. Williams (Resigned 26 April 2024)

### Investment Adviser

#### Royal London Asset Management Limited

*Place of business and Registered office:*

80 Fenchurch Street, London EC3M 4BY

Authorised and regulated by the Financial Conduct Authority.

### Depositary

#### HSBC Bank plc

8 Canada Square, Canary Wharf, London E14 5HQ

Authorised and regulated by the Financial Conduct Authority.

### Registrar

#### SS&C Financial Services Europe Limited

The Register may be inspected at:

SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS

Authorised and Regulated by the Financial Conduct Authority.

### Independent Auditors

#### KPMG LLP

#### Chartered Accountants and Statutory Auditors

15 Canada Square, London E14 5GL

## Directors' Report

We are pleased to present the Interim Report and Financial Statements for the Royal London Bond Funds ICVC, covering the six month period from 1 November 2023 to 30 April 2024.

Royal London Bond Funds ICVC (the Company) is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella investment company, in that the Company proposes to issue shares linked to different sub-funds which have been established. The Company is a UCITS umbrella scheme.

The sub-funds in existence during the six month period from 1 November 2023 to 30 April 2024 were:

Royal London Sterling Credit Fund  
(launched 30 October 2009)

Royal London Global Index Linked Fund  
(launched 27 January 2010)

Royal London Short-Term Money Market Fund  
(launched 30 April 2010)

Royal London Corporate Bond Fund  
(launched 30 April 2010)

Royal London Index Linked Fund  
(launched 30 April 2010)

Royal London UK Government Bond Fund  
(launched 30 April 2010)

Royal London Short Term Fixed Income Fund  
(launched 15 June 2011)

Royal London International Government Bond Fund  
(launched 4 November 2011)

Royal London Diversified Asset-Backed Securities Fund  
(launched 24 September 2012)

Royal London Short Duration Gilts Fund  
(launched 7 November 2013)

Royal London Short Term Fixed Income Enhanced Fund  
(launched 18 May 2015)

Royal London Cautious Managed Fund  
(launched 10 June 2015)

Royal London Investment Grade Short Dated Credit Fund  
(launched 7 December 2015)

Royal London Short Duration Index Linked Fund  
(launched 23 February 2016)

An ICVC may comprise a single fund or may be structured as an umbrella with a number of different sub-funds, each with its own portfolio of underlying assets invested in accordance with the investment objective and policy applicable to that sub-fund.

Currently, the funds of an umbrella company are ring-fenced, and consequently creditors of the company may not look to all the assets of the company for payment regardless of the sub-fund in respect of which that creditor's debt has arisen. Certain assets held or liabilities incurred by an umbrella company which are not attributable to a particular fund can be allocated between all of the funds in a manner which the ACD considers fair to shareholders.

Shareholders are not liable for the debts of the Company.

### Change of Independent Auditor

With effect 16 April 2024 PricewaterhouseCoopers LLP resigned as auditors of the Company. The Directors intend to appoint KPMG LLP as replacement.

**This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook (COLL) as issued and amended by the Financial Conduct Authority.**

**For and behalf of Royal London Unit Trust Managers Limited**

**Authorised Corporate Director**

**R. Kumar** (Director)

**S. Spiller** (Director)

**24 June 2024**

# Summary of Significant Accounting Policies

For the six month period ended 30 April 2024

## 1. Accounting policies

### Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes sourcebook. They have been prepared in accordance with FRS102 and the Statement of Recommended Practice for Authorised Funds (SORP) for Financial Statements of Authorised Funds issued by The Investment Association in May 2014 (the 2014 SORP), as amended in 2017.

The accounting policies outlined below have been applied on a consistent basis throughout the period.

Further analysis of the distribution and the net asset position can be found within the Financial Statements of the individual sub-funds.

### Basis of valuation of investments

The investments of the Company have been valued at market value on 30 April 2024, the last valuation point in the accounting period. Market value is defined by the SORP as fair value, which is generally the bid value of each security.

The Short-Term Money Market Fund has been authorised as a Regulated Money Market Fund and is valued in accordance with the Money Market Funds Regulation. Further details are contained in the Prospectus.

The ACD has assigned the responsibility to review and approve fair value pricing decisions to the Royal London Asset Management Limited Valuation Oversight Committee. In accordance with the Royal London Asset Management Limited Pricing and Ensuring Fair Value Policy, the Committee provide regular governance and oversight on suspended, defaulted, delisted, unquoted or manually priced securities, taking into consideration where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Investments in collective investment schemes (CIS) have been valued at bid prices. For those CIS funds that are not dual priced, single prices are used.

Derivative assets and liabilities, including Overnight Index Swaps and Total Return Swaps, are valued at the fair value price to close out the contract at the balance sheet date, using available market prices or an assessment of fair value based on counterparty valuations and appropriate pricing models.

### Exchange rates

Assets and liabilities denominated in foreign currencies have been converted to sterling at the bid-market closing rates of exchange on 30 April 2024.

Foreign income and expenditure has been converted into sterling at the rate of exchange ruling at the date of transaction.

### Recognition of revenue

All dividends (including distributions from collective investment schemes) on investments marked ex-dividend up to the accounting date are included in revenue inclusive of any tax deducted at source and net of attributable tax credits.

Revenue received from investments in authorised collective investment schemes, which are purchased during the financial period, will include an element of equalisation which represents the average amount of revenue included in the price paid for shares or units. This equalisation is treated as capital and deducted from the cost of the investment.

Interest and revenue from bank balances and deposits, stock lending (net of fees paid), fixed interest stocks and other securities are recognised on an accruals basis.

Interest earned on interest bearing securities are determined on an effective yield basis. Effective yield is a revenue calculation that reflects the amount of amortisation of any discount or premium on the purchase price over the remaining life of the security.

Fees earned from stock lending are included in revenue on a net basis. The notes disclose the gross fees and related expenses.

Management fee rebates received from management companies are recognised when the entitlement arises, and are recognised as either income or capital in accordance with the treatment of the management fee charged on the underlying CIS.

### Treatment of expenses

Expenses are recognised on an accruals basis.

The underlying sub-funds will hold a number of various share classes. Each share class suffers a different Fund Management Fee, which can be found in the constitution starting on page 154. Consequently the level of expenses attributable to each share class will differ.

The costs and charges detailed in the Prospectus, including the ACD's own fee, will be met out of the fixed Fund Management Fee. In the event the actual costs incurred by a sub-fund exceed the level of the fixed Fund Management Fee applicable to that share class, the ACD shall bear any such excess. Where the actual costs incurred by a sub-fund fall below the fixed Fund Management Fee, the ACD shall be entitled to retain any amount by which the fixed Fund Management Fee exceeds those actual costs.

## Summary of Significant Accounting Policies (continued)

For the six month period ended 30 April 2024

### 1. Accounting policies – continued

#### Taxation

All sub-funds, except for Cautious Managed, satisfied the qualifying investments test of Statutory Instrument 2006/964 Authorised Investment Funds (Tax) Regulation 2006 paragraph 19 throughout the period. All distributions are, therefore, made as interest distributions. In the case of Cautious Managed, Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

Provision is made for taxation at current rates on the excess of investment revenue over allowable expenses, with relief for overseas taxation taken where appropriate.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised on permanent differences.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### Treatment of derivative contracts

The unrealised gain/(loss) on open future contracts is disclosed in the portfolio statement, where such contracts are held by an individual sub-fund.

Interest received from or paid to the sub-funds from swaps designed to protect capital are treated as capital and are included in net capital gains on derivative securities.

The unrealised gains or losses on open Overnight Index Swaps, Total Return Swaps, Futures and Forward Foreign Exchanges (FFX) are disclosed in the portfolio statements, where such contracts are held by an individual sub-fund.

Margins paid on these contracts are included in the amounts held at futures clearing houses and brokers.

Motives and circumstances are used to determine whether returns on derivative contracts should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital and the circumstances support this, the returns are included within net capital gains/losses in the Statement of Total Return. Where they are undertaken for generating or protecting revenue and the circumstances support this, the returns are treated as revenue and are included within the net revenue in the Statement of Total Return. The basis of apportionment is typically made by reference to the yield on the underlying index future or other appropriate source.

#### Dilution

In certain circumstances the ACD may charge a dilution adjustment on the sale or repurchase of shares for the majority of the sub-funds with the exception of the Royal London Short Term Money Market Fund. The adjustment is intended to cover certain dealing charges not included in the value of the sub-fund used in calculating the share price, which could have a dilutive effect.

Normally the Company will only charge such an adjustment on a sub-fund experiencing large levels of net purchases or net redemptions relative to its size. The ACD reserves the right to make a daily dilution adjustment, using swinging single pricing, for the sole purpose of reducing dilution in the Funds. For further details please refer to the Prospectus.

The ACD may determine the dilution levy amount to be charged at such a rate as determined for the purpose of reducing the effect of dilution. This dilution levy is calculated by reference to the costs of dealing in the underlying investments of the sub-fund, including any dealing spreads, commissions and transfer taxes.

Rather than a dilution adjustment, a dilution levy is applicable to the Royal London Short-Term Money Market. The ACD reserves the right to impose a dilution levy on this sub-fund to the extent it is permissible under the UK Money Market Funds Regulations.

## Summary of Significant Accounting Policies (continued)

For the six month period ended 30 April 2024

### 2. Distribution policy

#### Basis of distribution

Revenue produced by the sub-funds' investments accumulates during each accounting period. If at the end of the accounting period, revenue exceeds expenses, the net revenue of each sub-fund is available to be distributed, at share class level, to shareholders.

The following sub-funds make distributions on a quarterly basis: Sterling Credit, Corporate Bond, Diversified Asset-Backed Securities, Royal London Short Term Fixed Income, Royal London Short Term Fixed Income Enhanced and Investment Grade Short Dated Credit.

The following sub-funds make distributions on a half yearly basis: Global Index Linked, Short-Term Money Market, Index Linked, UK Government Bond, International Government Bond, Short Duration Gilts and Short Duration Global Index Linked.

The following sub-fund makes a distribution on an annual basis: Cautious Managed.

For the purposes of calculating the distribution on Index Linked Fund, Global Index Linked Fund and Short Duration Global Index Linked Fund, revenue is computed on an effective yield basis utilising the exemption set out in the Financial Conduct Authority's COLL 6.8.3 (for funds whose policy is to invest predominantly in index linked securities) to treat capital indexation as non-distributable.

#### Apportionment to multiple share classes

The allocation of revenue and expenses to each share class is based on the proportion of the sub-funds' assets attributable to each share class on the day the revenue is earned or the expense is suffered. The Fund Management Fee is specific to each share class.

#### Revenue from debt securities

For the purposes of the calculation of the distribution, revenue from debt securities is computed as follows:

Sterling Credit, Short-Term Money Market, Corporate Bond, Short Term Fixed Income, International Government Bond, Diversified Asset-Backed Securities, Short Duration Gilt, Short Term Fixed Income Enhanced and Investment Grade Short Dated Credit: on an effective yield basis.

Global Index Linked, Index Linked and Short Duration Global Index Linked sub-funds: on an effective yield basis excluding indexation on any index linked gilt-edged securities.

UK Government Bond: the higher amount determined on an accrual of coupon basis and an effective yield basis. The current year is on a coupon basis (31/10/21: Coupon).

This is not applicable for the Cautious Managed Fund which does not hold debt securities.

#### Expenses

In determining the net revenue available for distribution, expenses related to the purchase and sale of investments are borne wholly by capital.

In the case of Sterling Credit, Global Index Linked, Corporate Bond, UK Government Bond, International Government Bond, Short Duration Gilts, Cautious Managed, Investment Grade Short Dated Credit, and Short Duration Global Index Linked sub-funds, all expenses are borne by capital.

For Short-Term Money Market, Index Linked, Short Term Fixed Income, Diversified Asset-Backed Securities and Short Term Fixed Income Enhanced sub-funds, expenses are borne by revenue.

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the net accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

### 3. Risk management policies

In accordance with its investment objective, the Company holds financial instruments such as fixed interest securities, cash and has short-term debtors and creditors. The risks arising from the Company's financial Instruments are summarised below, and remain unchanged from the prior year.

#### Market and cash flow risk

Material exposure of the Company's assets and liabilities to interest bearing instruments results in the risk of changes in market interest rates which, in addition to other market price risk arising from the uncertainty of future prices, can cause the value of financial instruments to fluctuate. This, in combination with variable cash flows, can potentially significantly affect the Balance Sheet and Statement of Total Return.

The ACD adheres to the investment guidelines and investment and borrowing powers established in the Prospectus and in the Rules governing the operations of ICVCs. In this way the ACD monitors and controls the exposure to risk from any type of security, market sector or individual issuer.



## Summary of Significant Accounting Policies (continued)

For the six month period ended 30 April 2024

### 3. Risk management policies – continued

#### Credit and liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash and derivatives are held with reputable credit institutions and credit risk is assessed on a regular basis. Certain transactions in securities that the Company enters into expose it to the risk that a counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty and these are reviewed on an ongoing basis.

The Company's assets comprise mainly readily available realisable securities, which can be sold to meet funding requirements if and when necessary. The main liability of the Company is the redemption of any shares that investors wish to sell. Liquidity risk, mainly derived from the liability to shareholders, is minimised through holding cash and readily realisable securities which can meet the usual requirements of share redemptions. The Liquidity Risk for all sub-funds has been deemed insignificant, therefore, numerical disclosures are not required.

#### Currency risk

The value of the Company's investments may be affected by currency movements since a proportion of the assets are denominated in currencies other than sterling. The ACD may, from time to time, seek to mitigate the effect of these currency exposures by covering a proportion of its investments using forward currency hedges. The Company may also be subject to short-term exposure to exchange rate movements, for example, where there is a delay between dealing and subsequent settlement. However, the ACD considers that this does not pose a significant risk given the short-term nature of this exposure. The risk of currency movements on the income property of the Company is minimised by converting income received in foreign currency into sterling on the date of transaction.

#### Interest rate and inflation/deflation risk

The Company invests in fixed and variable rate securities and any changes to interest rate relevant for particular securities may result in either revenue increasing or decreasing. In general, if interest rates rise the revenue potential of the Company also rises but the value of fixed rate securities declines. A fall in interest rates will in general have the opposite effect.

Inflation can, over time, reduce the value of investments in real terms. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

The ACD considers the credit rating, yield and maturity of each interest bearing security to ensure the yield reflects any perceived risk.

#### Derivatives risk

The ACD may employ derivatives, including swaps, for the purpose of efficient portfolio management. Diversified Asset-Backed Securities Fund has used swaps during the period to protect capital value by reducing the sensitivity of the portfolio to movements in interest rates and to target a duration of zero years. The ACD may use forward foreign currency contracts in order to hedge out some of the currency exposure in a Fund.

The ACD uses a methodology known as the "commitment approach" to measure the global exposure to derivative instruments. This methodology is used for all sub-funds with the exception of the Diversified Asset-Backed Securities Fund, which utilises the Value-at-Risk (VAR) methodology.

#### Other

##### Potential implications of an epidemic and/or a pandemic

Epidemics and pandemics such as Covid-19, can seriously disrupt the global economy and markets. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Fund's investments or the ACD's operations and the operations of the ACD's and the Company's service providers.

##### Political risk

Political conflicts and their consequences, including the economic sanctions on Russia, are having a significant impact on global financial markets and commodity pricing. Royal London Asset Management Limited is closely monitoring the associated internal political developments in relation to inflation, volatile markets and security pricing. Please refer to the Manager's Investment Reports for commentary on the impact and outlook.

In relation to the Ukraine conflict, the sub-funds have no direct exposure to Russian companies and Royal London Asset Management Limited is complying with all restrictions and sanctions issued by the relevant authorities.

### 4. Cross holding

Some sub-funds within the Royal London Bond Funds ICVC may hold other sub-funds of the scheme.

The only sub-fund impacted is the Royal London Cautious Managed Fund.

# Royal London Sterling Credit Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Sterling Credit Fund, Class M Accumulation	8.20	7.56	-5.97	5.32
Royal London Sterling Credit Fund, Class M Income	8.21	7.57	-5.98	5.15
Royal London Sterling Credit Fund, Class R Accumulation	8.46	8.15	-4.65	7.84
Royal London Sterling Credit Fund, Class S Accumulation	8.44	8.08	-4.67	–
Royal London Sterling Credit Fund, Class S Income	8.44	8.08	-4.59	7.75
Royal London Sterling Credit Fund, Class Z Accumulation	8.27	7.75	-5.53	–
Royal London Sterling Credit Fund, Class Z Income	8.30	7.74	-5.43	6.17
Markit iBoxx Sterling Non Gilts Index	5.55	4.27	-11.82	-3.48
IA Sterling Corporate Bond TR	6.50	5.38	-9.10	0.52

Class S Accumulation and Class Z Accumulation launched on 1 October 2019.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

In the period under review, the Fund has outperformed both its benchmark and peer group. It is a similar story for the longer 12-month, three-year and five-year periods, where the Fund has outpaced the benchmark and peers.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

### Portfolio commentary

The combination of sector and stock selection was the main driver of positive relative returns. Our low exposure to supranationals was positive on a relative basis, as these underperformed the wider sterling corporate bond market, while our bias towards the bank and insurance sectors was also helpful, notably in subordinated bonds including those from Aviva and Barclays. Our overweight position in structured bonds was a laggard for performance – hurt by our Thames Water position.



## Manager's Investment Report (continued)

### Investment outlook

The rally in bond yields seen late last year, prompted by hopes that falling inflation would lead to relatively rapid and numerous interest rate cuts, was largely unwound in the first two weeks of 2024. Since then, sentiment has swung with various economic data, but it now seems unlikely that we will see significant moves in interest rates this year. We expect yields to remain sensitive to economic data, and unless there is a significant deterioration in underlying trends, we expect this to lead to range bound-yields and the opportunity to add/trim interest rate risk as markets react to individual data points.

Headline inflation is expected to reach the 2% Bank of England target level in the Q2. However, we are mindful that underlying pressures in the labour market and parts of the services sector mean that headline inflation figures may be somewhat misleading. In addition, data since the start of the year suggests that the UK is growing again – albeit slowly. Overall, the global tone is that rate cuts are not going to come through as quickly as anticipated and that the neutral level may be a bit higher than previously thought.

With bond yields higher than they were at the start of the year, and interest rate cuts now closer, we believe that overall government bond yields look attractive. Credit spreads have remained at relatively tight levels, but in our view, continue to compensate credit investors for the risk of default. From a credit spread perspective we continue to find better value in shorter-dated credit bonds, but with absolute yields at attractive levels we prefer to be broadly neutral in terms of interest rate risk, with a bias to add to this if bonds weaken further.

We target – and achieve – a material yield premium over the market level in our sterling credit strategies. We mitigate the risks by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark will generate outperformance.

**Paola Binns**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class M Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	134.60	127.29	157.74	151.17
Return before operating charges*	11.36	8.02	(29.68)	7.40
Operating charges	(0.38)	(0.71)	(0.77)	(0.83)
Return after operating charges*	10.98	7.31	(30.45)	6.57
Distributions on accumulation shares	(4.01)	(7.08)	(5.74)	(5.35)
Retained distributions on accumulation shares	4.01	7.08	5.74	5.35
<b>Closing net asset value per share</b>	<b>145.58</b>	<b>134.60</b>	<b>127.29</b>	<b>157.74</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.16%	5.74%	(19.30)%	4.35%
<b>Other information</b>				
Closing net asset value (£'000)	122,585	108,021	107,359	149,170
Closing number of shares	84,204,419	80,253,608	84,339,049	94,565,052
Operating charges	0.53%	0.53%	0.53%	0.53%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	148.70	139.60	161.40	161.50
Lowest share price	135.20	127.90	120.40	152.30

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	95.58	95.27	122.96	122.05
Return before operating charges*	8.08	6.04	(22.68)	5.83
Operating charges	(0.27)	(0.53)	(0.60)	(0.66)
Return after operating charges*	7.81	5.51	(23.28)	5.17
Distributions on income shares	(2.83)	(5.20)	(4.41)	(4.26)
<b>Closing net asset value per share</b>	<b>100.56</b>	<b>95.58</b>	<b>95.27</b>	<b>122.96</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.17%	5.78%	(18.93)%	4.24%
<b>Other information</b>				
Closing net asset value (£'000)	57,350	56,709	75,708	175,701
Closing number of shares	57,029,437	59,332,341	79,470,436	142,887,708
Operating charges	0.53%	0.53%	0.53%	0.53%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	104.10	103.20	125.80	128.20
Lowest share price	96.00	95.71	91.21	121.80

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	103.39	97.32	120.04	114.50
Return before operating charges*	8.73	6.13	(22.66)	5.61
Operating charges	(0.03)	(0.06)	(0.06)	(0.07)
Return after operating charges*	8.70	6.07	(22.72)	5.54
Distributions on accumulation shares	(3.08)	(5.43)	(4.38)	(4.06)
Retained distributions on accumulation shares	3.08	5.43	4.38	4.06
<b>Closing net asset value per share</b>	<b>112.09</b>	<b>103.39</b>	<b>97.32</b>	<b>120.04</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.41%	6.24%	(18.93)%	4.84%
<b>Other information</b>				
Closing net asset value (£'000)	381,135	351,376	348,963	421,862
Closing number of shares	340,019,780	339,845,229	358,555,897	351,431,695
Operating charges	0.06%	0.06%	0.06%	0.06%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	114.40	106.80	122.90	122.80
Lowest share price	103.80	97.78	92.05	115.40

## Comparative Tables (continued)

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	93.62	88.12	108.68	103.66
Return before operating charges*	7.91	5.55	(20.51)	5.07
Operating charges	(0.03)	(0.05)	(0.05)	(0.05)
Return after operating charges*	7.88	5.50	(20.56)	5.02
Distributions on accumulation shares	(2.79)	(4.91)	(3.96)	(3.68)
Retained distributions on accumulation shares	2.79	4.91	3.96	3.68
<b>Closing net asset value per share</b>	<b>101.50</b>	<b>93.62</b>	<b>88.12</b>	<b>108.68</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.42%	6.24%	(18.92)%	4.84%
<b>Other information</b>				
Closing net asset value (£'000)	44,151	46,171	15,795	22,797
Closing number of shares	43,497,309	49,317,382	17,925,246	20,976,166
Operating charges	0.05%	0.05%	0.05%	0.05%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	103.60	96.74	111.20	111.20
Lowest share price	94.02	88.53	83.34	104.50

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	82.65	81.98	105.31	103.90
Return before operating charges*	6.99	5.19	(19.49)	5.10
Operating charges	(0.02)	(0.04)	(0.05)	(0.05)
Return after operating charges*	6.97	5.15	(19.54)	5.05
Distributions on income shares	(2.45)	(4.48)	(3.79)	(3.64)
<b>Closing net asset value per share</b>	<b>87.17</b>	<b>82.65</b>	<b>81.98</b>	<b>105.31</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.43%	6.28%	(18.55)%	4.86%
<b>Other information</b>				
Closing net asset value (£'000)	178,996	147,970	152,770	184,309
Closing number of shares	205,332,570	179,023,793	186,339,716	175,015,535
Operating charges	0.05%	0.05%	0.05%	0.05%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	90.25	88.94	107.80	109.30
Lowest share price	83.02	82.37	78.48	104.00

### Class Z Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	92.48	87.30	108.01	103.33
Return before operating charges*	7.80	5.50	(20.36)	5.05
Operating charges	(0.17)	(0.32)	(0.35)	(0.37)
Return after operating charges*	7.63	5.18	(20.71)	4.68
Distributions on accumulation shares	(2.76)	(4.86)	(3.93)	(3.66)
Retained distributions on accumulation shares	2.76	4.86	3.93	3.66
<b>Closing net asset value per share</b>	<b>100.11</b>	<b>92.48</b>	<b>87.30</b>	<b>108.01</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.25%	5.93%	(19.17)%	4.53%
<b>Other information</b>				
Closing net asset value (£'000)	108,937	86,259	61,586	133,767
Closing number of shares	108,812,279	93,275,940	70,543,184	123,847,512
Operating charges	0.35%	0.35%	0.35%	0.35%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	102.20	95.77	110.50	110.50
Lowest share price	92.88	87.70	82.58	104.10

## Comparative Tables (continued)

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	111.33	110.77	142.71	141.23
Return before operating charges*	9.42	7.01	(26.37)	6.93
Operating charges	(0.21)	(0.40)	(0.45)	(0.51)
Return after operating charges*	9.21	6.61	(26.82)	6.42
Distributions on income shares	(3.30)	(6.05)	(5.12)	(4.94)
<b>Closing net asset value per share</b>	<b>117.24</b>	<b>111.33</b>	<b>110.77</b>	<b>142.71</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	8.27%	5.97%	(18.79)%	4.55%
<b>Other information</b>				
Closing net asset value (£'000)	1,573,254	1,433,387	1,167,508	1,370,229
Closing number of shares	1,341,871,860	1,287,501,293	1,054,031,860	960,165,157
Operating charges	0.35%	0.35%	0.35%	0.35%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	121.40	120.10	146.00	148.40
Lowest share price	111.80	111.30	106.00	141.20

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Commercial Mortgage Backed Securities – 1.97% (31/10/23 – 2.13%)</b>			
£2,402,000	British Land 5.264% 24/9/2035	2,270	0.09
£7,377,000	Canary Wharf Finance II (A7) FRN 22/10/2037	5,791	0.24
£11,404,000	Canary Wharf Finance FRN 22/10/2037	8,496	0.34
£13,796,749	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058	9,546	0.39
£11,233,356	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058	6,732	0.27
£13,160,000	Income Contingent Student Loan FRN 24/7/2056	738	0.03
£24,369,000	Income Contingent Student Loan 2 FRN 24/7/2058	2,424	0.10
£8,736,000	Magenta 2020 FRN 20/12/2024	7,659	0.31
£5,000,000	Stark Financing 2023-1 DAC FRN 17/8/2033	5,019	0.20
<b>Total Commercial Mortgage Backed Securities</b>		<b>48,675</b>	<b>1.97</b>
<b>Corporate Bonds – 94.23% (31/10/23 – 95.28%)</b>			
£9,605,000	3i Group 3.75% 5/6/2040	7,419	0.30
£8,118,000	AA Bond 6.269% 2/7/2043	8,116	0.33
£11,657,000	AA Bond 7.375% 31/7/2050	11,846	0.48
£4,665,000	AA Bond 8.45% 31/7/2050	4,897	0.20
£8,055,000	abrdn 5.25% variable perpetual	6,704	0.27
£3,730,000	Achmea 5.625% variable 2/11/2044	3,191	0.13
£3,189,000	Admiral Group 8.5% 6/1/2034	3,476	0.14
£11,900,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036	10,717	0.43
\$10,000,000	Allianz 3.2% variable perpetual	6,433	0.26
€5,000,000	Allianz 5.824% variable 25/7/2053	4,636	0.19
£6,538,000	Anglian Water Osprey Financing 4% 8/3/2026	6,129	0.25
£9,158,000	Annington Funding 3.184% 12/7/2029	8,059	0.33
£15,376,000	Annington Funding 3.935% 12/7/2047	11,149	0.45
£8,008,000	Annington Funding 4.75% 9/8/2033	7,282	0.30
£4,000,000	APT Pipelines 3.5% 22/3/2030	3,535	0.14
\$5,265,000	Argentum Netherlands 4.625% variable perpetual	4,071	0.17
£7,071,000	Aroundtown 3.625% 10/4/2031	5,314	0.22
£9,655,000	Arqiva Financing 4.882% 31/12/2032	5,534	0.22
£250,000	Arqiva Financing 5.34% 30/12/2037	243	0.01
£3,440,000	Arqiva Financing 7.21% 30/6/2045	3,636	0.15
£4,613,000	Artesian Finance 6% 30/9/2033	4,659	0.19
£19,562,000	Aspire Defence Finance 'A' 4.674% 31/3/2040	14,396	0.58
£12,818,000	Aspire Defence Finance 'B' 4.674% 31/3/2040	9,466	0.38
£22,700,000	Assicurazioni Generali 6.269% perpetual	22,763	0.92
£2,800,000	AT&T 4.25% 1/6/2043	2,249	0.09
€2,389,000	Athora Netherlands 5.375% variable 31/8/2032	1,990	0.08
€4,368,000	Athora Netherlands 7% variable perpetual	3,694	0.15
£6,255,000	Australia & New Zealand Banking 1.809% variable 16/9/2031	5,653	0.23
£10,440,000	Aviva 6.125% variable 14/11/2036	10,505	0.43
£33,963,000	Aviva 6.875% variable 20/5/2058	34,248	1.39
£5,858,000	Aviva 6.875% variable 27/11/2053	6,008	0.24
£7,089,000	AXA 1.875% variable 10/7/2042	4,987	0.20
€12,652,000	AXA 6.375% variable perpetual	11,063	0.45
\$14,539,000	AXA 6.379% variable perpetual	12,403	0.50
£8,800,000	Banco Bilbao Vizcaya Argentia 8.25% variable 30/11/2033	9,313	0.38
£7,900,000	Banco Santander 2.25% variable 4/10/2032	6,881	0.28
£4,514,000	Barclays 5.851% variable 21/3/2035	4,436	0.18
£3,430,000	Barclays 5.875% variable perpetual	3,396	0.14
\$33,080,000	Barclays 6.278% variable perpetual	25,889	1.05
£4,097,000	Barclays 6.369% variable 31/1/2031	4,177	0.17
£4,350,000	Barclays 7.09% variable 6/11/2029	4,552	0.18
£15,115,000	Barclays 8.407% variable 14/11/2032	15,851	0.64
£7,341,000	Barclays 8.875% variable perpetual	7,404	0.30
£13,391,000	Barclays 9.25% variable perpetual	13,689	0.56
€21,680,000	Barclays Bank 4.75% variable perpetual	17,453	0.71
£10,250,000	BAT International Finance 2.25% 9/9/2052	4,549	0.18
£3,000,000	BAT International Finance 4% 23/11/2055	1,942	0.08
£7,988,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	5,892	0.24
€6,502,000	Blackstone Property Partners Europe 1% 20/10/2026	5,092	0.21

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£4,389,000	Blackstone Property Partners Europe 2.625% 20/10/2028	3,775	0.15
£9,035,000	Blackstone Property Partners Europe 4.875% 29/4/2032	7,985	0.32
£3,567,000	Blend Funding 2.467% 16/6/2063	1,806	0.07
£2,395,000	Blend Funding 2.984% 15/3/2036	1,858	0.08
£4,498,000	Blend Funding 3.508% 4/5/2059	3,097	0.13
£9,800,000	BNP Paribas 2% variable 24/5/2031	8,988	0.36
\$11,084,000	BNP Paribas 7.75% variable perpetual	8,926	0.36
\$4,198,000	BNP Paribas 8% variable perpetual	3,332	0.14
£10,652,000	BP Capital Markets 4.25% variable perpetual	10,020	0.41
€7,400,000	BPCE 2.125% variable 13/10/2046	5,124	0.21
£11,100,000	BPCE 2.5% variable 30/11/2032	9,724	0.39
£8,100,000	BPCE 6.125% 24/5/2029	8,190	0.33
£14,273,000	British Land 5.264% 24/9/2035	13,489	0.55
£100,000	British Land 5.357% 31/3/2028	97	–
£2,552,000	British Land 5.357% 31/3/2028	2,484	0.10
£4,602,000	BUPA Finance 4% variable perpetual	3,290	0.13
£7,897,000	BUPA Finance 4.125% 14/6/2035	6,376	0.26
£1,879,000	BWP Issuer 2.868% 30/6/2036	1,222	0.05
£2,757,000	Cadent Finance 5.625% 11/01/2036	2,693	0.11
£8,200,000	CaixaBank 6.875% variable 25/10/2033	8,294	0.34
£14,095,000	Canary Wharf Finance 5.952% 22/10/2037	7,339	0.30
£1,695,000	Channel Link Enterprises Finance FRN 30/12/2050	1,253	0.05
£6,800,000	Cheltenham & Gloucester 11.75% perpetual	10,881	0.44
£1,583,000	Close Brothers Finance 1.625% 3/12/2030	1,176	0.05
£12,299,000	Close Brothers Group 2% variable 11/9/2031	10,163	0.41
£4,574,000	Close Brothers Group 7.75% 14/6/2028	4,608	0.19
£4,425,000	Close Brothers Group 11.125% variable perpetual	4,252	0.17
£10,750	Clydeport Operations 3% perpetual	8	–
£5,750	Clydeport Operations 4% perpetual	4	–
£7,790,000	Connect M77 GSO 5.404% 31/3/2034	4,483	0.18
£26,432,000	Co-operative Bank Finance 6% variable 6/4/2027	26,276	1.07
£10,324,000	Co-operative Bank Finance 9.5% variable 24/5/2028	11,252	0.46
€7,400,000	Co-operative Rabobank 4.875% variable perpetual	5,866	0.24
£8,944,000	Co-operative Wholesale Society 7.5% Step 8/7/2026	8,939	0.36
£5,568,000	Coventry Building Society 6.875% variable perpetual	5,540	0.22
£5,744,000	CPUK Finance 3.588% 28/2/2042	5,571	0.23
£6,204,000	CPUK Finance 3.69% 28/2/2047	5,650	0.23
£3,611,000	CPUK Finance Ltd 6.136% 28/2/2047	3,625	0.15
£3,600,000	Credit Agricole 1.874% variable 9/12/2031	3,224	0.13
€5,200,000	Credit Agricole 5.875% 25/10/2033	4,845	0.20
£4,693,000	Credit Agricole 7.5% variable perpetual	4,651	0.19
£5,061,000	Credit Agricole 7.5% variable perpetual	5,004	0.20
\$1,800,000	Credit Agricole 8.125% variable perpetual	1,456	0.06
£5,359,000	Credit Suisse 2.25% variable 9/6/2028	4,833	0.20
£18,999,000	Credit Suisse 7.375% variable 7/9/2033	20,870	0.85
\$7,000,000	Credit Suisse Group 7.5% variable perpetual	–	–
£10,600,000	Daily Mail & General 6.375% 21/6/2027	9,968	0.40
£3,354,000	Danske Bank 2.25% 14/1/2028	3,059	0.12
£10,000,000	Delamare Finance 5.5457% 19/2/2029	5,028	0.20
£18,754,000	Derby Healthcare 5.564% 30/6/2041	16,613	0.67
£8,400,000	Deutsche Bank 1.875% variable 22/12/2028	7,270	0.30
£5,000,000	Deutsche Bank 6.125% variable 12/12/2030	4,966	0.20
£11,305,000	Dignity Finance 3.5456% 31/12/2034	6,467	0.26
£15,951,000	Direct Line Insurance 4% 5/6/2032	13,023	0.53
£12,364,000	Dresdner Funding Trust 8.151% 30/6/2031	10,630	0.43
£2,750,000	E.ON International Finance 6.125% 6/7/2039	2,822	0.11
\$12,000,000	E.ON International Finance 6.65% 30/4/2038	9,956	0.40
£8,200,000	Electricite De France 5.5% 17/10/2041	7,487	0.30
£13,000,000	Electricite de France 5.875% variable perpetual	12,203	0.50
£25,500,000	Electricite de France 6% 23/1/2114	23,486	0.95
£14,100,000	Electricite de France 6% variable perpetual	13,748	0.56



## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 94.23% (31/10/23 – 95.28%) – continued</b>			
£4,600,000	Enel Finance 5.75% 14/9/2040	4,556	0.18
£17,550,000	Equity Release FRN 14/7/2045	11,440	0.46
£11,455,000	Equity Release Funding 5.7% 26/2/2031	4,473	0.18
£9,462,000	Equity Release Funding 5.88% 26/5/2032	4,938	0.20
£13,713,000	Equity Release Funding No.3 5.05% 26/4/2033	11,822	0.48
£5,600,000	Eskmuir Group Finance 4.255% 12/12/2047	3,406	0.14
£3,870,000	Esure Group 12% variable 20/12/2033	4,116	0.17
£8,418,000	Esure Group 6% variable perpetual	5,872	0.24
£9,086,000	Eversholt Funding 2.742% 30/6/2040	6,302	0.26
£4,610,000	Eversholt Funding 3.529% 7/8/2042	3,517	0.14
£5,900,000	Eversholt Funding 6.697% 22/2/2035	4,817	0.20
£5,696,000	Exchequer Partnership 5.396% 13/7/2036	4,035	0.16
£3,615,000	Freshwater Finance 4.607% 17/10/2036	3,056	0.12
£8,222,000	Freshwater Finance 5.182% 20/4/2035	7,655	0.31
£9,753,000	Gatwick Funding 2.5% 15/4/2032	8,325	0.34
£4,645,000	Gatwick Funding 5.5% 4/4/2042	4,418	0.18
£9,600,000	GB Social Housing 5.193% 12/2/2038	9,043	0.37
£9,132,000	General Electric Capital 4.875% 18/9/2037	8,136	0.33
£8,000,000	Genfinance II 6.064% 21/12/2039	8,296	0.34
£1,209,000	Goldman Sachs 6.875% 18/1/2038	1,284	0.05
£3,656,000	Grainger 3% 3/7/2030	3,064	0.12
£1,318,000	Grainger 3.375% 24/4/2028	1,195	0.05
£6,417,000	Great Rolling Stock 6.5% 5/4/2031	4,665	0.19
£6,900,000	Great Rolling Stock 6.875% 27/7/2035	3,747	0.15
£5,000,000	Greene King 5.318% 15/9/2031	2,512	0.10
£4,457,000	Greene King Finance 3.593% 15/3/2035	3,412	0.14
£4,681,000	GreenSquareAccord 5.25% 30/11/2047	4,253	0.17
£4,920,000	Guinness Trust 7.5% 30/11/2037	3,978	0.16
£6,387,000	Gwynt y Môr OFTO 2.778% 17/2/2034	3,504	0.14
£10,957,607	Harbour Funding 5.28% 31/3/2044	10,592	0.43
£4,533,000	Hastoe Capital 5.6% 27/3/2042	4,366	0.18
£5,027,004	Haven Funding 8.125% 30/9/2037	4,719	0.19
£4,505,000	Heathrow Finance 4.125% 1/9/2029	4,073	0.17
£2,436,000	Heathrow Funding 2.625% 16/3/2028	2,154	0.09
£5,149,000	Heathrow Funding 6% 5/3/2032	5,065	0.21
£7,528,000	Heathrow Funding 6.45% 10/12/2031	7,916	0.32
£3,000,000	Heinz (HJ) Finance 6.25% 18/2/2030	3,081	0.12
£3,290,000	Hexagon Housing Association 3.625% 22/4/2048	2,276	0.09
£6,516,000	High Speed Rail Finance 4.375% 1/11/2038	5,912	0.24
£4,581,000	Home Group 0% 11/5/2027	3,623	0.15
£3,550,000	Home Group 8.75% 11/5/2037	4,209	0.17
£18,854,000	HSBC 5.844% variable perpetual	19,303	0.78
£4,700,000	HSBC 7% 7/4/2038	4,959	0.20
£30,598,000	HSBC 8.201% variable 16/11/2034	32,923	1.33
£3,072,000	HSBC Capital Funding Lp 10.176% variable perpetual	2,984	0.12
£5,177,000	HSBC Holdings 6.8% variable 14/9/2031	5,434	0.22
£15,469,000	IG Group 3.125% 18/11/2028	13,230	0.54
£5,330,000	Imperial Brands 4.875% 7/6/2032	4,888	0.20
£9,935,000	Income Contingent Student Loan 2.5% 24/7/2056	5,535	0.22
£18,072,000	Income Contingent Student Loan 2.5% 24/7/2058	10,549	0.43
£10,200,000	ING Groep NV 6.25% variable 20/5/2033	10,153	0.41
£14,450,000	Intermediate Capital Group 2.5% 28/1/2030	10,934	0.44
£7,802,000	International Business Machines 4.875% 6/2/2038	7,247	0.29
£6,768,000	Intesa Sanpaolo SpA 6.5% 14/3/2029	6,812	0.28
£6,631,000	Intu Debenture 5.562% 31/12/2027	2,206	0.09
£21,329,000	Intu Metrocentre Finance 4.125% 6/12/2028	13,467	0.55
£16,311,000	Investec 1.875% variable 16/7/2028	14,123	0.57
£1,955,000	Investec 10.5% variable perpetual	2,054	0.08
£8,697,000	Investec 2.625% variable 4/1/2032	7,648	0.31
£3,396,000	Investec 9.125% variable 6/3/2033	3,572	0.14
£1,836,000	John Lewis 4.25% 18/12/2034	1,367	0.06
£7,873,000	JRP Group 9% 26/10/2026	8,444	0.34
£1,435,000	Jupiter Fund Management 8.875% variable 27/7/2030	1,445	0.06
£7,500,000	Just Group 5% variable perpetual	5,558	0.23
£7,732,000	Just Group 7% variable 15/4/2031	7,809	0.32
£17,672,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	11,468	0.46
£4,000,000	KBC Group 6.151% variable 19/3/2034	3,958	0.16
£2,700,000	Koninklijke KPN 3.875% 16/2/2036	2,261	0.09

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£2,433,000	Land Securities Capital Markets 4.75% 18/9/2031	2,365	0.10
£2,097,000	Law Debenture 6.125% 12/10/2034	2,139	0.09
£11,222,000	Legal & General 3.75% variable 26/11/2049	9,923	0.40
£5,970,000	Legal & General 4.5% variable 1/11/2050	5,398	0.22
£4,079,000	Legal & General 5.125% variable 14/11/2048	3,937	0.16
£45,400,000	Legal & General 5.5% variable 27/6/2064	42,030	1.70
£4,889,000	Lendinvest Secured Income II 11.5% 3/10/2026	4,830	0.20
£5,588,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	5,546	0.23
£6,600,000	Lloyds Bank 0% Step 22/3/2032	4,297	0.17
£3,994,000	Lloyds Banking Group 1.985% variable 15/12/2031	3,604	0.15
£13,270,000	Lloyds Banking Group 2.707% variable 3/12/2035	10,554	0.43
£6,851,000	Lloyds Banking Group 8.5% variable perpetual	6,902	0.28
£4,979,000	Lloyds Banking Group 8.5% variable perpetual	5,016	0.20
£18,440,000	Longstone Finance 4.791% 19/4/2036	6,076	0.25
£3,141,000	Lunar Funding 5.75% 18/10/2033	3,179	0.13
£16,211,000	M&G 5% variable 20/7/2055	14,458	0.59
£27,013,000	M&G 5.7% variable 19/12/2063	25,056	1.02
£12,072,000	M&G 6.25% variable 20/10/2068	10,892	0.44
£233,000	Marstons Issuer 5.641% variable 15/7/2035	170	0.01
£23,130,000	Meadowhall Finance 4.986% 12/1/2032	10,081	0.41
£3,000,000	Meadowhall Finance FRN 12/7/2037	1,718	0.07
£7,857,000	Mercantile Investment Trust 6.125% 25/2/2030	7,987	0.32
£2,098,520	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023	2,036	0.08
£4,900,000	Metropolitan Housing Trust 1.875% 28/7/2036	3,299	0.13
£3,442,000	MIELI London Ltd 4.82% 12/8/2027	3,244	0.13
£12,322,000	Mitchells & Butler 6.013% 15/12/2028	7,612	0.31
£9,500,000	Mitchells & Butlers (A1N) FRN 15/12/2030	2,955	0.12
£13,744,000	Mitchells & Butlers (A4) FRN 15/12/2028	6,183	0.25
£11,180,000	Mitchells & Butlers 5.574% 15/12/2030	2,487	0.10
£1,255,000	Mitchells & Butlers FRN 15/12/2033	905	0.04
£13,821,000	Morhomes 3.4% 19/2/2040	10,709	0.43
£2,555,000	Motability Operations Group 5.625% 24/01/2054	2,576	0.10
£9,061,000	MPT Operating Partnership 3.692% 5/6/2028	6,800	0.28
£4,100,000	Myriad Capital 4.75% 20/12/2043	3,556	0.14
£6,332,000	National Australia Bank 1.699% variable 15/9/2031	5,674	0.23
£1,700,000	National Exhibition Center 7.5625% 30/9/2027	1,700	0.07
£6,359,000	National Express 4.25% variable perpetual	5,792	0.23
£3,907,000	NatWest Group 3.619% variable 29/3/2029	3,617	0.15
£2,415,000	NatWest Group 5.125% variable perpetual	2,194	0.09
£4,262,000	NatWest Group 7.416% variable 6/6/2033	4,387	0.18
£50,000	New Brunswick 4% perpetual	12	–
£4,600,000	NIBC Bank 6.0% variable perpetual	3,854	0.16
£4,661,000	NN Group 6.375% variable perpetual	3,961	0.16
£2,790,000	Northern Gas Networks Finance 6.125% 2/6/2033	2,860	0.12
£2,804,000	Northumbrian Water Finance 5.5% 2/10/2037	2,626	0.11
£2,960,000	Northumbrian Water Finance 6.375% 28/10/2034	3,006	0.12
£3,500,000	Notting Hill Housing Trust 5.25% 7/7/2042	3,290	0.13
£4,459,000	Octagon Healthcare 5.333% 31/12/2035	3,037	0.12
£3,900,000	Opus Chartered variable 31/3/2025	516	0.02
£6,072,000	Orsted 2.5% variable 18/2/2021	4,353	0.18
£11,389,000	OSB Group 6% variable perpetual	9,225	0.37
£5,937,000	OSB Group 8.875% variable 16/01/2030	6,228	0.25
£6,299,000	OSB Group 9.993% variable 27/7/2033	6,445	0.26
£12,252,963	Peel Land & Property Investments 8.375% Step 30/4/2040	12,069	0.49
£3,888,000	Pension Insurance 4.625% 7/5/2031	3,412	0.14
£7,042,000	Pension Insurance 5.625% 20/9/2030	6,635	0.27
£6,323,000	Pension Insurance Corporation 8% 13/11/2033	6,696	0.27
£14,809,000	Peterborough Progress Health 5.581% 2/10/2042	9,636	0.39



**Portfolio Statement** (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 94.23% (31/10/23 – 95.28%) – continued</b>			
\$8,323,000	Pfizer Investment Enterprises 5.34% 19/5/2063	6,089	0.25
£7,010,000	Phoenix Life 5.75% variable perpetual	6,160	0.25
£7,865,000	Places for People Homes 6.625% 30/9/2038	5,707	0.23
£11,075,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	9,310	0.38
£4,700,000	Premier Transmission Finance 5.2022% 31/3/2030	1,648	0.07
£11,306,000	Premiertel 6.175% 8/5/2032	7,637	0.31
£6,495,000	Principality Building Society 8.625% 12/7/2028	6,996	0.28
£6,637,000	Protective Life Global Funding 5.082% 15/4/2031	6,540	0.27
£10,500,000	Prudential 6.125% 19/12/2031	10,564	0.43
\$5,606,000	Prudential Financial 6% variable 1/9/2052	4,330	0.18
£17,024,000	QBE Insurance 2.5% variable 13/9/2038	14,391	0.58
£2,203,000	RAC Bond Co 8.25% 6/5/2046	2,377	0.10
£3,832,000	Radian Capital 6% 5/3/2042	3,702	0.15
£3,220,000	Realty Income Corporation 6% 5/12/2039	3,293	0.13
£8,162,000	Reassure Group 5.867% 13/6/2029	7,897	0.32
£16,278,000	RMPA Services 5.337% 30/9/2038	10,338	0.42
£6,500,000	Rothsay Life 5% variable perpetual	4,883	0.20
£6,797,000	Rothsay Life 5.5% variable 17/9/2029	6,773	0.27
£8,028,000	Rothsay Life 6.875% variable perpetual	7,436	0.30
£3,392,000	Rothsay Life 7.734% 16/5/2033	3,565	0.14
£13,400,000	Royal Bank of Scotland 3.622% variable 14/8/2030	13,012	0.53
£2,658,000	RSA Insurance 5.125% variable 10/10/2045	2,612	0.11
£5,794,000	RSL Finance 6.625% 31/3/2038	4,735	0.19
£6,271,000	Sainsburys Bank 10.5% variable 12/3/2033	6,882	0.28
£3,215,000	Sampo Oyj 2.5% variable 3/9/2052	2,324	0.09
£4,417,000	Sanctuary 8.375% 1/9/2031	3,681	0.15
£14,736,000	Santander 10.0625% perpetual	19,023	0.77
£7,306,000	Santander UK 2.421% variable 17/01/2029	6,462	0.26
£4,725,000	Santander UK 7.098% variable 16/11/2027	4,833	0.20
£8,125,000	Saxon Weald Capital 5.375% 6/6/2042	7,794	0.32
\$9,981,000	Scentre Group 5.125% variable 24/9/2080	7,269	0.29
£3,472,000	Schroders 6.346% variable 18/7/2034	3,452	0.14
\$8,400,000	SCOR 5.25% variable perpetual	5,602	0.23
£5,000,000	Scot Roads Partnership Finance 5.591% 16/3/2045	4,385	0.18
£4,370,000	Scottish Investment Trust 5.75% 17/4/2030	4,339	0.18
£18,153,000	Scottish Widows 7% 16/6/2043	19,251	0.78
£4,500,000	Siemens Financieringsmaatschapp 3.625% 22/2/2044	3,776	0.15
£5,000,000	Skipton Building Society 6.25% variable 25/4/2029	5,005	0.20
£6,300,000	Societe Generale 5.75% variable 22/1/2032	6,205	0.25
\$6,800,000	Societe Generale SA 9.375% variable perpetual	5,527	0.22
£12,316,000	Society of Lloyds 4.875% variable 7/2/2047	11,842	0.48
£7,398,000	South East Water 5.5834% 29/3/2029	7,091	0.29
£5,725,000	Southern Gas Networks 6.625% 14/3/2035	6,061	0.25
£5,681,000	Southern Housing Group 2.375% 8/10/2036	4,003	0.16
£2,013,000	Southern Housing Group 3.5% 19/10/2047	1,402	0.06
£1,750,000	Southern Water Services Finance 2.375% 28/5/2028	1,483	0.06
£5,758,000	Southern Water Services Finance 3% 28/5/2037	3,895	0.16
£7,025,000	Southern Water Services Finance 6.64% 31/3/2026	6,917	0.28
£3,013,000	Sovereign Housing Capital 5.5% 24/1/2057	2,957	0.12
£8,023,000	SSE 3.74% variable perpetual	7,642	0.31
£3,423,000	St James Oncology Financing 2.804% 31/3/2037	2,030	0.08
£3,756,000	Stagecoach 4% 29/9/2025	3,627	0.15
£7,748,000	Standard Chartered 5.125% 6/6/2034	7,138	0.29
\$8,400,000	Standard Chartered 6.409% variable perpetual	6,370	0.26
\$5,400,000	Standard Life Aberdeen 4.25% variable 30/6/2028	3,827	0.16
£5,200,000	Suez SACA 6.625% 5/10/2043	5,534	0.22
£6,822,000	Summit Finance 6.484% 31/3/2028	1,835	0.07
£12,409,000	Sunderland 6.38% 31/3/2042	12,120	0.49
£1,873,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,057	0.04

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£6,028,000	SW Finance I 7% 16/4/2040	5,620	0.23
£5,739,000	SW Finance I 7.375% 12/12/2041	5,524	0.22
£14,108,000	Swan Housing Capital 3.625% 5/3/2048	10,312	0.42
£9,675,000	Swedbank 7.272% variable 15/11/2032	9,925	0.40
£5,300,000	Swiss Re Finance 2.714% variable 4/6/2052	3,938	0.16
£15,693,000	Telereal Secured Finance 4.01% 10/12/2033	7,515	0.30
£5,279,000	Telereal Securitisation 1.3657% 10/12/2033	2,976	0.12
£4,395,000	Telereal Securitisation 1.9632% variable 10/12/2033	4,086	0.17
£10,049,000	Telereal Securitisation 3.507% variable 10/12/2033	9,069	0.37
£4,300,400	Telereal Securitisation 3.5625% 10/12/2036	3,811	0.15
£2,364,700	Telereal Securitisation 3.5625% 10/12/2036	2,092	0.08
£5,372,000	Telereal Securitisation 4.9741% 10/12/2033	1,820	0.07
£7,942,000	Telereal Securitisation 5.4252% 10/12/2033	6,231	0.25
£3,133,000	Telereal Securitisation 5.634% 10/12/2031	3,080	0.12
£14,695,000	Telereal Securitisation 6.1645% 10/12/2033	11,776	0.48
£7,500,000	Telereal Securitisation FRN 10/12/2033	2,304	0.09
£8,956,000	Telereal Securitisation FRN 10/12/2033	6,416	0.26
£5,416,000	Telereal Securitisation FRN 10/12/2033	4,264	0.17
£5,000,000	Tesco Property 5.744% Sink 13/4/2040	4,406	0.18
£18,635,000	Tesco Property 5.8006% 13/10/2040	16,677	0.68
£6,000,000	Tesco Property 6.0517% 13/10/2039	4,431	0.18
£5,790,000	Tesco Property Finance 7.6227% 13/7/2039	4,948	0.20
£9,827,000	Thames Water Kemble Finance 4.625% 19/5/2026	1,104	0.04
£5,534,000	Thames Water Utilities 2.875% 3/5/2027	3,408	0.14
£8,408,000	Thames Water Utilities 7.738% 9/4/2058	8,062	0.33
£4,441,000	Thames Water Utilities Finance 7.125% 30/4/2031	4,035	0.16
£21,610,000	Thames Water Utilities Finance 7.75% 30/04/2044	20,333	0.82
£3,592,000	Thames Water Utilities Finance 8.25% 25/4/2040	3,540	0.14
£9,541,000	THFC Funding 5.2% 11/10/2043	9,099	0.37
£4,789,000	Time Warner Cable 5.25% 15/7/2042	3,906	0.16
£3,620,000	Time Warner Cable 5.75% 2/6/2031	3,434	0.14
£6,367,000	TP ICAP 2.625% 18/11/2028	5,352	0.22
£4,734,000	TP ICAP 5.25% 29/5/2026	4,602	0.19
£3,121,000	TP ICAP Finance 7.875% 17/4/2030	3,318	0.13
£4,270,000	Trafford Centre 6.5% 28/7/2033	2,585	0.11
£11,600,000	Trafford Centre FRN 28/7/2035	9,222	0.37
£5,326,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX	2,998	0.12
£6,164,000	Unifund 5.32% 7/12/2047	5,062	0.21
£36,416,000	Unique Pub Finance 5.659% 30/6/2027	12,570	0.51
£14,423,000	UPP Bond Issuer 4.9023% 28/2/2040	10,646	0.43
£7,272,000	Vattenfall 2.5% variable 29/6/2083	6,232	0.25
£3,795,000	Vattenfall AB 6.875% variable 17/8/2083	3,854	0.16
£1,308,000	Verizon Communications 1.875% 3/11/2038	829	0.03
£5,000,000	Verizon Communications 3.375% 27/10/2036	4,029	0.16
£5,507,000	Virgin Money 2.625% variable 19/8/2031	5,039	0.20
£8,457,000	Virgin Money 5.125% variable 11/12/2030	8,339	0.34
£14,066,000	Virgin Money 8.25% variable perpetual	13,925	0.56
£2,751,000	Virgin Money UK 7.625% variable 23/8/2029	2,945	0.12
£5,000,000	Volkswagen International Finance 4.375% variable perpetual	3,889	0.16
£4,300,000	Volkswagen International Finance 7.875% variable perpetual	4,111	0.17
£3,043,000	Weir Group 6.875% 14/6/2028	3,149	0.13
£4,112,000	Westfield America Management 2.625% 30/3/2029	3,536	0.14
£10,105,000	Westfield Stratford City 1.642% 4/8/2031	9,094	0.37
£12,515,000	White City Property 5.1202% 17/4/2035	9,081	0.37
£4,520,000	Worcestershire Hospital 5.87% 31/12/2030	1,971	0.08
£11,842,000	Yorkshire Building Society 3.375% variable 13/9/2028	10,723	0.44
£4,178,000	Yorkshire Building Society 7.375% variable 12/9/2027	4,298	0.17
£5,976,000	Yorkshire Water Finance 5.25% 28/4/2030	5,651	0.23
£3,100,000	Yorkshire Water Finance 5.5% 28/4/2035	2,867	0.12
£2,400,000	Yorkshire Water Services 4.965% 13/6/2033	2,099	0.09
\$12,354,000	Zurich Finance 3% variable 19/4/2051	8,010	0.33
£9,622,000	Zurich Finance 5.125% variable 23/11/2052	9,074	0.37
<b>Total Corporate Bonds</b>		<b>2,324,029</b>	<b>94.23</b>

## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Preference Bonds – 1.47% (31/10/23 – 1.39%)</b>			
£2,500,000	Haleon FRN preference perpetual	2,640	0.11
NOK 20,586,184	Jacktel preference	3,563	0.14
£8,379,398	Lloyds Bank 9.25% Non Cumulative Preference perpetual	11,522	0.47
£1,854,000	National Westminster Bank 9% Preference perpetual	2,466	0.10
£11,084,653	Santander UK Preference 10.375% perpetual	16,128	0.65
<b>Total Corporate Preference Bonds</b>		<b>36,319</b>	<b>1.47</b>
<b>Government Bonds – 0.38% (31/10/23 – 0.14%)</b>			
£4,650,000	United Mexican States 5.625% 19/3/2114	3,528	0.15
£20,000,000	UK Treasury 0.5% 22/10/2061	5,692	0.23
<b>Total Government Bonds</b>		<b>9,220</b>	<b>0.38</b>
<b>Index Linked Bonds – 0.24% (31/10/23 – 0.32%)</b>			
£3,129,000	Coventry & Rugby 3.246% IL 30/6/2040	3,132	0.13
£4,670,000	Road Management Services 3.642% IL 31/3/2028	2,723	0.11
<b>Total Index Linked Bonds</b>		<b>5,855</b>	<b>0.24</b>
<b>Forward Currency Contracts – 0.01% (31/10/23 – (0.01)%)</b>			
	Buy £107,191,236 & Sell €106,765,997 <sup>†</sup>	425	0.02
	Buy £4,084,450 & Sell NOK 4,013,685 <sup>†</sup>	71	–
	Buy £138,443,099 & Sell \$139,147,381 <sup>†</sup>	(704)	(0.03)
<b>Total Forward Currency Contracts</b>		<b>(208)</b>	<b>(0.01)</b>
<b>Futures – (0.07)% (31/10/23 – (0.00%))</b>			
620	ICF Long Gilt Future June 2024	(1,672)	(0.07)
<b>Total Futures</b>		<b>(1,672)</b>	<b>(0.07)</b>
<b>Total value of investments<sup>^</sup></b>			
		<b>2,422,218</b>	<b>98.21</b>
<b>Net other assets</b>		<b>44,190</b>	<b>1.79</b>
<b>Total net assets</b>		<b>2,466,408</b>	<b>100.00</b>

<sup>^</sup> Including investment liabilities

<sup>~</sup> Suspended

<sup>†</sup> Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,826,558	74.06	1,603,713	71.92
Investments of below investment grade	301,631	12.23	304,179	13.64
Unrated bonds	259,590	10.53	274,547	12.31
<b>Total bonds</b>	<b>2,387,779</b>	<b>96.82</b>	<b>2,182,439</b>	<b>97.87</b>
Forward currency contracts – assets	496	0.02	494	0.02
Corporate preference shares	36,319	1.47	30,809	1.39
<b>Investments as shown in the balance sheet</b>	<b>2,424,594</b>	<b>98.31</b>	<b>2,213,742</b>	<b>99.28</b>
Forward currency contracts – liabilities	(704)	(0.03)	(199)	(0.01)
Futures – liabilities	(1672)	(0.07)	–	–
<b>Total value of investments</b>	<b>2,422,218</b>	<b>98.21</b>	<b>2,213,543</b>	<b>99.27</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
Thames Water Utilities 7.75% 30/4/2044	21,667
Co-operative Bank Finance 6% variable 6/4/2027	15,957
UK Treasury 0.5% 22/10/2061	15,070
AXA 6.375% variable perpetual	10,994
Dresdner Funding Trust 8.151% 30/6/2031	10,859
Co-operative Bank Finance 9.5% variable 24/5/2028	10,854
Direct Line Insurance 4% 5/6/2032	10,078
Close Brothers Group 2% variable 11/9/2031	9,758
Royal Bank of Scotland Group 3.622% variable 14/8/2030	9,377
Canary Wharf Finance FRN 22/10/2037	8,530
<b>Subtotal</b>	<b>123,144</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>433,245</b>

### Significant Sales

	Proceeds £'000
AXA 6.6862% variable perpetual	15,551
Heathrow Funding 2.75% 13/10/2031	15,428
BNP Paribas 5.75% 13/6/2032	11,031
Credit Suisse 7.75% 10/3/2026	10,744
Barclays 5.875% variable perpetual	10,313
Centrica 5.25% variable 10/4/2075	9,530
UK Treasury 0.5% 22/10/2061	9,225
Liberty Mutual Group 3.625% variable 23/5/2059	7,906
Co-operative Bank Finance 9.5% variable 25/4/2029	7,108
Santander UK 7.098% variable 16/11/2027	6,881
<b>Subtotal</b>	<b>103,717</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>335,977</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	121,828	66,469
Revenue	67,516	51,611
Expenses	(3,544)	(3,039)
Interest payable and similar charges	(20)	(20)
Net revenue before taxation	63,952	48,552
Taxation	–	–
Net revenue after taxation	63,952	48,552
Total return before distributions	185,780	115,021
Distributions	(67,497)	(51,590)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>118,283</b>	<b>63,431</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	2,424,594	2,213,742
Current assets:		
Debtors	43,427	60,200
Cash and bank balances	34,037	8,769
<b>Total assets</b>	<b>2,502,058</b>	<b>2,282,711</b>
<b>Liabilities</b>		
Investment liabilities	2,376	199
Creditors:		
Other creditors	7,894	28,529
Distribution payable	25,380	24,090
<b>Total liabilities</b>	<b>35,650</b>	<b>52,818</b>
<b>Net assets attributable to shareholders</b>	<b>2,466,408</b>	<b>2,229,893</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>2,229,893</b>	<b>1,929,689</b>
Amounts receivable on creation of shares	184,833	213,927
Amounts payable on cancellation of shares	(84,910)	(102,381)
	99,923	111,546
Dilution adjustment charged	524	524
Change in net assets attributable to shareholders from investment activities	118,283	63,431
Retained distributions on accumulation shares	17,785	14,117
<b>Closing net assets attributable to shareholders</b>	<b>2,466,408</b>	<b>2,119,307</b>

## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class M Accumulation</b>				
Group 1	1.9958	–	1.9958	1.6329
Group 2	1.0115	0.9843	1.9958	1.6329
<b>Class M Income</b>				
Group 1	1.4174	–	1.4174	1.2222
Group 2	0.3234	1.0940	1.4174	1.2222
<b>Class R Accumulation</b>				
Group 1	1.5340	–	1.5340	1.2492
Group 2	0.5679	0.9661	1.5340	1.2492
<b>Class S Accumulation</b>				
Group 1	1.3890	–	1.3890	1.1311
Group 2	1.3890	0.0000	1.3890	1.1311
<b>Class S Income</b>				
Group 1	1.2264	–	1.2264	1.0524
Group 2	0.5781	0.6483	1.2264	1.0524
<b>Class Z Accumulation</b>				
Group 1	1.3716	–	1.3716	1.1202
Group 2	0.6430	0.7286	1.3716	1.1202
<b>Class Z Income</b>				
Group 1	1.6514	–	1.6514	1.4212
Group 2	0.9226	0.7288	1.6514	1.4212



## Distribution Tables (continued)

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Accumulation</b>				
Group 1	2.0141	–	2.0141	1.6691
Group 2	1.0045	1.0096	2.0141	1.6691
<b>Class M Income</b>				
Group 1	1.4108	–	1.4108	1.2343
Group 2	0.7774	0.6334	1.4108	1.2343
<b>Class R Accumulation</b>				
Group 1	1.5498	–	1.5498	1.2784
Group 2	0.3195	1.2303	1.5498	1.2784
<b>Class S Accumulation</b>				
Group 1	1.4034	–	1.4034	1.1574
Group 2	1.4034	0.0000	1.4034	1.1574
<b>Class S Income</b>				
Group 1	1.2222	–	1.2222	1.0642
Group 2	0.3358	0.8864	1.2222	1.0642
<b>Class Z Accumulation</b>				
Group 1	1.3847	–	1.3847	1.1455
Group 2	0.5914	0.7933	1.3847	1.1455
<b>Class Z Income</b>				
Group 1	1.6444	–	1.6444	1.4361
Group 2	0.8195	0.8249	1.6444	1.4361

# Royal London Global Index Linked Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Global Index Linked Fund, Class M Income	4.05	-1.09	-9.66	0.01
Royal London Global Index Linked Fund, Class R Accumulation	4.17	-0.94	-9.01	1.55
Royal London Global Index Linked Fund, Class Z Income	4.18	-1.08	-9.62	0.29
Bloomberg World Government Inflation-linked Bond Index TR	3.97	-1.51	-11.26	-1.71
IA Global Inflation Linked Bond TR	2.84	-0.62	-4.64	3.84

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should also note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Closing Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, producing a positive return and outperforming both its benchmark index and the average fund in the sector.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year. Returns for index linked bonds (UK government bonds) were therefore positive for the period.

### Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. With the market overshooting and becoming very positive about the prospects for multiple rate cuts by January, we reversed this position and benefited as the market corrected to more conservative expectation levels.

Our cross-market positioning also produced modest positive results for performance, primarily due to positions in the US and Australia. Both offer higher yields than the UK, and in the case of Australia, we feel that this is attractive given it has a more favourable supply outlook due to its strong fiscal position, with a budget in near balance compared to many other developed countries. Our underweight in Japan also helped following the easing of the Bank of Japan's yield curve control, which saw Japanese yields rise to their highest levels in a decade. Exposure to Germany was also helpful – we had a small long position ahead of the announcement that the German treasury would no longer issue index linked bonds. Germany is a small part of the global index linked market, certainly compared to the likes of the UK and France, but this led to a repricing of German assets which we used to move back to a neutral stance.

## Manager's Investment Report (continued)

### Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue adjusting our interest rate positioning tactically. However we feel that yields in certain markets have now reached levels that look attractive enough to hold a long duration position on a more strategic basis.

We have moved from peak optimism at the end of 2023 where economists were calling for five or even six rate cuts in the US in 2024. We have now almost reached peak pessimism as the same economists are calling for only one cut. We still expect the Federal Reserve, European Central Bank and Bank of England to cut rates in 2024 and rates to fall more aggressively in 2025. We believe this will lead to lower yields particularly in the UK and dollar markets.

**Paul Rayner**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.82	104.97	131.22	126.07
Return before operating charges*	4.39	(2.50)	(20.44)	7.49
Operating charges	(0.26)	(0.53)	(0.62)	(0.64)
Return after operating charges*	4.13	(3.03)	(21.06)	6.85
Distributions on income shares	(0.93)	(4.12)	(5.19)	(1.70)
<b>Closing net asset value per share</b>	<b>101.02</b>	<b>97.82</b>	<b>104.97</b>	<b>131.22</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.22%	(2.89)%	(16.05)%	5.43%
<b>Other information</b>				
Closing net asset value (£'000)	73,690	78,390	121,547	168,794
Closing number of shares	72,947,282	80,133,751	115,788,323	128,630,958
Operating charges	0.50%	0.50%	0.50%	0.50%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	105.40	109.60	135.10	135.50
Lowest share price	97.87	99.30	103.60	122.50

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	100.12	102.86	122.43	115.66
Return before operating charges*	4.46	(2.63)	(19.44)	6.90
Operating charges	(0.06)	(0.11)	(0.13)	(0.13)
Return after operating charges*	4.40	(2.74)	(19.57)	6.77
Distributions on accumulation shares	(0.96)	(4.00)	(4.74)	(1.54)
Retained distributions on accumulation shares	0.96	4.00	4.74	1.54
<b>Closing net asset value per share</b>	<b>104.52</b>	<b>100.12</b>	<b>102.86</b>	<b>122.43</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.39%	(2.66)%	(15.98)%	5.85%
<b>Other information</b>				
Closing net asset value (£'000)	57,778	60,466	68,155	79,889
Closing number of shares	55,276,692	60,390,859	66,258,463	65,255,409
Operating charges	0.11%	0.11%	0.11%	0.11%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	108.00	107.60	126.20	124.80
Lowest share price	100.10	99.12	97.61	112.50

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	113.02	121.10	151.18	144.95
Return before operating charges*	5.06	(3.02)	(23.69)	8.61
Operating charges	(0.21)	(0.43)	(0.51)	(0.53)
Return after operating charges*	4.85	(3.45)	(24.20)	8.08
Distributions on income shares	(1.08)	(4.63)	(5.88)	(1.85)
<b>Closing net asset value per share</b>	<b>116.79</b>	<b>113.02</b>	<b>121.10</b>	<b>151.18</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.29%	(2.85)%	(16.01)%	5.57%
<b>Other information</b>				
Closing net asset value (£'000)	177,013	158,238	97,460	80,324
Closing number of shares	151,563,721	140,012,873	80,477,643	53,130,035
Operating charges	0.36%	0.36%	0.36%	0.36%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	121.80	126.60	155.70	156.00
Lowest share price	113.10	114.60	119.40	140.90

\* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Government Bonds – 2.34% (31/10/23 – 0.19%)</b>			
CAD590,000	Government of Canada 3% 1/12/2036	581	0.19
£2,403,000	UK Treasury 0.5% 31/1/2029	2,018	0.66
£6,369,000	UK Treasury 1.75% 7/9/2037	4,608	1.49
<b>Total Government Bonds</b>		<b>7,207</b>	<b>2.34</b>
<b>Government Index-Linked Bonds – 98.30% (31/10/23 – 101.08%)</b>			
€4,966,000	Federal Republic of Germany 0.1% IL 15/4/2026	5,176	1.68
€1,402,000	Federal Republic of Germany 0.1% IL 15/4/2033	1,381	0.45
€3,364,425	Federal Republic of Germany 0.5% IL 15/4/2030	3,593	1.17
AUD11,845,000	Government of Australia 0.25% IL 21/11/2032	6,207	2.01
AUD1,794,000	Government of Australia 1.25% IL 21/8/2040	1,064	0.35
AUD5,007,000	Government of Australia 2% IL 21/8/2035	3,480	1.13
CAD2,311,000	Government of Canada 0.5% IL 1/12/2050	1,185	0.38
CAD1,271,000	Government of Canada 1.5% IL 1/12/2044	931	0.30
CAD512,000	Government of Canada 2% IL 1/12/2041	422	0.14
CAD919,000	Government of Canada 4.25% IL 1/12/2026	1,021	0.33
€5,681,000	Government of France 0.1% IL 1/3/2028	5,535	1.79
€622,461	Government of France 0.1% IL 1/3/2029	617	0.20
€4,275,000	Government of France 0.1% IL 25/7/2031	4,161	1.35
€4,483,000	Government of France 0.1% IL 25/7/2036	4,286	1.39
€2,260,056	Government of France 0.1% IL 25/7/2047	1,995	0.65
€840,000	Government of France 0.1% IL 25/7/2053	677	0.22
€291	Government of France 0.7% IL 25/7/2030*	–	–
€1,639,629	Government of France 1.8% IL 25/7/2040	2,265	0.73
€4,347,087	Government of France 1.85% IL 25/7/2027	5,111	1.66
€1,174,000	Government of France 3.15% IL 25/7/2032	1,839	0.60
¥808,500,000	Government of Japan 0.1% IL 10/9/2024	4,478	1.45
¥314,500,000	Government of Japan 0.1% IL 10/3/2025	1,758	0.57
¥183,900,000	Government of Japan 0.1% IL 10/3/2026	1,043	0.34
¥316,100,000	Government of Japan 0.1% IL 10/3/2027	1,831	0.59
¥352,800,000	Government of Japan 0.1% IL 10/3/2029	2,020	0.66
¥168,500,000	Government of Japan 0.2% IL 10/3/2030	993	0.32
NZ\$720,000	Government of New Zealand 3% IL 20/9/2030	458	0.15
€2,990,000	Government of Spain 0.65% IL 30/11/2027	3,131	1.02
€3,923,000	Government of Spain 0.7% IL 30/11/2033	3,928	1.27
SEK8,140,000	Government of Sweden 0.125% IL 1/6/2032	743	0.24
SEK18,340,000	Government of Sweden 1% IL 1/6/2025	1,728	0.56
€896,000	Republic of Italy 0.15% IL 15/5/2051	590	0.19
€2,103,000	Republic of Italy 0.4% IL 15/5/2030	2,018	0.65
€1,488,000	Republic of Italy 1.25% IL 15/9/2032	1,536	0.50
€2,500,000	Republic of Italy 1.5% IL 15/5/2029	2,195	0.71
€3,150,000	Republic of Italy 1.8% IL 15/5/2036	2,656	0.86
€1,547,000	Republic of Italy 2.35% IL 15/9/2035	2,083	0.68
€3,052,000	Republic of Italy 2.4% IL 15/5/2039	2,784	0.90
€666,000	Republic of Italy 2.55% IL 15/9/2041	829	0.27
€3,110,000	Republic of Italy 3.1% IL 15/9/2026	3,646	1.18
£183,000	UK Treasury 0.125% IL 22/11/2036	246	0.08
£5,395,363	UK Treasury 0.125% IL 22/3/2039	6,039	1.96
£2,526,066	UK Treasury 0.125% IL 10/8/2041	2,890	0.94
£5,061,097	UK Treasury 0.125% IL 22/3/2044	6,304	2.04
£1,865,000	UK Treasury 0.125% IL 22/3/2046	2,108	0.68
£1,039,000	UK Treasury 0.125% IL 10/8/2048	1,065	0.35
£6,476,000	UK Treasury 0.125% IL 22/3/2051	5,946	1.93
£1,235,000	UK Treasury 0.125% IL 22/11/2056	1,193	0.39
£402,000	UK Treasury 0.125% IL 22/3/2058	394	0.13
£461,000	UK Treasury 0.125% IL 22/11/2065	417	0.14
£1,900,339	UK Treasury 0.125% IL 22/3/2068	1,758	0.57
£3,867,000	UK Treasury 0.25% IL 22/3/2052	4,446	1.44
£1,173,123	UK Treasury 0.375% IL 22/3/2062	1,339	0.43
£1,052,636	UK Treasury 0.625% IL 22/3/2040	1,724	0.56
£563,000	UK Treasury 0.625% IL 22/11/2042	913	0.30
£893,000	UK Treasury 0.625% IL 22/3/2045	814	0.26

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£3,233,000	UK Treasury 0.75% IL 22/11/2033	3,359	1.09
£314,814	UK Treasury 0.75% IL 22/3/2034	521	0.17
£36,000	UK Treasury 1.125% IL 22/11/2037	70	0.02
£1,306,000	UK Treasury 1.25% IL 22/11/2054	1,256	0.41
£879,000	UK Treasury 1.25% IL 22/11/2055	1,666	0.54
£258,000	UK Treasury 2% IL 26/1/2035	628	0.20
\$16,000,000	US Treasury 0.125% IL 15/4/2025	14,954	4.85
\$10,270,000	US Treasury 0.125% IL 15/1/2030	8,772	2.84
\$7,542,400	US Treasury 0.125% IL 15/7/2030	6,425	2.08
\$9,720,600	US Treasury 0.125% IL 15/1/2031	8,039	2.61
\$8,949,900	US Treasury 0.125% IL 15/7/2031	7,138	2.31
\$13,901,000	US Treasury 0.125% IL 15/1/2032	10,564	3.42
\$16,522,400	US Treasury 0.125% IL 15/2/2052	7,969	2.58
\$475,700	US Treasury 0.25% IL 15/7/2029	418	0.14
\$689,800	US Treasury 0.25% IL 15/2/2050	389	0.13
\$11,709,100	US Treasury 0.375% IL 15/1/2027	11,360	3.68
\$25,546,300	US Treasury 0.5% IL 15/1/2028	23,970	7.77
\$4,252,000	US Treasury 0.625% IL 15/2/2043	3,334	1.08
\$3,129,200	US Treasury 0.75% IL 15/2/2042	2,600	0.84
\$15,229,400	US Treasury 0.875% IL 15/1/2029	14,013	4.54
\$2,217,000	US Treasury 0.875% IL 15/2/2047	1,649	0.53
\$1,382,300	US Treasury 1% IL 15/2/2046	1,090	0.35
\$2,509,000	US Treasury 1% IL 15/2/2048	1,860	0.60
\$18,727,200	US Treasury 1.125% IL 15/1/2033	14,166	4.59
\$12,196,000	US Treasury 1.375% IL 15/7/2033	9,237	2.99
\$3,434,000	US Treasury 1.375% IL 15/2/2044	3,037	0.98
\$1,247,700	US Treasury 2.125% IL 15/2/2040	1,383	0.45
\$3,234,000	US Treasury 2.125% IL 15/2/2041	3,535	1.15
\$3,812,000	US Treasury 2.125% IL 15/2/2054	2,889	0.94
\$1,595,000	US Treasury 2.375% IL 15/1/2027	1,955	0.63
\$2,797,500	US Treasury 2.5% IL 15/1/2029	3,260	1.06
\$1,711,000	US Treasury 3.625% IL 15/4/2028	2,744	0.89
<b>Total Government Index-Linked Bonds</b>		<b>303,240</b>	<b>98.30</b>
<b>Forward Currency Contracts – (0.54%) (31/10/23 – (0.74)%)</b>			
	Buy £3,984,789 & Sell £3,425,837 <sup>†</sup>	(16)	(0.01)
	Buy £10,992,622 & Sell AUD21,001,486 <sup>†</sup>	86	0.03
	Buy £4,333,653 & Sell CAD7,462,000 <sup>†</sup>	(7)	–
	Buy £66,224,020 & Sell €77,101,821 <sup>†</sup>	244	0.08
	Buy £12,664,175 & Sell JPY2,413,936,195 <sup>†</sup>	309	0.10
	Buy £459,866 & Sell NZD962,973 <sup>†</sup>	5	–
	Buy £2,554,177 & Sell SEK33,985,176 <sup>†</sup>	76	0.03
	Buy £166,437,842 & Sell \$211,431,821 <sup>†</sup>	(2,366)	(0.77)
<b>Total Forward Currency Contracts</b>		<b>(1,669)</b>	<b>(0.54)</b>

<b>Total value of investments*</b>	<b>308,778</b>	<b>100.10</b>
<b>Net other liabilities</b>	<b>(297)</b>	<b>(0.10)</b>
<b>Total net assets</b>	<b>308,481</b>	<b>100.00</b>

\* Value less than £1,000

<sup>†</sup> Unlisted

<sup>^</sup> Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
<b>Credit breakdown*</b>				
Investments of investment grade	310,447	100.64	300,868	101.27
<b>Total bonds</b>	<b>310,447</b>	<b>100.64</b>	<b>300,868</b>	<b>101.27</b>
Forward currency contracts – assets	720	0.24	284	0.10
<b>Investments as shown in the balance sheet</b>	<b>311,167</b>	<b>100.88</b>	<b>301,152</b>	<b>101.37</b>
Forward currency contracts – liabilities	(2,389)	(0.78)	(2,486)	(0.84)
<b>Total value of investments</b>	<b>308,778</b>	<b>100.10</b>	<b>298,666</b>	<b>100.53</b>

\* Ratings supplied by S&P, followed by Moody's.



## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.75% IL 22/11/2033	61,024
UK Treasury 0.125% IL 22/3/2026	38,306
UK Treasury 0.125% IL 22/3/2029	29,333
US Treasury 0.125% IL 15/4/2025	21,987
UK Treasury 0.125% IL 22/3/2024	16,633
US Treasury 0.125% IL 15/7/2026	15,093
UK Treasury 1.75% 7/9/2037	14,688
US Treasury 1.375% IL 15/7/2033	13,014
UK Treasury 1.25% IL 22/11/2032	12,496
US Treasury 0.125% IL 15/1/2032	10,536
<b>Subtotal</b>	<b>233,110</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>426,012</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.75% IL 22/11/2033	69,429
US Treasury 0.125% IL 15/7/2026	39,231
UK Treasury 0.125% IL 22/3/2026	38,422
UK Treasury 0.125% IL 22/3/2029	30,109
UK Treasury 0.125% IL 22/3/2024	16,653
UK Treasury 1.25% IL 22/11/2032	12,437
UK Treasury 1.125% IL 22/11/2037	11,580
UK Treasury 1.75% 7/9/2037	10,122
UK Treasury 0.125% IL 22/3/2051	7,768
US Treasury 0.125% IL 15/4/2025	7,412
<b>Subtotal</b>	<b>243,163</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>420,923</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	9,680	384
Revenue	4,131	8,129
Expenses	(561)	(550)
Interest payable and similar charges	–	(1)
Net revenue before taxation	3,570	7,578
Taxation	–	–
Net revenue after taxation	3,570	7,578
Total return before distributions	13,250	7,962
Distributions	(2,890)	(4,654)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>10,360</b>	<b>3,308</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	311,167	301,152
Current assets:		
Debtors	2,659	7,743
Cash and bank balances	885	152
<b>Total assets</b>	<b>314,711</b>	<b>309,047</b>
<b>Liabilities</b>		
Investment liabilities	2,389	2,486
Creditors:		
Bank overdraft	–	4
Other creditors	1,524	3,655
Distribution payable	2,317	5,808
<b>Total liabilities</b>	<b>6,230</b>	<b>11,953</b>
<b>Net assets attributable to shareholders</b>	<b>308,481</b>	<b>297,094</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>297,094</b>	<b>287,162</b>
Amounts receivable on creation of shares	38,825	64,684
Amounts payable on cancellation of shares	(38,363)	(29,195)
	462	35,489
Dilution adjustment charged	36	37
Change in net assets attributable to shareholders from investment activities	10,360	3,308
Retained distributions on accumulation shares	529	928
<b>Closing net assets attributable to shareholders</b>	<b>308,481</b>	<b>326,924</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Income</b>				
Group 1	0.9339	–	0.9339	1.6455
Group 2	0.6036	0.3303	0.9339	1.6455
<b>Class R Accumulation</b>				
Group 1	0.9567	–	0.9567	1.6162
Group 2	0.6789	0.2778	0.9567	1.6162
<b>Class Z Income</b>				
Group 1	1.0795	–	1.0795	1.8987
Group 2	0.7934	0.2861	1.0795	1.8987

# Royal London Short-Term Money Market Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month return %	1 year return %	3 year return %	5 year return %
Royal London Short-Term Money Market Fund, Class R Accumulation	2.70	5.42	8.35	9.28
Royal London Short-Term Money Market Fund, Class S Accumulation	2.70	5.42	8.35	9.28
Royal London Short-Term Money Market Fund, Class S Income	2.70	5.42	8.35	9.29
Royal London Short-Term Money Market Fund, Class Y Accumulation	2.67	5.34	8.12	8.90
Royal London Short-Term Money Market Fund, Class Y Income	2.67	5.34	8.12	8.90
Sterling Overnight Index Average Rate (SONIA)	2.55	5.06	7.90	8.64
IA Short Term Money Market TR	2.21	4.47	6.53	6.98

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, delivering a positive overall return and beating its benchmark index.

### Market overview

The overall economic picture that has emerged during the review period has been dominated by interest rates and inflation. The final months of 2023 finished with expectations that falling inflation would lead to significant rate cuts in 2024. However, since the start of the year, positive growth data has seen central banks in the US, UK and eurozone temper expectations, with policymakers highlighting that they are in no rush to cut rates – with markets now generally pricing the start of the easing cycles to begin this summer. The Federal Reserve, European Central Bank and Bank of England all left interest rates unchanged over the period.

UK money market rates were generally flat during the period, with longer-dated rates generally falling slightly, reflecting changing market expectations. SONIA started November at 5.18%, and remained at this level throughout the review period, with no changes to UK base rates from the Bank of England, while two-year gilts, often seen as a proxy for market expectations of BoE rates, ended slightly lower, from 4.79% at the end of October 2023 to 4.51% at the end of April.

### Portfolio commentary

After a period of rising interest rates, short-term money markets have essentially been flat for around six months. During that period, the consensus around when rates would finally peak and then when central banks would start to trim rates has swung from optimistic to pessimistic. However, for our portfolio, this has been a period where we have benefited from activity before the review period where we built up portfolio yield, and yet have still been able to rotate maturing proceeds into equally attractive securities. The high level of yield in the portfolios has helped produce strong returns for the six months.

Activity has focused shorter maturity securities, reflecting the Fund's objective. This has generally meant a focus on three-month maturities for much of the last few months. However, with long-dated bank issuance somewhat muted, and increased demand for short-term securities, the additional yield on certificates of deposit (CDs) over SONIA have decreased somewhat in recent months – from an average of around 45bps to nearer 25bps when looking at one-year paper. Pockets of value can still be found, but it has meant that at the margin, we have increased purchases of treasury bills – not only do these offer excellent liquidity, but the yield on these is now only slightly lower than equivalent CDs but without the credit risk.

## Manager's Investment Report (continued)

### Portfolio commentary – continued

Where we have added CDs, we have preferred to add names with modest yield premium to SONIA but also strong credit, ESG and governance characteristics, rather than chase yield at the expense of quality. Examples during the period included Svenska Handelsbanken, Australia and New Zealand Bank and Co-operative Rabobank. We also looked to add short-dated covered bonds where these fitted into the Fund's liquidity and maturity needs, examples including covered bonds with less than a year to maturity from Bank of Nova Scotia and Commonwealth Bank of Australia.

### Investment outlook

The last few months have seen the market interpreting short-term economic data releases through the prism of what might be a catalyst for the Bank of England cutting interest rates. Although the UK technically saw a recession in the second half of 2023, the economic outlook is little changed from last year: growth is low, inflation is falling, but elements of that – notably services and wages – are still above levels that suggest a clear return to the 2% inflation target.

Towards the end of the review period, market pricing of the first UK rate cut moved from August to June, reflecting an unexpected shift in the voting split at the Bank of England. Our own view is that while June is possible, we feel that August is more likely. From a domestic point of view, it allows more time for the Bank to digest spring economic data, and coincides with the August Quarterly Inflation report – historically the Bank has preferred to time rate moves with this release. In addition, in a global context, we think that many central banks will be cautious about being the first to cut – with many having half an eye on the Federal Reserve, where we feel the direction of travel in terms of growth and inflation is more obviously favourable for a rate-cutting move.

Current cash rates remain above the level of inflation, offering investors positive real yields, but a lot has happened in the past few months and markets have at times, been unpredictable. However, it is exactly this level of market unpredictability which we believe offers opportunities for active managers.

**Tony Cole and Craig Inches**

**Fund Managers**

**Royal London Asset Management Limited**

**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	106.89	102.29	101.34	101.30
Return before operating charges*	2.92	4.63	0.98	0.07
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	2.90	4.60	0.95	0.04
Distributions on accumulation shares	(2.89)	(4.59)	(1.00)	(0.04)
Retained distributions on accumulation shares	2.89	4.59	1.00	0.04
<b>Closing net asset value per share</b>	<b>109.79</b>	<b>106.89</b>	<b>102.29</b>	<b>101.34</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.71%	4.50%	0.94%	0.04%
<b>Other information</b>				
Closing net asset value (£'000)	2,838,992	2,861,049	2,735,021	1,736,960
Closing number of shares	2,585,917,033	2,676,593,615	2,673,881,664	1,714,072,595
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	109.79	106.90	102.29	101.35
Lowest share price	106.91	102.30	101.35	101.32

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	106.43	101.85	100.90	100.87
Return before operating charges*	2.91	4.61	0.98	0.06
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	2.89	4.58	0.95	0.03
Distributions on accumulation shares	(2.88)	(4.57)	(1.00)	(0.04)
Retained distributions on accumulation shares	2.88	4.57	1.00	0.04
<b>Closing net asset value per share</b>	<b>109.32</b>	<b>106.43</b>	<b>101.85</b>	<b>100.90</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.72%	4.50%	0.94%	0.03%
<b>Other information</b>				
Closing net asset value (£'000)	171,147	209,495	336,753	303,713
Closing number of shares	156,561,813	196,830,357	330,638,479	300,998,614
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	109.32	106.44	101.85	100.92
Lowest share price	106.45	101.86	100.91	100.88



## Comparative Tables (continued)

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	99.93	99.91	99.96	99.97
Return before operating charges*	2.72	4.48	0.96	0.06
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	2.70	4.45	0.93	0.03
Distributions on income shares	(2.70)	(4.43)	(0.98)	(0.04)
<b>Closing net asset value per share</b>	<b>99.93</b>	<b>99.93</b>	<b>99.91</b>	<b>99.96</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.70%	4.45%	0.93%	0.03%
<b>Other information</b>				
Closing net asset value (£'000)	49,894	49,892	49,883	49,907
Closing number of shares	49,926,133	49,926,133	49,926,133	49,926,133
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	102.64	102.56	100.73	100.00
Lowest share price	99.96	99.93	99.96	99.98

### Class Y Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	107.51	102.95	102.06	102.10
Return before operating charges*	2.92	4.66	0.99	0.06
Operating charges	(0.05)	(0.10)	(0.10)	(0.10)
Return after operating charges*	2.87	4.56	0.89	(0.04)
Distributions on accumulation shares	(2.87)	(4.54)	(0.93)	–
Retained distributions on accumulation shares	2.87	4.54	0.93	–
<b>Closing net asset value per share</b>	<b>110.38</b>	<b>107.51</b>	<b>102.95</b>	<b>102.06</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.67%	4.43%	0.87%	(0.04)%
<b>Other information</b>				
Closing net asset value (£'000)	3,073,774	2,642,959	1,458,144	846,869
Closing number of shares	2,784,708,782	2,458,378,422	1,416,381,990	829,756,227
Operating charges	0.10%	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	110.38	107.51	102.95	102.12
Lowest share price	107.53	102.96	102.07	102.06

## Comparative Tables (continued)

### Class Y Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.09	97.07	97.12	97.15
Return before operating charges*	2.64	4.36	0.94	0.07
Operating charges	(0.05)	(0.10)	(0.10)	(0.10)
Return after operating charges*	2.59	4.26	0.84	(0.03)
Distributions on income shares	(2.59)	(4.24)	(0.89)	–
<b>Closing net asset value per share</b>	<b>97.09</b>	<b>97.09</b>	<b>97.07</b>	<b>97.12</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.67%	4.39%	0.86%	(0.03)%
<b>Other information</b>				
Closing net asset value (£'000)	674,558	695,997	529,278	269,385
Closing number of shares	694,753,003	716,859,568	545,237,264	277,376,106
Operating charges	0.10%	0.10%	0.10%	0.10%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	99.69	99.61	97.83	97.17
Lowest share price	97.12	97.09	97.11	97.12

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Certificates of Deposit – 62.86% (31/10/23 – 56.05%)</b>			
£87,500,000	ANZ 0% 23/9/2024	85,689	1.26
£50,000,000	ANZ 0% 25/10/2024	50,000	0.73
£75,000,000	ANZ 5.55% SONIA 24/5/2024	75,006	1.10
£75,000,000	Bank of Montreal 0% 25/6/2024	74,403	1.09
£150,000,000	Bank of Nova Scotia 5.25% 1/7/2024	150,011	2.20
£25,000,000	Bank of Nova Scotia 5.3% 17/7/2024	25,000	0.37
£50,000,000	Bank of Tokyo 0% 20/5/2024	49,854	0.73
£125,000,000	BGC International 5.60% SONIA 20/6/2024	125,068	1.84
£60,000,000	BGC International 5.69% SONIA 2/8/2024	60,056	0.88
£50,000,000	BMO Capital 5.7% SONIA 11/7/2024	50,039	0.74
£100,000,000	BMO Capital 5.7% SONIA 11/7/2024	100,080	1.47
£75,000,000	BNP Paribas 5.33% 7/6/2024	74,997	1.10
£25,000,000	BNP Paribas 5.33% 14/6/2024	24,999	0.37
£75,000,000	BNP Paribas 5.33% 4/11/2024	74,970	1.10
£30,000,000	BNP Paribas 5.38% 15/7/2024	29,998	0.44
£75,000,000	Citigroup 5.27% 12/7/2024	74,989	1.10
£230,000,000	Cooperative Rabobank 0% 4/11/2024	230,000	3.38
£7,500,000	Cooperative Rabobank 5.445% 17/5/2024	7,500	0.11
£70,000,000	Credit Agricole 5.25% 15/7/2024	69,994	1.03
£6,500,000	Credit Agricole 5.29% 19/6/2024	6,500	0.10
£125,000,000	Credit Agricole 5.31% 15/7/2024	124,999	1.84
£35,000,000	Credit Agricole 5.36% 3/6/2024	35,000	0.51
£50,000,000	Credit Industriel et Commercial 0% 29/7/2024	49,358	0.73
£25,000,000	DBS Bank 0% 22/05/2024	24,921	0.37
£200,000,000	DNB Bank 5.52% SONIA 3/5/2024	200,003	2.94
£100,000,000	DZ Bank 5.6% 2/5/2024	100,001	1.47
£50,000,000	First Abu Dhabi Bank 5.35% 21/6/2024	50,007	0.73
£50,000,000	First Abu Dhabi Bank 5.35% 15/8/2024	49,987	0.73
£200,000,000	Goldman Sachs 0% 17/7/2024	197,768	2.90
£35,000,000	Goldman Sachs 0% 26/6/2024	34,715	0.51
£25,000,000	HSBC Bank 5.7% SONIA 10/5/2024	25,002	0.37
£50,000,000	HSBC Bank 5.7% SONIA 13/5/2024	50,005	0.73
£140,000,000	KBC Bank 5.31% 20/5/2024	139,998	2.06
£100,000,000	KBC Bank 5.32% 7/6/2024	99,998	1.47
£50,000,000	Lloyds Bank 5.57% SONIA 18/6/2024	50,011	0.73
£100,000,000	Lloyds Bank 5.58% SONIA 9/5/2024	100,004	1.47
£50,000,000	Lloyds Bank 5.79% SONIA 14/8/2024	50,046	0.74
£70,000,000	Mizuho Bank 5.33% 18/6/2024	69,995	1.03
£50,000,000	Mizuho International 5.26% 3/5/2024	50,000	0.73
£35,000,000	National Australia Bank 5.32% 26/7/2024	34,993	0.51
£95,000,000	National Australia Bank 5.39% 1/11/2024	94,991	1.40
£125,000,000	National Australia Bank 5.52% SONIA 2/5/2024	125,001	1.84
£30,000,000	National Westminster Bank 0% 1/8/2024	29,608	0.43
£70,000,000	National Westminster Bank 0% 1/8/2024	69,085	1.01
£30,000,000	Natixis 0% 4/7/2024	29,723	0.44
£90,000,000	Natixis 5.38% 19/7/2024	90,009	1.32
£50,000,000	Natixis 5.58% 20/5/2024	50,006	0.73
£75,000,000	NDASSFX 5.60% 7/5/2024	75,005	1.10
£45,000,000	Nordea Bank 0% 28/6/2024	44,631	0.66
£60,000,000	Nordea Bank 0% 19/8/2024	59,051	0.87
£30,000,000	Nordea Bank 0% 22/8/2024	29,513	0.43
£75,000,000	Overseas China Banking Corporation 0% 8/5/2024	74,913	1.10
£50,000,000	Sumitomo Mitsui Bank 5.34% 14/6/24	49,998	0.73
£25,000,000	Sumitomo Mitsui Bank 5.35% 7/5/2024	25,000	0.37
£60,000,000	Svenska Handelsbanken 0% 4/11/24	60,000	0.88
£60,000,000	Svenska Handelsbanken 0% 7/11/24	60,000	0.88
£40,000,000	Svenska Handelsbanken 5.38% 15/10/2024	39,998	0.59
£40,000,000	Svenska Handelsbanken 5.38% 22/10/2024	39,997	0.59
£40,000,000	Svenska Handelsbanken 5.38% 29/10/2024	39,996	0.59
£25,000,000	Toronto-Dominion Bank 5.31% 29/7/2024	24,999	0.37
£12,500,000	United Overseas Bank 5.3% 7/6/2024	12,500	0.18
£25,000,000	United Overseas Bank 5.3% 5/8/2024	25,000	0.37
£25,000,000	United Overseas Bank 5.32% 20/5/2024	25,000	0.37
£50,000,000	United Overseas Bank 5.32% 10/6/2024	50,002	0.73
£50,000,000	United Overseas Bank 5.33% 1/5/2024	50,000	0.73
£30,000,000	United Overseas Bank 5.33% 3/6/2024	30,001	0.44
<b>Total Certificates of Deposit</b>		<b>4,279,991</b>	<b>62.86</b>

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Commercial Paper – 6.52% (31/10/23 – 0.53%)</b>			
£150,000,000	Credit Industriel 26/7/2024	148,138	2.18
£37,500,000	Macquarie Bank 0% 12/8/2024	36,947	0.54
£85,000,000	Overseas China Banking Corporation 0% 21/6/2024	84,363	1.24
£75,000,000	Overseas China Banking Corporation 0% 3/7/2024	74,309	1.09
£100,000,000	Skandinaviska Enskilda Banken 0% 7/5/2024	99,900	1.47
<b>Total Commercial Paper</b>		<b>443,657</b>	<b>6.52</b>
<b>Corporate Bonds – 8.60% (31/10/23 – 15.49%)</b>			
£25,000,000	Bank of Nova Scotia FRN 22/6/2024	25,004	0.37
£21,200,000	Bank of Nova Scotia FRN 15/10/2024	21,254	0.31
£52,276,000	Bank of Nova Scotia FRN 14/3/2025	52,585	0.77
£70,138,000	Commonwealth Bank of Australia FRN 16/1/2025	70,268	1.03
£56,148,000	National Australia Bank FRN 4/2/2025	56,239	0.83
£10,000,000	National Bank of Canada FRN 12/7/2024	10,001	0.15
£5,000,000	National Bank of Canada FRN 24/7/2024	5,001	0.07
£20,000,000	Royal Bank of Canada FRN 8/7/2024	20,002	0.29
£63,852,000	Royal Bank of Canada FRN 3/10/2024	63,935	0.94
£12,000,000	Royal Bank of Canada London FRN 17/5/2024	12,001	0.18
£225,000,000	SG Issuer FRN 9/8/2024	225,000	3.31
£24,054,000	Toronto Dominion Bank FRN 22/4/2025	24,085	0.35
<b>Total Corporate Bonds</b>		<b>585,375</b>	<b>8.60</b>
<b>Government Bonds – 17.42% (31/10/23 – 16.27%)</b>			
£205,000,000	UK Treasury 0% 7/5/2024	204,791	3.01
£200,000,000	UK Treasury 0% 13/5/2024	199,652	2.93
£45,870,000	UK Treasury 0% 20/5/2024	45,744	0.67
£12,500,000	UK Treasury 0% 28/5/2024	12,451	0.18
£200,000,000	UK Treasury 0% 3/6/2024	199,054	2.92
£23,649,000	UK Treasury 0% 10/6/2024	23,513	0.35
£25,000,000	UK Treasury 0% 17/6/2024	24,832	0.37
£25,000,000	UK Treasury 0% 1/7/2024	24,781	0.36
£50,000,000	UK Treasury 0% 22/7/2024	49,418	0.73
£100,000,000	UK Treasury 0% 29/7/2024	98,735	1.45
£120,000,000	UK Treasury 0% 5/8/2024	118,369	1.74
£150,000,000	UK Treasury 0% 12/8/2024	147,814	2.17
£25,000,000	UK Treasury 0% 19/8/2024	24,612	0.36
£12,500,000	UK Treasury 0% 27/8/2024	12,292	0.18
<b>Total Government Bonds</b>		<b>1,186,058</b>	<b>17.42</b>

<b>Total value of investments</b>	<b>6,495,081</b>	<b>95.40</b>
<b>Net other assets</b>	<b>313,284</b>	<b>4.60</b>
<b>Total net assets</b>	<b>6,808,365</b>	<b>100.00</b>

All investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,541,432	22.64	1,851,068	28.66
Unrated bonds	230,001	3.38	200,009	3.10
<b>Total bonds</b>	<b>1,771,433</b>	<b>26.02</b>	<b>2,051,077</b>	<b>31.76</b>
Certificates of deposit	4,279,991	62.86	3,620,778	56.05
Commercial paper	443,657	6.52	34,442	0.53
<b>Total value of investments</b>	<b>6,495,081</b>	<b>95.40</b>	<b>5,706,297</b>	<b>88.34</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
Cooperatieve Rabobank 0% 4/11/2024	230,000
SG Issuer FRN 9/8/2024	225,000
UK Treasury 0% 7/5/2024	200,677
DNB Bank 5.52% SONIA 3/5/2024	200,000
UK Treasury 0% 13/5/2024	196,772
Goldman Sachs 0% 15/4/2024	196,415
Goldman Sachs 0% 17/7/2024	196,191
UK Treasury 0% 3/6/2024	195,482
Bank of Nova Scotia 5.25% 1/7/2024	150,000
UK Treasury 0% 12/2/2024	148,039
<b>Subtotal</b>	<b>1,938,576</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>6,654,311</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0% 13/11/2023	200,000
Goldman Sachs 0% 4/1/2024	199,432
Goldman Sachs 0% 15/4/2024	198,915
KBC Bank 5.44% 31/1/2024	175,000
UK Treasury 0% 12/2/2024	175,000
SG Issuer SONIA 9/2/2024	175,000
Clydesdale Bank FRN 22/3/2024	151,937
Credit Industrial et Commercial SONIA 1/11/2023	150,000
ING Bank SONIA 8/4/2024	150,000
UK Treasury 0% 15/1/2024	138,060
<b>Subtotal</b>	<b>1,713,344</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>5,916,761</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital (losses)/ gains	(24)	925
Revenue	180,611	94,108
Expenses	(2,260)	(1,490)
Net revenue before taxation	178,351	92,618
Taxation	–	–
Net revenue after taxation	178,351	92,618
Total return before distributions	178,327	93,543
Distributions	(178,192)	(92,618)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>135</b>	<b>925</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	6,495,081	5,706,297
Current assets:		
Debtors	61,836	164,040
Cash and bank balances	706,236	1,044,251
<b>Total assets</b>	<b>7,263,153</b>	<b>6,914,588</b>
<b>Liabilities</b>		
Creditors:		
Other creditors	435,430	435,847
Distribution payable	19,358	19,349
<b>Total liabilities</b>	<b>454,788</b>	<b>455,196</b>
<b>Net assets attributable to shareholders</b>	<b>6,808,365</b>	<b>6,459,392</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>6,459,392</b>	<b>5,109,079</b>
Amounts receivable on creation of shares	1,503,797	1,691,653
Amounts payable on cancellation of shares	(1,314,170)	(1,635,282)
	189,627	56,371
Change in net assets attributable to shareholders from investment activities	135	925
Retained distributions on accumulation shares	159,211	84,222
<b>Closing net assets attributable to shareholders</b>	<b>6,808,365</b>	<b>5,250,597</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class R Accumulation</b>				
Group 1	2.8918	–	2.8918	1.8500
Group 2	1.5096	1.3822	2.8918	1.8500
<b>Class S Accumulation</b>				
Group 1	2.8793	–	2.8793	1.8421
Group 2	1.6315	1.2478	2.8793	1.8421
<b>Class S Income</b>				
Group 1	2.7035	–	2.7035	1.8071
Group 2	2.7035	0.0000	2.7035	1.8071
<b>Class Y Accumulation</b>				
Group 1	2.8701	–	2.8701	1.8257
Group 2	1.5303	1.3398	2.8701	1.8257
<b>Class Y Income</b>				
Group 1	2.5920	–	2.5920	1.7214
Group 2	1.3558	1.2362	2.5920	1.7214



# Royal London Corporate Bond Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Corporate Bond Fund, Class A Income	8.70	7.90	-4.89	6.19
Royal London Corporate Bond Fund, Class M Accumulation	8.74	7.96	-4.57	7.35
Royal London Corporate Bond Fund, Class M Income	8.76	7.98	-4.56	7.36
Royal London Corporate Bond Fund, Class S Accumulation	8.98	8.55	-3.24	9.85
Royal London Corporate Bond Fund, Class Y Accumulation	8.93	8.24	-4.01	8.43
Royal London Corporate Bond Fund, Class Y Income	8.88	8.24	-4.01	8.43
Royal London Corporate Bond Fund, Class Z Income	8.87	8.23	-4.12	8.20
iBoxx Sterling Non-Gilt All Maturities Index	5.55	4.27	-11.82	-3.48
IA £ Corporate Bond TR	6.50	5.38	-9.10	0.52

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

In the period under review, the Fund has outperformed both its benchmark and peer group. It is a similar story for the longer 12-month, three-year and five-year periods, where the Fund has outpaced the benchmark and peers.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

### Portfolio commentary

The combination of sector and stock selection was the main driver of positive relative returns. Our low exposure to supranationals was positive on a relative basis, as these underperformed the wider sterling corporate bond market, while our bias towards the bank and insurance sectors was also helpful, notably in subordinated bonds including those from Aviva and Barclays. Our overweight position in structured bonds was a laggard for performance – hurt by our Thames Water position.

## Manager's Investment Report (continued)

### Investment outlook

The rally in bond yields seen late last year, prompted by hopes that falling inflation would lead to relatively rapid and numerous interest rate cuts, was largely unwound in the first two weeks of 2024. Since then, sentiment has swung with various economic data, but it now seems unlikely that we will see significant moves in interest rates this year. We expect yields to remain sensitive to economic data, and unless there is a significant deterioration in underlying trends, we expect this to lead to range bound-yields and the opportunity to add/trim duration as markets react to individual data points.

Headline inflation is expected to reach the 2% Bank of England target level in the Q2. However, we are mindful that underlying pressures in the labour market and parts of the services sector mean that headline inflation figures may be somewhat misleading. In addition, data since the start of the year suggests that the UK is growing again – albeit slowly. Overall, the global tone is that rate cuts are not going to come through as quickly as anticipated and that the neutral level may be a bit higher than previously thought.

With bond yields higher than they were at the start of the year, and interest rate cuts now closer, we believe that overall government bond yields look attractive. Credit spreads have remained at relatively tight levels, but in our view, continue to compensate credit investors for the risk of default. From a credit spread perspective we continue to find better value in shorter-dated credit bonds, but with absolute yields at attractive levels we prefer to be broadly neutral in overall duration positioning, with a bias to extend on further rises in yields.

We target – and achieve – a material yield premium over the market level in our sterling credit strategies. We mitigate the risks by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark will generate outperformance.

**Shalin Shah and Matt Franklin**  
**Fund Co-Managers**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class A Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	79.39	79.04	101.40	99.95
Return before operating charges*	6.67	5.44	(18.05)	5.64
Operating charges	(0.29)	(0.57)	(0.64)	(0.72)
Return after operating charges*	6.38	4.87	(18.69)	4.92
Distributions on income shares	(2.46)	(4.52)	(3.67)	(3.47)
<b>Closing net asset value per share</b>	<b>83.31</b>	<b>79.39</b>	<b>79.04</b>	<b>101.40</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.04%	6.16%	(18.43)%	4.92%
<b>Other information</b>				
Closing net asset value (£'000)	18,508	19,877	19,825	35,106
Closing number of shares	22,215,790	25,038,102	25,081,261	34,620,121
Operating charges	0.69%	0.69%	0.69%	0.69%*
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	86.60	85.64	104.00	105.20
Lowest share price	79.71	78.77	75.39	100.20

\* The FMF was reduced from 1.00% to 0.69% on 6 November 2020.

### Class M Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	138.42	130.29	160.22	152.50
Return before operating charges*	11.61	8.91	(29.10)	8.61
Operating charges	(0.41)	(0.78)	(0.83)	(0.89)
Return after operating charges*	11.20	8.13	(29.93)	7.72
Distributions on accumulation shares	(4.32)	(7.61)	(5.89)	(5.36)
Retained distributions on accumulation shares	4.32	7.61	5.89	5.36
<b>Closing net asset value per share</b>	<b>149.62</b>	<b>138.42</b>	<b>130.29</b>	<b>160.22</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.09%	6.24%	(18.68)%	5.06%
<b>Other information</b>				
Closing net asset value (£'000)	584,660	550,733	521,217	680,101
Closing number of shares	390,757,251	397,857,297	400,052,176	424,482,890
Operating charges	0.56%	0.56%	0.56%	0.56%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	152.90	143.00	164.30	163.70
Lowest share price	139.00	129.80	122.70	152.90

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.75	97.20	124.53	122.58
Return before operating charges*	8.22	6.68	(22.18)	6.92
Operating charges	(0.29)	(0.57)	(0.64)	(0.71)
Return after operating charges*	7.93	6.11	(22.82)	6.21
Distributions on income shares	(3.03)	(5.56)	(4.51)	(4.26)
<b>Closing net asset value per share</b>	<b>102.65</b>	<b>97.75</b>	<b>97.20</b>	<b>124.53</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.11%	6.29%	(18.32)%	5.07%
<b>Other information</b>				
Closing net asset value (£'000)	150,441	151,814	136,638	197,399
Closing number of shares	146,562,637	155,307,222	140,578,604	158,516,142
Operating charges	0.56%	0.56%	0.56%	0.56%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	106.70	105.30	127.70	129.00
Lowest share price	98.15	96.86	92.70	122.90

## Comparative Tables (continued)

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	101.27	94.89	116.17	110.08
Return before operating charges*	8.50	6.49	(21.16)	6.22
Operating charges	(0.06)	(0.11)	(0.12)	(0.13)
Return after operating charges*	8.44	6.38	(21.28)	6.09
Distributions on accumulation shares	(3.16)	(5.56)	(4.28)	(3.88)
Retained distributions on accumulation shares	3.16	5.56	4.28	3.88
<b>Closing net asset value per share</b>	<b>109.71</b>	<b>101.27</b>	<b>94.89</b>	<b>116.17</b>
* after direct transaction costs of:	0.04	—	—	—
<b>Performance</b>				
Return after charges	8.33%	6.72%	(18.32)%	5.53%
<b>Other information</b>				
Closing net asset value (£'000)	2,265	2,091	6,046	7,402
Closing number of shares	2,064,566	2,064,566	6,371,638	6,371,638
Operating charges	0.11%	0.11%	0.11%	0.11%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	112.00	104.30	119.20	118.60
Lowest share price	101.70	94.57	89.38	110.40

### Class Y Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	109.86	103.21	126.68	120.36
Return before operating charges*	9.22	7.06	(23.04)	6.78
Operating charges	(0.22)	(0.41)	(0.43)	(0.46)
Return after operating charges*	9.00	6.65	(23.47)	6.32
Distributions on accumulation shares	(3.43)	(6.00)	(4.66)	(4.24)
Retained distributions on accumulation shares	3.43	6.00	4.66	4.24
<b>Closing net asset value per share</b>	<b>118.86</b>	<b>109.86</b>	<b>103.21</b>	<b>126.68</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	8.19%	6.44%	(18.53)%	5.25%
<b>Other information</b>				
Closing net asset value (£'000)	42,355	31,428	82,935	57,972
Closing number of shares	35,634,681	28,608,432	80,354,234	45,760,552
Operating charges	0.37%	0.37%	0.37%	0.37%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	121.40	113.30	129.90	129.40
Lowest share price	110.30	102.90	97.23	120.70

## Comparative Tables (continued)

### Class Y Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	83.82	83.19	106.38	104.51
Return before operating charges*	7.05	5.71	(18.97)	5.90
Operating charges	(0.16)	(0.32)	(0.36)	(0.40)
Return after operating charges*	6.89	5.39	(19.33)	5.50
Distributions on income shares	(2.60)	(4.76)	(3.86)	(3.63)
<b>Closing net asset value per share</b>	<b>88.11</b>	<b>83.82</b>	<b>83.19</b>	<b>106.38</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	8.22%	6.48%	(18.17)%	5.26%
<b>Other information</b>				
Closing net asset value (£'000)	54,424	41,904	24,116	31,377
Closing number of shares	61,770,629	49,991,551	28,989,950	29,495,629
Operating charges	0.37%	0.37%	0.37%	0.37%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	91.49	90.21	109.10	110.00
Lowest share price	84.16	82.91	79.33	104.80

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	85.29	84.68	108.32	106.47
Return before operating charges*	7.16	5.82	(19.30)	6.00
Operating charges	(0.16)	(0.36)	(0.41)	(0.45)
Return after operating charges*	7.00	5.46	(19.71)	5.55
Distributions on income shares	(2.64)	(4.85)	(3.93)	(3.70)
<b>Closing net asset value per share</b>	<b>89.65</b>	<b>85.29</b>	<b>84.68</b>	<b>108.32</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	8.21%	6.45%	(18.20)%	5.21%
<b>Other information</b>				
Closing net asset value (£'000)	460,664	338,622	217,568	396,866
Closing number of shares	513,857,356	397,040,180	256,943,866	366,375,079
Operating charges	0.35% <sup>+</sup>	0.41%	0.41%	0.41%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	93.08	91.81	111.10	112.10
Lowest share price	85.63	84.39	80.75	106.70

\* The FMF was reduced from 0.41% to 0.35% on 18 December 2023.

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Commercial Mortgage Backed Securities – 4.59% (31/10/23 – 5.27%)</b>			
£1,225,000	British Land 5.264% 24/9/2035	1,158	0.09
£4,753,000	Canary Wharf Finance II (A7) FRN 22/10/2037	3,731	0.28
£5,191,000	Canary Wharf Finance FRN 22/10/2037	3,867	0.29
£10,300,000	Equity Release FRN 14/7/2045	6,714	0.51
£8,596,000	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058	5,948	0.45
£4,400,000	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058	2,637	0.20
£13,872,000	Income Contingent Student Loan 2 FRN 24/7/2058	1,380	0.11
£7,896,000	Income Contingent Student Loan 2.5% 24/7/2056	4,399	0.34
£9,479,000	Income Contingent Student Loan 2.5% 24/7/2058	5,533	0.42
£9,550,000	Income Contingent Student Loan FRN 24/7/2056	535	0.04
£2,762,000	Last Mile Logistics CMBS 2023-1 17/8/2033	2,768	0.21
£5,551,000	Magenta 2020 FRN 20/12/2024	4,867	0.37
£4,548,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	3,462	0.26
£7,713,000	Sage AR Funding FRN 17/11/2051	7,456	0.57
£2,500,000	Stark Financing 2023-1 DAC FRN 17/8/2033	2,509	0.19
£3,450,000	Taurus FRN 17/5/2030	3,416	0.26
<b>Total Commercial Mortgage Backed Securities</b>		<b>60,380</b>	<b>4.59</b>
<b>Corporate Bonds – 91.56% (31/10/23 – 91.97%)</b>			
£4,000,000	3i Group 4.875% 14/6/2029	3,520	0.27
£474,000	AA Bond 5.5% 31/7/2050	458	0.03
£7,201,000	AA Bond 6.269% 2/7/2043	7,199	0.55
£939,000	AA Bond 7.375% 31/7/2050	954	0.07
£3,240,000	AA Bond 8.45% 31/7/2050	3,401	0.26
£1,304,000	AA Bond Co Ltd 3.25% 31/7/2050	1,130	0.09
£7,414,000	AANDNZ Banking Group 1.809% variable 16/9/2031	6,701	0.51
£5,100,000	Aberdeen 5.25% variable perpetual	4,244	0.32
£1,994,000	Achmea 5.625% variable 2/11/2044	1,706	0.13
£2,868,000	Admiral Group 8.5% 6/1/2034	3,127	0.24
£2,879,000	Affinity Water Finance 2004 5.875% 13/7/2026	2,866	0.22
£3,000,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036	2,702	0.21
£5,370,000	Akelius Residential Property 2.249% variable 17/5/2081	4,178	0.32
£6,823,000	Akelius Residential Property 2.375% 15/8/2025	6,491	0.49
£3,600,000	Allianz SE 3.2% variable perpetual	2,316	0.18
£2,750,000	Annington Funding 2.924% 6/10/2051	1,571	0.12
£4,461,000	Annington Funding 3.184% 12/7/2029	3,926	0.30
£1,700,000	Annington Funding 3.685% 12/7/2034	1,397	0.11
£1,721,000	Annington Funding 3.935% 12/7/2047	1,248	0.09
£4,710,000	Annington Funding 4.75% 9/8/2033	4,283	0.33
£881,000	APT Pipelines 3.125% 18/7/2031	740	0.06
£3,235,000	Argentum Netherlands 4.625% variable perpetual	2,501	0.19
£1,600,000	Aroundtown 3.625% 10/4/2031	1,202	0.09
£4,384,000	Aroundtown 4.75% variable perpetual	2,995	0.23
£5,650,000	Arqiva Finance 4.882% 31/12/2032	3,238	0.25
£200,000	Arqiva Financing 5.34% 30/12/2037	195	0.01
£1,800,000	Arqiva Financing 7.21% 30/6/2045	1,903	0.14
£964,000	Aspire Defence Finance 4.674% 31/3/2040	712	0.05
£17,150,000	Assicurazioni Generali 6.269% perpetual	17,198	1.31
£2,293,000	Athora Netherlands 7% variable perpetual	1,939	0.15
£1,265,000	Athora Netherlands 5.375% variable 31/8/2032	1,054	0.08
£5,960,000	Aviva 6.125% variable 14/11/2036	5,997	0.46
£2,960,000	Aviva 6.875% variable 27/11/2053	3,036	0.23
£13,490,000	Aviva 6.875% variable 20/5/2058	13,603	1.04
£2,800,000	Aviva 6.875% variable perpetual	2,598	0.20
£1,756,000	AXA 5.625% variable 16/1/2054	1,688	0.13
£4,255,000	AXA 6.375% variable perpetual	3,721	0.28
£9,936,000	AXA 6.379% variable perpetual	8,476	0.65
£3,609,000	AXA SA 1.875% variable 10/7/2042	2,539	0.19

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£1,745,000	AXA variable perpetual	1,731	0.13
£4,000,000	Barclays 3.75% variable 22/11/2030	3,831	0.29
£1,072,000	Barclays 5.851% variable 21/3/2035	1,053	0.08
\$21,260,000	Barclays 6.278% variable perpetual	16,639	1.27
£9,417,000	Barclays 8.407% variable 14/11/2032	9,875	0.75
£2,695,000	Barclays 8.875% variable perpetual	2,718	0.21
£4,771,000	Barclays 9.25% variable perpetual	4,877	0.37
€11,150,000	Barclays Bank 4.75% variable perpetual	8,976	0.68
£2,248,000	Barclays 7.09% variable 6/11/2029	2,352	0.18
£5,050,000	BAT International Finance 4% 23/11/2055	3,269	0.25
£2,152,000	Bat International Finance 5.75% 5/7/2040	1,943	0.15
£2,674,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	1,972	0.15
£1,550,000	Blackstone Property Partners Europe 2.625% 20/10/2028	1,333	0.10
£8,686,000	Blackstone Property Partners Europe 4.875% 29/4/2032	7,677	0.58
£943,000	Blend Funding 2.984% 15/3/2036	731	0.06
£2,401,000	Blend Funding 3.508% 4/5/2059	1,653	0.13
£3,600,000	BNP Paribas 2% variable 24/5/2031	3,302	0.25
£4,346,000	BP Capital Markets 4.25% variable perpetual	4,088	0.31
€3,000,000	BPCE 2.125% variable 13/10/2046	2,077	0.16
£2,100,000	BPCE 2.5% variable 30/11/2032	1,840	0.14
£7,632,000	British Land 5.264% 24/9/2035	7,213	0.55
£3,257,000	British Land 5.357% 31/3/2028	3,171	0.24
£2,030,000	Broadgate Finance 4.821% 5/7/2036	1,952	0.15
£1,174,000	BWP Issuer 2.868% 30/6/2036	764	0.06
£1,406,000	Cadent Finance 5.625% 11/1/2036	1,373	0.10
£4,525,000	Canary Wharf Finance 5.952% 22/10/2037	2,356	0.18
£1,129,000	Channel Link Enterprises Finance FRN 30/12/2050	834	0.06
£2,350,000	Cheltenham & Gloucester 11.75% perpetual	3,760	0.29
£864,000	Close Brothers Finance 1.625% 3/12/2030	642	0.05
£7,488,000	Close Brothers Group 2% variable 11/9/2031	6,188	0.47
£2,481,000	Close Brothers Group 7.75% 14/6/2028	2,499	0.19
£2,297,000	Close Brothers Group 11.125% variable perpetual	2,207	0.17
£900,000	Community Finance 5.017% 31/7/2034	881	0.07
£5,461,000	Connect M77 GSO 5.404% 31/3/2034	3,143	0.24
£5,570,000	Co-operative Bank Finance 9.5% VRN 24/5/2028	6,071	0.46
£17,344,000	Co-operative Bank Finance 6% variable 6/4/2027	17,241	1.31
£4,493,000	Co-operative Wholesale Society 7.5% Step 8/7/2026	4,491	0.34
£1,200,000	Coventry Building Society 6.875% variable perpetual	1,194	0.09
£1,700,000	Credit Agricole 1.874% variable 9/12/2031	1,522	0.12
\$1,800,000	Credit Suisse Group 7.5% variable perpetual	–	–
£3,548,000	CPUK Finance 3.588% 28/2/2042	3,441	0.26
£2,700,000	Credit Agricole 5.875% 25/10/2033	2,515	0.19
£5,400,000	Credit Agricole 7.5% variable perpetual	5,352	0.41
£2,735,000	Credit Agricole SA 7.5% variable perpetual	2,704	0.21
£2,051,000	UBS Group 2.125% variable 12/9/2025	2,026	0.15
£9,674,000	Credit Suisse 7.75% 10/3/2026	10,052	0.77
£9,951,000	Credit Suisse Group 7.375% variable 7/9/2033	10,931	0.83
€1,000,000	Credit Suisse Group 7.75% variable 1/3/2029	963	0.07
£1,000,000	CYBG 4% variable 3/9/2027	960	0.07
£3,750,000	Daily Mail & General 6.375% 21/6/2027	3,526	0.27
£6,500,000	Delamare Finance 5.5457% 19/2/2029	3,268	0.25
£8,525,000	Derby Healthcare 5.564% 30/6/2041	7,552	0.58
£8,732,000	Dignity Finance 3.5456% 31/12/2034	4,995	0.38
£9,881,000	Direct Line Insurance 4% 5/6/2032	8,067	0.61
\$6,318,000	Dresdner Funding Trust 8.151% 30/6/2031	5,432	0.41
£11,700,000	Electricite De France 5.875% variable perpetual	10,983	0.84
£13,800,000	Electricite De France 6% 23/1/2114	12,710	0.97
£2,600,000	Electricite De France 6% variable perpetual	2,535	0.19
\$1,234,000	Electricite de France SA 9.125% variable perpetual	1,070	0.08
£3,968,000	Equity Release Funding No.3 5.05% 26/4/2033	3,421	0.26



**Portfolio Statement** (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 91.56% (31/10/23 – 91.97%) – continued</b>			
£3,200,000	Eskmuir Group Finance 4.255% 12/12/2047	1,946	0.15
£2,962,000	Esure Group 12% variable 20/12/2033	3,150	0.24
£4,482,000	Esure Group 6% variable perpetual	3,126	0.24
£4,570,000	Eversholt Funding 2.742% 30/6/2040	3,170	0.24
£1,790,000	Eversholt Funding 3.529% 7/8/2042	1,366	0.10
£5,600,000	Eversholt Funding 6.697% 22/2/2035	4,572	0.35
£3,172,000	Folio Residential Finance 1.246% 31/10/2037	2,742	0.21
£4,000,000	Freshwater Finance 4.556% 3/4/2036	3,434	0.26
£7,209,000	Freshwater Finance 5.182% 20/4/2035	6,712	0.51
£2,484,000	Gatwick Funding 5.5% 4/4/2042	2,363	0.18
£5,098,000	GB Social Housing 5.193% 12/2/2038	4,802	0.37
£683,000	General Electric Capital 4.875% 18/9/2037	608	0.05
£2,440,000	Genfinance II 6.064% 21/12/2039	2,530	0.19
£4,581,000	Grainger 3% 3/7/2030	3,839	0.29
£1,372,000	Grainger 3.375% 24/4/2028	1,244	0.09
£12,729,000	Great Rolling Stock 6.875% 27/7/2035	6,913	0.53
£3,763,000	Greene King Finance 3.593% 15/3/2035	2,881	0.22
£2,941,000	GreenSquareAccord 5.25% 30/11/2047	2,672	0.20
£4,306,000	Guinness Trust 7.5% 30/11/2037	3,482	0.27
£1,736,000	Gwynt y Môr OFTO 2.778% 17/2/2034	952	0.07
£5,410,767	Harbour Funding 5.28% 31/3/2044	5,230	0.40
£1,345,000	Hastoe Capital 5.6% 27/3/2042	1,295	0.10
£3,685,554	Haven Funding 8.125% 30/9/2037	3,460	0.26
£2,627,000	Heathrow Finance 3.875% 1/3/2027	2,451	0.19
£2,506,000	Heathrow Funding 2.625% 16/3/2028	2,216	0.17
£4,426,000	Heathrow Funding 5.875% 13/5/2041	4,398	0.33
£1,167,000	Heathrow Funding 6.45% 10/12/2031	1,227	0.09
£4,083,000	Heathrow Funding 7.075% variable 4/8/2028	4,316	0.33
£2,200,000	Heinz (HJ) Finance 6.25% 18/2/2030	2,259	0.17
£2,421,000	Hexagon Housing Association 3.625% 22/4/2048	1,674	0.13
£3,000,000	High Speed Rail Finance 4.375% 1/11/2038	2,722	0.21
£1,600,000	Home Group 8.75% 11/5/2037	1,897	0.14
£7,797,000	HSBC 5.375% variable 4/11/2030	7,643	0.58
£25,792,000	HSBC 5.844% variable perpetual	26,406	2.01
£1,851,000	HSBC 6.25% 30/1/2041	1,822	0.14
£16,446,000	HSBC 8.201% variable 16/11/2034	17,696	1.35
£1,928,000	HSBC Capital Funding Lp 10.176% variable perpetual	1,873	0.14
£8,668,000	IG Group 3.125% 18/11/2028	7,413	0.56
£6,000,000	Intermediate Capital Group 2.5% 28/1/2030	4,540	0.35
£5,100,000	ING Groep NV 6.25% variable 20/5/2033	5,076	0.39
£3,547,000	InterContinental Hotels 2.125% 24/8/2026	3,280	0.25
£3,098,000	Intermediate Capital Group 1.625% 17/2/2027	2,443	0.19
£5,300,000	Intu Debenture 5.562% 31/12/2027	1,763	0.13
£8,309,000	Intu Metrocentre Finance 4.125% 6/12/2028	5,246	0.40
£16,653,000	Investec 1.875% variable 16/7/2028	14,419	1.10
£4,648,000	Investec 2.625% variable 4/1/2032	4,087	0.31
£2,279,000	Investec 9.125% variable 6/3/2033	2,397	0.18
£1,057,000	Investec 10.5% variable perpetual	1,111	0.08
£3,805,000	John Lewis 4.25% 18/12/2034	2,833	0.22
£674,000	John Lewis 6.125% 21/1/2025	672	0.05
£4,865,000	JRP Group 9% 26/10/2026	5,218	0.40
£876,000	Jupiter Fund Management 8.875% variable 27/7/2030	882	0.07
£3,644,000	Just Group 7% variable 15/4/2031	3,680	0.28
£5,037,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	3,269	0.25
£1,400,000	Koninklijke KPN 3.875% 16/2/2036	1,172	0.09
£1,289,000	Land Securities Capital Markets 4.75% 18/9/2031	1,253	0.10
£3,384,000	Legal & General 4.5% variable 1/11/2050	3,060	0.23
£25,333,000	Legal & General 5.5% variable 27/6/2064	23,453	1.79
£2,704,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	2,684	0.20
£3,539,000	Lloyds Banking Group 1.985% variable 15/12/2031	3,193	0.24
£3,425,000	Lloyds Banking Group 8.5% variable perpetual	3,451	0.26
£3,557,000	Lloyds Banking Group 8.5% variable perpetual	3,584	0.27

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£2,354,000	Logicor 2019 1.875% 17/11/2031	2,147	0.16
£9,245,000	Longstone Finance 4.791% 19/4/2036	3,046	0.23
£2,000,000	M&G 3.875% variable 20/7/2049	1,990	0.15
£11,005,000	M&G 5% variable 20/7/2055	9,815	0.75
£2,730,000	M&G 5.625% variable 20/10/2051	2,564	0.20
£22,485,000	M&G 5.7% variable 19/12/2063	20,856	1.59
£5,482,000	M&G 6.25% variable 20/10/2068	4,946	0.38
£4,650,000	Marstons Issuer FRN 15/10/2031	1,897	0.14
£18,325,000	Meadowhall Finance 4.986% 12/1/2032	7,987	0.61
£5,430,000	Meadowhall Finance FRN 12/7/2037	3,109	0.24
£4,012,000	Mercantile Investment Trust 6.125% 25/2/2030	4,079	0.31
£1,189,161	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023	1,153	0.09
£2,144,000	MIELI London Ltd 4.82% 12/8/2027	2,020	0.15
£6,538,000	Mitchells & Butler 6.013% 15/12/2028	4,039	0.31
£6,382,000	Mitchells & Butlers (A1N) FRN 15/12/2030	1,985	0.15
£7,250,000	Mitchells & Butlers (A4) FRN 15/12/2028	3,261	0.25
£3,077,000	Mitchells & Butlers 5.574% 15/12/2030	684	0.05
£1,094,000	Mitchells & Butlers FRN 15/12/2033	789	0.06
£8,280,000	Mitchells & Butlers Finance FRN 15/12/2030	2,081	0.16
£3,394,000	Morgan Stanley 5.789% variable 18/11/2033	3,450	0.26
£4,124,000	Morhomes 3.4% 19/2/2040	3,195	0.24
£2,329,000	MPT Operating Partnership 3.375% 24/4/2030	1,566	0.12
£4,646,000	MPT Operating Partnership 3.692% 5/6/2028	3,486	0.27
£4,000,000	Muenchener Rueckversicherung 3.25% variable 26/5/2049	3,256	0.25
£8,872,000	National Australia Bank 1.699% variable 15/9/2031	7,950	0.61
£1,400,000	National Exhibition Center 7.5625% 30/9/2027	1,400	0.11
£3,771,000	National Express 4.25% variable perpetual	3,434	0.26
£2,275,000	NatWest 1.043% variable 14/9/2032	1,726	0.13
£11,855,000	Natwest Group 2.105% variable 28/11/2031	10,741	0.82
£2,131,000	NatWest Group 7.416% variable 6/6/2033	2,194	0.17
£2,450,000	NIBC Bank 6.0% variable perpetual	2,053	0.16
£2,491,000	NN Group 6.375% variable perpetual	2,117	0.16
£775,000	Octagon Healthcare 5.333% 31/12/2035	528	0.04
£1,900,000	Opus Chartered variable 31/3/2025	251	0.02
£1,354,000	Orsted 2.5% variable 18/2/3021	971	0.07
£5,925,000	OSB Group 6% variable perpetual	4,799	0.37
£3,018,000	OSB Group 8.875% variable 16/1/2030	3,166	0.24
£3,186,000	OSB Group 9.993% variable 27/7/2033	3,260	0.25
£4,427,980	Peel Land & Property Investments 8.375% Step 30/4/2040	4,362	0.33
£1,270,000	Peel South East 10% 30/4/2026	1,270	0.10
£4,370,000	Pension Insurance Corp 8% 13/11/2033	4,628	0.35
£8,774,000	Peterborough Progress Health 5.581% 2/10/2042	5,709	0.43
£761,000	Phoenix Group Holdings 5.75% variable perpetual	669	0.05
£1,150,000	Phoenix Group 5.625% 28/4/2031	1,076	0.08
£4,668,000	Places for People Homes 6.625% 30/9/2038	3,387	0.26
£6,043,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	5,080	0.39
£10,274,000	Premiertel 6.175% 8/5/2032	6,940	0.53
£4,127,000	Principality Building Society 8.625% 12/7/2028	4,445	0.34
£2,000,000	Prudential 5.875 11/5/2029	2,035	0.16
£3,553,000	Protective Life Global Funding 5.082% 15/4/2031	3,501	0.27
£5,000,000	Prudential 6.125% 19/12/2031	5,031	0.38
£7,646,000	QBE Insurance 2.5% variable 13/9/2038	6,464	0.49
£3,270,000	Quadrant Housing 7.93% Step 10/2/2033	2,616	0.20
£1,385,000	RAC Bond Co 8.25% 6/5/2046	1,494	0.11
£1,944,000	Radian Capital 6% 5/3/2042	1,878	0.14
£2,905,000	Reynolds American 8.125% 1/5/2040	2,579	0.20
£4,111,000	RMPA Services 5.337% 30/9/2038	2,611	0.20
£1,372,000	Rothsay Life 3.375% 12/7/2026	1,302	0.10
£6,300,000	Rothsay Life 5% variable perpetual	4,733	0.36
£8,718,000	Rothsay Life 5.5% variable 17/9/2029	8,687	0.66
£6,297,000	Rothsay Life 6.875% variable perpetual	5,833	0.44



## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 91.56% (31/10/23 – 91.97%) – continued</b>			
£6,851,000	Royal Bank of Scotland 3.622% variable 14/8/2030	6,653	0.51
£1,511,000	RSA Insurance 5.125% variable 10/10/2045	1,485	0.11
£3,099,000	RSL Finance 6.625% 31/3/2038	2,533	0.19
£2,185,000	Sainsburys Bank 10.5% variable 12/3/2033	2,398	0.18
£2,000,000	Saltaire Finance 4.818% 1/12/2033	2,001	0.15
£1,714,000	Sampo Oyj 2.5% variable 3/9/2052	1,239	0.09
£1,166,000	Sanctuary 8.375% 1/9/2031	972	0.07
£6,500,000	Santander 10.0625% perpetual	8,391	0.64
£5,029,000	Santander UK 7.098% variable 16/11/2027	5,144	0.39
£4,814,000	Saxon Weald Capital 5.375% 6/6/2042	4,618	0.35
£5,308,000	Scentre Group 5.125% variable 24/9/2080	3,866	0.29
£3,145,000	Schroders 6.346% variable 18/7/2034	3,127	0.24
£5,000,000	SCOR 5.25% variable perpetual	3,334	0.25
£3,500,000	Scot Roads Partnership Finance 5.591% 16/3/2045	3,069	0.23
£4,449,000	Scottish Widows 7% 16/6/2043	4,718	0.36
£4,220,000	Severn Trent Water Utilities 4.875% 24/1/2042	3,748	0.29
£3,582,000	Skipton Building Society 6.25% variable 25/4/2029	3,585	0.27
£7,998,000	Society of Lloyds 4.875% variable 7/2/2047	7,690	0.59
£2,074,000	Southern Water Services Finance 1.625% 30/3/2027	1,774	0.13
£3,660,000	Southern Water Services Finance 2.375% 28/5/2028	3,102	0.24
£4,867,000	Southern Water Services Finance 3% 28/5/2037	3,293	0.25
£3,185,000	Southern Water Services Finance 6.64% 31/3/2026	3,136	0.24
£4,210,000	SSE 3.74% variable perpetual	4,010	0.31
£2,283,000	St James Oncology Financing 2.804% 31/3/2037	1,354	0.10
£1,919,000	Stagecoach 4% 29/9/2025	1,853	0.14
\$9,300,000	Standard Chartered 6.409% variable perpetual	7,052	0.54
\$7,865,000	Standard Chartered 7.014% variable perpetual	6,353	0.48
\$3,500,000	Standard Life Aberdeen 4.25% variable 30/6/2028	2,481	0.19
£2,069,000	Stirling Water Seafield 5.822% 26/9/2026	372	0.03
£4,654,000	Summit Finance 6.484% 31/3/2028	1,252	0.09
£7,352,000	Sunderland 6.38% 31/3/2042	7,181	0.55
£4,220,000	SW Finance I 7% 16/4/2040	3,934	0.30
£9,307,000	Swan Housing Capital 3.625% 5/3/2048	6,803	0.52
£3,000,000	Swedbank 7.272% variable 15/11/2032	3,078	0.23
£3,990,000	SW Finance I 7.375% 12/12/2041	3,841	0.29
€3,100,000	Swiss Re Finance 2.714% variable 4/6/2052	2,304	0.18
\$4,090,000	Telefonica Europe 8.25% 15/9/2030	3,657	0.28
£7,503,000	Telereal Secured Finance 4.01% 10/12/2033	3,593	0.27
£4,387,000	Telereal Securitisation 1.3657% 10/12/2033	2,473	0.19
£2,710,000	Telereal Securitisation 1.9632% variable 10/12/2033	2,520	0.19
£5,066,000	Telereal Securitisation 3.507% variable 10/12/2033	4,572	0.35
£688,900	Telereal Securitisation 3.5625% 10/12/2036	609	0.05
£1,448,100	Telereal Securitisation 3.5625% 10/12/2036	1,283	0.10
£2,636,000	Telereal Securitisation 4.9741% 10/12/2033	893	0.07
£5,046,000	Telereal Securitisation 5.4252% 10/12/2033	3,959	0.30
£1,675,000	Telereal Securitisation 5.634% 10/12/2031	1,647	0.13
£6,426,000	Telereal Securitisation 6.1645% 10/12/2033	5,149	0.39
£5,250,000	Telereal Securitisation FRN 10/12/2033	1,613	0.12
£4,688,000	Telereal Securitisation FRN 10/12/2033	3,359	0.26
£5,300,000	Telereal Securitisation FRN 10/12/2033	4,173	0.32

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£8,265,000	Tesco Property 5.6611% 13/10/2041	7,519	0.57
£4,990,000	Tesco Property 5.744% Sink 13/4/2040	4,398	0.33
£4,000,000	Tesco Property 5.8006% 13/10/2040	3,580	0.27
£2,407,000	Tesco Property 6.0517% 13/10/2039	1,778	0.14
£2,420,000	Tesco Property Finance 7.6227% 13/7/2039	2,068	0.16
£3,860,000	Thames Water 6.75% 16/11/2028	3,506	0.27
£5,343,000	Thames Water Kemble Finance 4.625% 19/5/2026	600	0.05
£9,271,000	Thames Water Utilities 7.738% 9/4/2058	8,890	0.68
£2,273,000	Thames Water Utilities Finance 7.125% 30/4/2031	2,065	0.16
£11,196,000	Thames Water Utilities 7.75% 30/4/2044	10,534	0.80
£5,064,000	THFC Funding 5.2% 11/10/2043	4,829	0.37
£4,430,000	Time Warner Cable 5.75% 2/6/2031	4,202	0.32
£1,612,000	TP ICAP 2.625% 18/11/2028	1,355	0.10
£5,729,000	TP ICAP 5.25% 29/5/2026	5,569	0.42
£908,000	TP ICAP Finance 7.875% 17/4/2030	965	0.07
£3,340,000	Trafford Centre 6.5% 28/7/2033	2,022	0.15
£8,000,000	Trafford Centre FRN 28/7/2035	6,360	0.48
\$1,666,000	UBS Group AG 9.25% variable perpetual	1,460	0.11
£2,830,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX	1,593	0.12
£3,900,000	Unifund 5.32% 7/12/2047	3,203	0.24
£17,800,000	Unique Pub Finance 5.659% 30/6/2027	6,144	0.47
£9,671,000	UPP Bond Issuer 4.9023% 28/2/2040	7,139	0.54
£3,091,000	Utmost Group 6.125% variable perpetual	2,546	0.19
£2,340,000	Vattenfall AB 2.5% variable 29/6/2083	2,005	0.15
£1,986,000	Vattenfall AB 6.875% variable 17/8/2083	2,017	0.15
£3,650,000	Virgin Money 2.625% variable 19/8/2031	3,370	0.26
£3,333,000	Virgin Money 3.375% variable 24/4/2026	3,254	0.25
£3,600,000	Virgin Money 5.125% variable 11/12/2030	3,529	0.27
£2,530,000	Virgin Money 8.25% variable perpetual	2,505	0.19
£9,647,000	Virgin Money UK 7.625% variable 23/8/2029	10,327	0.79
£2,700,000	Vonovia 5.5% 18/1/2036	2,557	0.19
£1,280,000	Wessex Water Services Finance 5.125% 31/10/2032	1,227	0.09
£10,159,000	Westfield Stratford City 1.642% 4/8/2031	9,142	0.70
£2,388,000	White City Property 5.1202% 17/4/2035	1,733	0.13
£3,350,000	Worcestershire Hospital 5.87% 31/12/2030	1,461	0.11
£4,193,000	Yorkshire Building Society 3.375% variable 13/9/2028	3,797	0.29
£870,000	Yorkshire Building Society 3.511% variable 11/10/2030	774	0.06
£2,135,000	Yorkshire Building Society 7.375% variable 12/9/2027	2,196	0.17
£750,000	Yorkshire Water Finance 1.75% 27/10/2032	539	0.04
£3,072,000	Yorkshire Water Finance 5.25% 28/4/2030	2,905	0.22
£2,826,000	Yorkshire Water Services 2.75% 18/4/2041	1,813	0.14
£2,000,000	Yorkshire Water Services 4.965% 13/6/2033	1,749	0.13
\$6,081,000	Zurich Finance 3% variable 19/4/2051	3,943	0.30
£1,934,000	Zurich Finance 5.125% variable 23/11/2052	1,824	0.14
<b>Total Corporate Bonds</b>		<b>1,202,520</b>	<b>91.56</b>
<b>Corporate Preference Bonds – 1.32% (31/10/23 – 1.13%)</b>			
£3,817,535	Lloyds Bank 9.25% Non Cumulative Preference Perpetual	5,249	0.40
£2,449,000	National Westminster Bank 9% Preference perpetual	3,257	0.25
£6,041,952	Santander UK Preference 10.375% perpetual	8,791	0.67
<b>Total Corporate Preference Bonds</b>		<b>17,297</b>	<b>1.32</b>
<b>Government Bonds – 0.55% (31/10/23 – 0.00%)</b>			
£15,000,000	UK Treasury 0.875% 31/1/2046	7,168	0.55
<b>Total Government Bonds</b>		<b>7,168</b>	<b>0.55</b>
<b>Index Linked Bonds – 0.36% (31/10/23 – 0.52%)</b>			
£2,750,000	Coventry & Rugby 3.246% IL 30/6/2040	2,753	0.21
£3,440,000	Road Management Services 3.642% IL 31/3/2028	2,006	0.15
<b>Total Index Linked Bonds</b>		<b>4,759</b>	<b>0.36</b>

## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Forward Currency Contracts – (0.02)% (31/10/23 – 0.02%)</b>			
	Buy £54,157,359 & Sell €63,008,000 <sup>†</sup>	214	0.02
	Buy £97,466,960 & Sell \$122,711,000 <sup>†</sup>	(496)	(0.04)
	Buy \$6,480,000 & Sell £54,933 <sup>†</sup>	55	–
<b>Total Forward Currency Contracts</b>		<b>(227)</b>	<b>(0.02)</b>
<b>Futures – (0.24)% (31/10/23 – (0.05)%)</b>			
	(187) CBT US 10 Year Note June 2024	379	0.03
	(98) EURO-Bund Future June 2024	219	0.02
	1,770 ICF Long Gilt Future June 2024	(3,814)	(0.29)
<b>Total Futures</b>		<b>(3,216)</b>	<b>(0.24)</b>
<hr/>			
<b>Total value of investments<sup>^</sup></b>		<b>1,288,681</b>	<b>98.12</b>
<b>Net other assets</b>		<b>24,636</b>	<b>1.88</b>
<b>Total net assets</b>		<b>1,313,317</b>	<b>100.00</b>

<sup>†</sup> Unlisted

<sup>^</sup> Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	933,729	71.10	798,668	70.27
Investments of below investment grade	171,898	13.09	152,818	13.44
Unrated bonds	169,200	12.88	159,649	14.05
<b>Total bonds</b>	<b>1,274,827</b>	<b>97.07</b>	<b>1,111,135</b>	<b>97.76</b>
Forward currency contracts – assets	269	0.02	314	0.03
Corporate preference shares	17,297	1.32	12,812	1.13
Futures – assets	598	0.05	876	0.08
<b>Investments as shown in the balance sheet</b>	<b>1,292,991</b>	<b>98.46</b>	<b>1,125,137</b>	<b>99.00</b>
Forward currency contracts – liabilities	(496)	(0.04)	(124)	(0.01)
Futures – liabilities	(3,814)	(0.29)	(1,457)	(0.13)
<b>Total value of investments</b>	<b>1,288,681</b>	<b>98.13</b>	<b>1,123,556</b>	<b>98.86</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
Saltaire Finance 4.818% 1/12/2033	38,243
Co-operative Bank Finance 6% variable 6/4/2027	11,447
Thames Water Utilities 7.75% 30/4/2044	11,101
Co-operative Bank Finance 9.5% VRN 24/5/2028	9,849
Close Brothers Group 2% variable 11/9/2031	8,900
Virgin Money UK 7.625% variable 23/8/2029	8,890
Standard Chartered 6.409% variable perpetual	7,323
UK Treasury 0.875% 31/1/2046	7,203
AANDNZ Banking Group 1.809% variable 16/9/2031	6,701
National Australia Bank 1.699% variable 15/9/2031	6,053
<b>Subtotal</b>	<b>115,710</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>365,972</b>

### Significant Sales

	Proceeds £'000
Saltaire Finance 4.818% 1/12/2033	36,004
AXA 6.6862% variable perpetual	10,526
Centrica 5.25% variable 10/4/2075	8,371
Aviva 6.875% variable 20/5/2058	7,701
Thames Water Utilities Cayman 4% 19/6/2025	6,319
United Water Utilities Finance 5.25% 22/1/2020	5,329
Motability Operations Group 5.625% 11/9/2035	5,248
Alpha Plus 5% 31/3/2024	5,224
Annington Funding 2.646% 12/7/2025	5,198
Taurus 2019-2 FRN 17/11/2029	5,159
<b>Subtotal</b>	<b>95,079</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>252,608</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	58,491	39,173
Revenue	36,814	27,333
Expenses	(3,039)	(2,699)
Interest payable and similar charges	(11)	(15)
Net revenue before taxation	33,764	24,619
Taxation	(9)	–
Net revenue after taxation	33,755	24,619
Total return before distributions	92,246	63,792
Distributions	(36,794)	(27,318)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>55,452</b>	<b>36,474</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	1,292,991	1,125,137
Current assets:		
Debtors	27,971	28,010
Cash and bank balances	19,505	16,148
<b>Total assets</b>	<b>1,340,467</b>	<b>1,169,295</b>
<b>Liabilities</b>		
Investment liabilities	4,310	1,581
Creditors:		
Bank overdraft	5,852	8,682
Other creditors	6,812	14,069
Distribution payable	10,176	8,494
<b>Total liabilities</b>	<b>27,150</b>	<b>32,826</b>
<b>Net assets attributable to shareholders</b>	<b>1,313,317</b>	<b>1,136,469</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>1,136,469</b>	<b>1,008,345</b>
Amounts receivable on creation of shares	191,670	161,893
Amounts payable on cancellation of shares	(89,052)	(124,533)
	102,618	37,360
Dilution adjustment charged	769	1,132
Change in net assets attributable to shareholders from investment activities	55,452	36,474
Unclaimed distributions	3	3
Retained distributions on accumulation shares	18,006	15,302
<b>Closing net assets attributable to shareholders</b>	<b>1,313,317</b>	<b>1,098,616</b>

## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class A Income</b>				
Group 1	1.2172	–	1.2172	1.0596
Group 2	0.3359	0.8813	1.2172	1.0596
<b>Class M Accumulation</b>				
Group 1	2.1225	–	2.1225	1.7469
Group 2	1.1461	0.9764	2.1225	1.7469
<b>Class M Income</b>				
Group 1	1.4990	–	1.4990	1.3013
Group 2	0.6723	0.8267	1.4990	1.3013
<b>Class S Accumulation</b>				
Group 1	1.5538	–	1.5538	1.2728
Group 2	1.5538	0.0000	1.5538	1.2728
<b>Class Y Accumulation</b>				
Group 1	1.6849	–	1.6849	1.3519
Group 2	0.9626	0.7223	1.6849	1.3519
<b>Class Y Income</b>				
Group 1	1.2857	–	1.2857	1.1157
Group 2	0.6816	0.6041	1.2857	1.1157
<b>Class Z Income</b>				
Group 1	1.3081	–	1.3081	1.1352
Group 2	0.3795	0.9286	1.3081	1.1352

## Distribution Tables (continued)

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class A Income</b>				
Group 1	1.2399	–	1.2399	1.0589
Group 2	0.5642	0.6757	1.2399	1.0589
<b>Class M Accumulation</b>				
Group 1	2.1936	–	2.1936	1.7681
Group 2	0.9631	1.2305	2.1936	1.7681
<b>Class M Income</b>				
Group 1	1.5274	–	1.5274	1.3028
Group 2	0.7817	0.7457	1.5274	1.3028
<b>Class S Accumulation</b>				
Group 1	1.6075	–	1.6075	1.2899
Group 2	1.6075	0.0000	1.6075	1.2899
<b>Class Y Accumulation</b>				
Group 1	1.7421	–	1.7421	1.4016
Group 2	0.7770	0.9651	1.7421	1.4016
<b>Class Y Income</b>				
Group 1	1.3106	–	1.3106	1.1157
Group 2	0.5878	0.7228	1.3106	1.1157
<b>Class Z Income</b>				
Group 1	1.3335	–	1.3335	1.1356
Group 2	0.9031	0.4304	1.3335	1.1356



# Royal London Index Linked Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Index Linked Fund, Class M Accumulation	4.30	-4.11	-28.81	-23.57
Royal London Index Linked Fund, Class M Income	4.35	-4.14	-28.86	-23.63
Royal London Index Linked Fund, Class R Accumulation	4.41	-3.90	-28.34	-22.60
FTSE® Actuaries UK Index Linked All Stocks	4.21	-4.72	-30.13	-25.28
IA UK Index Linked Gilt TR	4.56	-5.37	-32.14	-27.32

Class A Income merged into Class M Income on 21 March 2022.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, producing a positive return and outperforming its benchmark index, but lagging the average fund in the sector.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year. Returns for index linked bonds (UK government bonds) were therefore positive for the period.

### Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. With the market overshooting and becoming very positive about the prospects for multiple rate cuts by January, we reversed this position and benefited as the market corrected to more conservative expectation levels.

Our cross-market positioning also produced modest positive results for performance, primarily due to positions in the US and Australia. Both offer higher yields than the UK, and in the case of Australia, we feel that this is attractive given it has a more favourable supply outlook due to its strong fiscal position, with a budget in near balance compared to many other developed countries.

## Manager's Investment Report (continued)

### Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue adjusting our interest rate positioning tactically. However we feel that yields in certain markets have now reached levels that look attractive enough to hold a long duration position on a more strategic basis.

We have moved from peak optimism at the end of 2023 where economists were calling for five or even six rate cuts in the US in 2024. We have now almost reached peak pessimism as the same economists are calling for only one cut. We still expect the Federal Reserve, European Central Bank and Bank of England to cut rates in 2024 and rates to fall more aggressively in 2025. We believe this will lead to lower yields particularly in the UK and dollar markets.

**Paul Rayner**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class A Income

Change in net assets per share	30/04/23 (p)	31/10/23 (p)	31/10/22** (p)	31/10/21 (p)
Opening net asset value per share	–	–	326.28	313.38
Return before operating charges*	–	–	(19.94)	14.06
Operating charges	–	–	(0.46)	(1.16)
Return after operating charges*	–	–	(20.40)	12.90
Distributions on income shares	–	–	–	–
Cancellation price	–	–	(305.88)	–
<b>Closing net asset value per share</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>326.28</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	–	–	(6.25)%	4.12%
<b>Other information</b>				
Closing net asset value (£'000)	–	–	–	3,700
Closing number of shares	–	–	–	1,133,849
Operating charges	–	–	–	0.36%+
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	–	–	341.70	335.90
Lowest share price	–	–	305.90	284.40

\*\* Class A Income merged into Class M Income on 21 March 2022.

\* The FMF was reduced from 0.47% to 0.36% on 6 November 2020.

### Class M Accumulation

Change in net assets per share	30/04/23 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	115.22	127.89	187.13	179.74
Return before operating charges*	5.32	(12.30)	(58.71)	8.03
Operating charges	(0.18)	(0.37)	(0.53)	(0.64)
Return after operating charges*	5.14	(12.67)	(59.24)	7.39
Distributions on accumulation shares	–	(3.58)	–	–
Retained distributions on accumulation shares	–	3.58	–	–
<b>Closing net asset value per share</b>	<b>120.36</b>	<b>115.22</b>	<b>127.89</b>	<b>187.13</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.46%	(9.91)%	(31.66)%	4.11%
<b>Other information</b>				
Closing net asset value (£'000)	75,637	68,509	81,526	106,958
Closing number of shares	62,840,358	59,460,987	63,748,985	57,156,410
Operating charges	0.30%	0.30%	0.30%+	0.36%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	129.50	137.10	200.60	192.60
Lowest share price	115.10	112.10	104.50	163.10

\* The FMF was reduced from 0.36% to 0.30% on 23 March 2022.

## Comparative Tables (continued)

### Class M Income

Change in net assets per share	30/04/23 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	195.36	223.50	327.04	314.12
Return before operating charges*	9.13	(21.52)	(102.59)	14.04
Operating charges	(0.31)	(0.65)	(0.95)	(1.12)
Return after operating charges*	8.82	(22.17)	(103.54)	12.92
Distributions on income shares	–	(5.97)	–	–
<b>Closing net asset value per share</b>	<b>204.18</b>	<b>195.36</b>	<b>223.50</b>	<b>327.04</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.51%	(9.92)%	(31.66)%	4.11%
<b>Other information</b>				
Closing net asset value (£'000)	80,340	71,953	87,725	170,186
Closing number of shares	39,347,417	36,831,452	39,250,015	52,038,465
Operating charges	0.30%	0.30%	0.30%*	0.36%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	219.60	239.60	350.70	336.70
Lowest share price	195.90	194.30	182.50	285.10

\* The FMF was reduced from 0.36% to 0.30% on 23 March 2022.

### Class R Accumulation

Change in net assets per share	30/04/23 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	78.90	87.38	127.56	122.18
Return before operating charges*	3.65	(8.41)	(40.09)	5.48
Operating charges	(0.03)	(0.07)	(0.09)	(0.10)
Return after operating charges*	3.62	(8.48)	(40.18)	5.38
Distributions on accumulation shares	–	(2.65)	–	–
Retained distributions on accumulation shares	–	2.65	–	–
<b>Closing net asset value per share</b>	<b>82.52</b>	<b>78.90</b>	<b>87.38</b>	<b>127.56</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.59%	(9.70)%	(31.50)%	4.40%
<b>Other information</b>				
Closing net asset value (£'000)	290,738	279,131	198,581	257,395
Closing number of shares	352,336,420	353,772,733	227,250,065	201,789,783
Operating charges	0.08%	0.08%	0.08%	0.08%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	88.71	93.69	136.80	131.30
Lowest share price	78.85	76.78	71.36	111.00

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Government Bonds – 2.56% (31/10/23 – 0.00%)</b>			
AUD5,000,000	UK Treasury 0.5% 31/1/2029	4,199	0.94
AUD7,757,000	UK Treasury 1.75% 7/9/2037	5,612	1.26
AUD1,744,000	UK Treasury 4.375% 31/7/2054	1,627	0.36
<b>Total Government Bonds</b>		<b>11,438</b>	<b>2.56</b>
<b>Government Index-Linked Bonds – 96.21% (31/10/23 – 99.19%)</b>			
AUD6,368,000	Government of Australia 2% 21/8/2035	4,425	0.99
AUD10,290,000	Government of Australia 0.25% 21/11/2032	5,392	1.21
£2,641,000	Network Rail 1.375% 22/11/2037	5,085	1.14
£23,739,714	UK Treasury 0.125% 22/3/2026	34,824	7.80
£16,955,907	UK Treasury 0.125% 10/8/2028	23,025	5.15
£11,676,777	UK Treasury 0.125% 22/3/2029	18,514	4.15
£22,000	UK Treasury 0.125% 10/8/2031	28	0.01
£4,373,479	UK Treasury 0.125% 22/11/2036	5,884	1.32
£14,303,000	UK Treasury 0.125% 22/3/2039	16,010	3.58
£448,613	UK Treasury 0.125% 10/8/2041	513	0.11
£29,200,476	UK Treasury 0.125% 22/3/2044	36,372	8.14
£4,718,000	UK Treasury 0.125% 22/3/2046	5,333	1.19
£19,308,892	UK Treasury 0.125% 10/8/2048	19,784	4.43
£20,263,193	UK Treasury 0.125% 22/3/2051	18,604	4.16
\$1,629,000	US Treasury 0.125% 15/2/2052	786	0.18
£8,815,058	UK Treasury 0.125% 22/3/2058	8,638	1.93
£7,745,000	UK Treasury 0.125% 22/11/2065	7,001	1.57
£9,988,536	UK Treasury 0.125% 22/3/2068	9,240	2.07
£848	UK Treasury 0.125% 22/3/2073	1	–
£15,510,000	UK Treasury 0.25% 22/3/2052	17,834	3.99
£9,626,021	UK Treasury 0.375% 22/3/2062	10,990	2.46
£10,338,206	UK Treasury 0.5% 22/3/2050	14,762	3.30
£8,181,160	UK Treasury 0.625% 22/3/2040	13,398	3.00
£9,805,000	UK Treasury 0.625% 22/11/2042	15,906	3.56
£6,033,000	UK Treasury 0.625% 22/3/2045	5,496	1.23
£33,261,993	UK Treasury 0.75% 22/11/2033	34,554	7.74
£1,363,876	UK Treasury 0.75% 22/3/2034	2,258	0.51
£3,365,000	UK Treasury 1.125% 22/11/2037	6,527	1.46
£7,916,359	UK Treasury 1.25% 22/11/2027	16,097	3.60
£1,483,930	UK Treasury 1.25% 22/11/2032	2,775	0.62
£3,259,000	UK Treasury 1.25% 22/11/2054	3,134	0.70
£12,341,725	UK Treasury 1.25% 22/11/2055	23,394	5.24
£13,640,000	US Treasury 1.375% 15/7/2033	10,331	2.31
£6,472,000	UK Treasury 2% 26/1/2035	15,760	3.53
£5,475,000	US Treasury 2.125% 15/2/2054	4,149	0.93
£10,690	UK Treasury 2.5% 17/7/2024	41	0.01
£3,787,000	UK Treasury 4.125% 22/7/2030	12,912	2.89
<b>Total Government Index-Linked Bonds</b>		<b>429,777</b>	<b>96.21</b>
<b>Forward Currency Contracts – (0.01)% (31/10/23 – (0.02)%)</b>			
	Buy £10,055,086 & Sell AUD9,975,616†	79	0.02
	Buy £10,055,086 & Sell \$15,670,649†	(109)	(0.03)
<b>Total Forward Currency Contracts</b>		<b>(30)</b>	<b>(0.01)</b>
<b>Total value of investments^</b>			
		<b>441,185</b>	<b>98.76</b>
<b>Net other assets</b>		<b>5,530</b>	<b>1.24</b>
<b>Total net assets</b>		<b>446,715</b>	<b>100.00</b>

† Unlisted

^ Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
<b>Credit breakdown*</b>				
Investments of investment grade	441,215	98.77	416,202	99.19
<b>Total bonds</b>	<b>441,215</b>	<b>98.77</b>	<b>416,202</b>	<b>99.19</b>
Forward currency contracts – assets	79	0.02	62	0.02
<b>Investments as shown in the balance sheet</b>	<b>441,294</b>	<b>98.79</b>	<b>416,264</b>	<b>99.21</b>
Forward currency contracts – liabilities	(109)	(0.03)	(167)	(0.04)
<b>Total value of investments</b>	<b>441,185</b>	<b>98.76</b>	<b>416,097</b>	<b>99.17</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.75% 22/11/2033	143,238
UK Treasury 0.125% 22/3/2026	89,909
UK Treasury 0.125% 22/3/2029	58,491
UK Treasury 0.125% 22/3/2024	43,712
UK Treasury 1.25% 22/11/2032	27,448
UK Treasury 0.125% 22/3/2051	25,297
UK Treasury 1.75% 7/9/2037	21,228
UK Treasury 1% 22/4/2024	19,889
UK Treasury 1.125% 22/11/2037	18,505
UK Treasury 1.25% 22/11/2055	18,047
<b>Subtotal</b>	<b>465,764</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>705,065</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.75% 22/11/2033	147,961
UK Treasury 0.125% 22/3/2029	80,484
UK Treasury 0.125% 22/3/2026	72,594
UK Treasury 0.125% 22/3/2024	45,809
UK Treasury 1.125% 22/11/2037	25,840
UK Treasury 1.25% 22/11/2032	24,516
UK Treasury 0.125% 22/3/2044	24,394
UK Treasury 1% 22/4/2024	19,913
UK Treasury 0.125% 22/11/2056	17,319
UK Treasury 0.125% 22/3/2051	17,175
<b>Subtotal</b>	<b>476,005</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>698,415</b>



## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains/ (losses)	12,767	(26,144)
Revenue	6,950	19,872
Expenses	(343)	(309)
Interest payable and similar charges	(5)	(1)
Net revenue before taxation	6,602	19,562
Taxation	–	–
Net revenue after taxation	6,602	19,562
Total return/(deficit) before distributions	19,369	(6,582)
Distributions	(5)	(2,619)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>19,364</b>	<b>(9,201)</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	441,294	416,264
Current assets:		
Debtors	5,070	10,587
Cash and bank balances	4,622	64
<b>Total assets</b>	<b>450,986</b>	<b>426,915</b>
<b>Liabilities</b>		
Investment liabilities	109	167
Creditors:		
Other creditors	4,162	5,552
Distribution payable	–	1,603
<b>Total liabilities</b>	<b>4,271</b>	<b>7,322</b>
<b>Net assets attributable to shareholders</b>	<b>446,715</b>	<b>419,593</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>419,593</b>	<b>367,832</b>
Amounts receivable on creation of shares	38,015	98,729
Amounts payable on cancellation of shares	(30,275)	(58,120)
	7,740	40,609
Dilution adjustment charged	18	201
Change in net assets attributable to shareholders from investment activities	19,364	(9,201)
Retained distributions on accumulation shares	–	2,995
<b>Closing net assets attributable to shareholders</b>	<b>446,715</b>	<b>402,436</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24*	Distribution paid 30/06/23
<b>Class M Accumulation</b>				
Group 1	0.0000	–	0.0000	0.9512
Group 2	0.0000	0.0000	0.0000	0.9512
<b>Class M Income</b>				
Group 1	0.0000	–	0.0000	1.6225
Group 2	0.0000	0.0000	0.0000	1.6225
<b>Class R Accumulation</b>				
Group 1	0.0000	–	0.0000	0.7839
Group 2	0.0000	0.0000	0.0000	0.7839

\* Revenue is computed on an effective yield basis, including the exclusion of any amount attributable to the change in the retail price index during the period on gilts held, as permitted by COLL 6.8.3 R. This amount is instead treated as capital in nature.

# Royal London UK Government Bond Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London UK Government Bond Fund, Class M Accumulation	4.10	-0.29	-20.56	-15.40
Royal London UK Government Bond Fund, Class M Income	4.09	-0.30	-20.56	-15.39
Royal London UK Government Bond Fund, Class R Accumulation	4.17	-0.11	-19.94	-14.12
Royal London UK Government Bond Fund, Class S Accumulation	4.17	-0.10	-19.97	-14.23
Royal London UK Government Bond Fund, Class X Income	4.11	-0.24	-20.36	-18.38
Royal London UK Government Bond Fund, Class Z Income	4.01	-0.34	-20.52	-15.20
FTSE® Actuaries UK Conventional Gilts All Stocks Index	3.64	-1.30	-23.28	-18.66
IA UK Gilt TR	3.80	-1.05	-23.41	-18.51

Class S Accumulation launched on 16 April 2019 and Class X Income launched on 31 July 2019. Class A Income merged into Class M Income on 21 March 2022.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund outperformed its benchmark in the six-month period under review. It has outperformed the benchmark over the past 12-month, three-year and five-year periods. It also outperformed the broader Investment Association UK Gilt sector over the six-month, 12-month, three-year and five-year periods.

### Market overview

The environment over the past two years has been difficult for bond investors; Yields rose during much of that period as central banks consistently raised rates to combat high and surprisingly persistent spot inflation. That backdrop created a headwind for bonds, as prices go down when yields go up (and vice versa).

During the period under review, markets were less one way in terms of their direction, and remained volatile throughout, as participants consistently reappraised expectations of when central banks might start cutting interest rates in response to slowing economic growth and declining inflation. In the final quarter of 2023, markets began to price in a relatively aggressive rate cutting cycle, led by the federal reserve, and beginning in Q1 2024. This saw bond markets rally sharply into year end. However, that move lower in yields was quickly reversed early in 2024 as economic data came in above expectations, and inflation once again proved stickier than expected, albeit at lower levels.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

## Manager's Investment Report (continued)

### Portfolio commentary

Yields were relatively flat over the period. However, during the period, markets were volatile, with large falls in yield in the final few months of December, being offset by a rise in yields in January 2024. Since the middle of January, bond markets have broadly moved sideways, in what has been a relatively tight trading range until new inflation data came out of the US in early April.

The sell-off in early January was led by the front end of the curve, with five-year yields rising most, as markets reappraised both the timing of the first interest rate cut from the Bank of England, and the number of cuts it expected from the BoE in 2024.

The Fund has positioned itself with long interest rate risk versus the index, believing yields look attractive at these levels. Ten-year gilt yields ended the period at 4.36%, their highest level since early November 2023. The Fund added to its interest rate exposure predominantly through dollar markets – buying 30-year US index-linked bonds as well as seven-year US treasury bonds after the US CPI inflation data in April.

The Fund also has exposure to a steepening gilt curve (where short-dated bonds outperform long-dated equivalents) via its bias towards 5-year maturity bonds versus 10-year maturity bonds, but then a flattening bias (for longs to outperform shorter-dated) thereafter due to an overweight in 30-year maturity bonds.

### Investment outlook

We believe that inflation will continue to drift lower in 2024, although it is likely to remain above target in most economies by the end of the year. Shallow recessions are possible but are unlikely to be deep enough at this stage to ease the excessive tightness seen in labour markets. As we move through 2024, central banks are likely to start reducing rates, but with bond yields below base rates in all markets, this is well priced.

In the UK, the market is now assuming base rates have peaked at 5.25%, with the first cut fully priced in for August 2024, with a 50% chance of June, and falling to a terminal level of around 3.5% by late-2026.

Supply will remain high for the next few years, with around £200bn per annum forecast over each of the next five years. Alongside quantitative tightening (where the BoE is selling its gilt holdings back into the market), this could represent a headwind for gilts. However, when considering gilts in a global context, we believe the gilt market is somewhat priced for this, with the UK curve much steeper than both the US and German bonds.

**Ben Nicholl**  
Fund Manager  
Royal London Asset Management Limited  
30 April 2024

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class A Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22** (p)	31/10/21 (p)
Opening net asset value per share	–	–	89.84	95.03
Return before operating charges*	–	–	(5.56)	(3.65)
Operating charges	–	–	(0.22)	(0.58)
Return after operating charges*	–	–	(5.78)	(4.23)
Distributions on income shares	–	–	–	(0.96)
Cancellation price	–	–	(84.06)	–
<b>Closing net asset value per share</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>89.84</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	–	–	(6.43)%	(4.45)%
<b>Other information</b>				
Closing net asset value (£'000)	–	–	–	6,441
Closing number of shares	–	–	–	7,169,721
Operating charges	–	–	–	0.63%*
Direct transaction costs	–	–	–	–
<b>Prices^</b>				
Highest share price	–	–	93.59	96.70
Lowest share price	–	–	83.74	86.95

\*\* Class A Income terminated on 21 March 2022.

\* The FMF was reduced from 0.85% to 0.63% on 6 November 2020.

### Class M Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.18	102.41	129.50	135.28
Return before operating charges*	4.20	(4.93)	(26.67)	(5.19)
Operating charges	(0.15)	(0.30)	(0.42)	(0.59)
Return after operating charges*	4.05	(5.23)	(27.09)	(5.78)
Distributions on accumulation shares	(2.09)	(3.69)	(1.61)	(1.37)
Retained distributions on accumulation shares	2.09	3.69	1.61	1.37
<b>Closing net asset value per share</b>	<b>101.23</b>	<b>97.18</b>	<b>102.41</b>	<b>129.50</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.17%	(5.11)%	(20.92)%	(4.27)%
<b>Other information</b>				
Closing net asset value (£'000)	172,577	152,315	155,377	213,380
Closing number of shares	170,478,472	156,741,574	151,721,668	164,776,208
Operating charges	0.30%	0.30%	0.30%*	0.45%
Direct transaction costs	–	–	–	–
<b>Prices^</b>				
Highest share price	106.90	107.50	134.90	137.70
Lowest share price	97.07	95.50	92.06	124.70

\* The FMF was reduced from 0.45% to 0.30% on 21 March 2022.

## Comparative Tables (continued)

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	76.94	84.22	108.10	114.13
Return before operating charges*	3.39	(4.01)	(22.19)	(4.38)
Operating charges	(0.12)	(0.25)	(0.35)	(0.50)
Return after operating charges*	3.27	(4.26)	(22.54)	(4.88)
Distributions on income shares	(1.66)	(3.02)	(1.34)	(1.15)
<b>Closing net asset value per share</b>	<b>78.55</b>	<b>76.94</b>	<b>84.22</b>	<b>108.10</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.25%	(5.06)%	(20.85)%	(4.28)%
<b>Other information</b>				
Closing net asset value (£'000)	31,196	22,146	15,699	21,668
Closing number of shares	39,715,147	28,782,426	18,639,712	20,043,887
Operating charges	0.30%	0.30%	0.30%*	0.45%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	84.72	88.44	112.60	116.20
Lowest share price	78.20	77.81	76.38	104.60

\* The FMF was reduced from 0.45% to 0.30% on 21 March 2022.

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	85.86	90.29	113.86	118.51
Return before operating charges*	3.71	(4.35)	(23.48)	(4.55)
Operating charges	(0.04)	(0.08)	(0.09)	(0.10)
Return after operating charges*	3.67	(4.43)	(23.57)	(4.65)
Distributions on accumulation shares	(1.85)	(3.26)	(1.42)	(1.20)
Retained distributions on accumulation shares	1.85	3.26	1.42	1.20
<b>Closing net asset value per share</b>	<b>89.53</b>	<b>85.86</b>	<b>90.29</b>	<b>113.86</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.27%	(4.91)%	(20.70)%	(3.92)%
<b>Other information</b>				
Closing net asset value (£'000)	451,877	426,569	531,966	512,849
Closing number of shares	504,716,019	496,820,762	589,182,476	450,431,845
Operating charges	0.09%	0.09%	0.09%	0.09%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	94.50	94.82	118.70	120.70
Lowest share price	85.77	84.37	81.15	109.60

## Comparative Tables (continued)

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	82.23	86.47	109.06	113.53
Return before operating charges*	3.56	(4.16)	(22.50)	(4.36)
Operating charges	(0.04)	(0.08)	(0.09)	(0.11)
Return after operating charges*	3.52	(4.24)	(22.59)	(4.47)
Distributions on accumulation shares	(1.77)	(3.12)	(1.36)	(1.15)
Retained distributions on accumulation shares	1.77	3.12	1.36	1.15
<b>Closing net asset value per share</b>	<b>85.75</b>	<b>82.23</b>	<b>86.47</b>	<b>109.06</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	4.28%	(4.90)%	(20.71)%	(3.94)%
<b>Other information</b>				
Closing net asset value (£'000)	4	4	4	6
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges	0.10%	0.10%	0.10%	0.10%
Direct transaction costs	—	—	—	—
<b>Prices<sup>^</sup></b>				
Highest share price	90.51	90.82	113.70	115.60
Lowest share price	82.14	80.81	77.73	105.00

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21** (p)
Opening net asset value per share	—	—	—	110.32
Return before operating charges*	—	—	—	(5.30)
Operating charges	—	—	—	(0.10)
Return after operating charges*	—	—	—	(5.40)
Distributions on income shares	—	—	—	(0.62)
Cancellation price	—	—	—	(104.30)
<b>Closing net asset value per share</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	—	—	—	(4.89)%
<b>Other information</b>				
Closing net asset value (£'000)	—	—	—	—
Closing number of shares	—	—	—	—
Operating charges	—	—	—	—
Direct transaction costs	—	—	—	—
<b>Prices<sup>^</sup></b>				
Highest share price	—	—	—	112.30
Lowest share price	—	—	—	102.70

\*\* Class S Income terminated on 29 September 2021.



## Comparative Tables (continued)

### Class X Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	71.61	78.34	100.44	105.84
Return before operating charges*	3.14	(3.73)	(20.62)	(4.07)
Operating charges	(0.09)	(0.19)	(0.23)	(0.26)
Return after operating charges*	3.05	(3.92)	(20.85)	(4.33)
Distributions on income shares	(1.54)	(2.81)	(1.25)	(1.07)
<b>Closing net asset value per share</b>	<b>73.12</b>	<b>71.61</b>	<b>78.34</b>	<b>100.44</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.26%	(5.00)%	(20.76)%	(4.09)%
<b>Other information</b>				
Closing net asset value (£'000)	27,045	27,858	29,563	46,663
Closing number of shares	36,985,855	38,904,094	37,736,224	46,457,586
Operating charges	0.25%	0.25%	0.25%	0.25%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	78.85	82.27	104.70	107.70
Lowest share price	72.78	72.42	71.05	97.20

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	67.65	74.01	94.96	100.17
Return before operating charges*	2.91	(3.53)	(19.53)	(3.86)
Operating charges	(0.09)	(0.18)	(0.24)	(0.34)
Return after operating charges*	2.82	(3.71)	(19.77)	(4.20)
Distributions on income shares	(1.46)	(2.65)	(1.18)	(1.01)
<b>Closing net asset value per share</b>	<b>69.01</b>	<b>67.65</b>	<b>74.01</b>	<b>94.96</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.17%	(5.01)%	(20.82)%	(4.19)%
<b>Other information</b>				
Closing net asset value (£'000)	215,428	150,685	42,232	69,964
Closing number of shares	312,168,435	222,743,123	57,064,227	73,675,238
Operating charges	0.25%	0.25%	0.25% <sup>+</sup>	0.35%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	74.42	77.72	98.92	102.00
Lowest share price	68.70	68.41	67.12	91.90

\* The FMF was reduced from 0.35% to 0.25% on 21 March 2022.

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Certificates of Deposit – 0.56% (31/10/23 – 1.78%)</b>			
£5,000,000	Credit Industrial et Commercial 5.37% 14/2/2025	4,999	0.56
<b>Total Certificates of Deposit</b>		<b>4,999</b>	<b>0.56</b>
<b>Corporate Bonds – 0.53% (31/10/23 – 1.73%)</b>			
£5,788,000	PRS Finance 1.75% 24/11/2026	4,759	0.53
<b>Total Corporate Bonds</b>		<b>4,759</b>	<b>0.53</b>
<b>Government Bonds – 98.20% (31/10/23 – 94.67%)</b>			
AUD17,000,000	Government of Australia 1.75% 21/6/2051	4,797	0.53
£17,666,000	UK Treasury 0.125% 31/1/2028	15,128	1.69
£14,807,400	UK Treasury 0.25% 31/7/2031	11,168	1.24
£210,525,000	UK Treasury 0.5% 31/1/2029	176,774	19.68
£32,399,800	UK Treasury 0.625% 31/7/2035	21,606	2.41
£1	UK Treasury 0.875% 22/10/2029*	–	–
£39,295,000	UK Treasury 0.875% 31/7/2033	29,060	3.24
£45,660,000	UK Treasury 0.875% 31/1/2046	21,820	2.43
£44,120,000	UK Treasury 1.125% 31/1/2039	27,748	3.09
£77,259,000	UK Treasury 1.25% 22/10/2041	45,832	5.10
£43,210,000	UK Treasury 1.25% 31/7/2051	20,234	2.25
£47,503,000	UK Treasury 1.5% 22/7/2047	25,829	2.88
£97,362,000	UK Treasury 1.5% 31/7/2053	47,594	5.30
£29,640,000	UK Treasury 1.625% 22/10/2054	14,850	1.65
£20,415,000	UK Treasury 1.625% 22/10/2071	8,976	1.00
£66,109,000	UK Treasury 1.75% 7/9/2037	47,829	5.33
£30,229,000	UK Treasury 1.75% 22/1/2049	17,078	1.90
£22,966,000	UK Treasury 1.75% 22/7/2057	11,676	1.30
£35,333,000	UK Treasury 2.5% 22/7/2065	21,537	2.40
£96,184,000	UK Treasury 3.75% 7/3/2027	94,083	10.48
£25,744,000	UK Treasury 4% 22/10/2063	22,483	2.50
£174,000,000	UK Treasury 4.125% 29/1/2027	172,109	19.16
£24,000,000	US Treasury 0.875% 15/11/2030	15,096	1.68
£12,100,000	US Treasury 4.125% 15/8/2053	8,653	0.96
<b>Total Government Bonds</b>		<b>881,960</b>	<b>98.20</b>
<b>Government Index-Linked Bonds – 0.61% (31/10/23 – 0.00%)</b>			
\$10,500,000	US Treasury 0.125% IL 15/2/2051	5,520	0.61
<b>Total Government Index-Linked Bonds</b>		<b>5,520</b>	<b>0.61</b>
<b>Forward Currency Contracts – (0.02)% (31/10/23 – (0.02)%)</b>			
	Buy £4,843,323 & Sell AUD9,278,175†	25	–
	Buy £29,701,735 & Sell \$37,457,255†	(204)	(0.02)
<b>Total Forward Currency Contracts</b>		<b>(179)</b>	<b>(0.02)</b>
<b>Total value of investments*</b>			
		<b>897,059</b>	<b>99.88</b>
<b>Net other assets</b>		<b>1,068</b>	<b>0.12</b>
<b>Total net assets</b>		<b>898,127</b>	<b>100.00</b>

\* Value less than £1,000

† Unlisted

^ Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
<b>Credit breakdown*</b>				
Investments of investment grade	892,239	99.34	751,516	96.40
<b>Total bonds</b>	<b>892,239</b>	<b>99.34</b>	<b>751,516</b>	<b>96.40</b>
Certificates of deposit	4,999	0.56	13,910	1.78
Forward currency contracts – assets	25	–	33	–
<b>Investments as shown in the balance sheet</b>	<b>897,263</b>	<b>99.90</b>	<b>765,459</b>	<b>98.18</b>
Forward currency contracts – liabilities	(204)	(0.02)	(200)	(0.02)
<b>Total value of investments</b>	<b>897,059</b>	<b>99.88</b>	<b>765,259</b>	<b>98.16</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.5% 31/1/2029	168,923
UK Treasury 1.75% 7/9/2037	125,539
UK Treasury 3.75% 7/3/2027	98,702
UK Treasury 4.125% 29/1/2027	76,436
UK Treasury 1.5% 31/7/2053	61,812
UK Treasury 1.25% 22/10/2041	48,629
UK Treasury 1.25% 22/7/2027	43,883
UK Treasury 3.5% 22/10/2025	32,972
UK Treasury 0.875% 31/7/2033	23,969
UK Treasury 1.625% 22/10/2054	21,368
<b>Subtotal</b>	<b>702,233</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>959,589</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.5% 31/1/2029	127,821
UK Treasury 1.75% 7/9/2037	126,729
UK Treasury 3.5% 22/10/2025	76,730
UK Treasury 1.25% 22/7/2027	43,607
UK Treasury 4.125% 29/1/2027	39,453
UK Treasury 0.875% 31/7/2033	35,381
UK Treasury 1.125% 31/1/2039	35,371
UK Treasury 0.375% 22/10/2026	31,142
UK Treasury 1.5% 31/7/2053	28,562
UK Treasury 1.625% 22/10/2054	24,986
<b>Subtotal</b>	<b>569,782</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>853,253</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains/ (losses)	16,868	(16,535)
Revenue	18,665	13,546
Expenses	(819)	(656)
Interest payable and similar charges	(2)	(8)
Net revenue before taxation	17,844	12,882
Taxation	–	–
Net revenue after taxation	17,844	12,882
Total return/(deficit) before distributions	34,712	(3,653)
Distributions	(18,663)	(7,781)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>16,049</b>	<b>(11,434)</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	897,263	765,459
Current assets:		
Debtors	7,923	58,826
Cash and bank balances	3	9,700
<b>Total assets</b>	<b>905,189</b>	<b>833,985</b>
<b>Liabilities</b>		
Investment liabilities	204	200
Creditors:		
Bank overdraft	652	204
Other creditors	423	48,168
Distribution payable	5,783	5,836
<b>Total liabilities</b>	<b>7,062</b>	<b>54,408</b>
<b>Net assets attributable to shareholders</b>	<b>898,127</b>	<b>779,577</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>779,577</b>	<b>774,841</b>
Amounts receivable on creation of shares	250,788	285,709
Amounts payable on cancellation of shares	(161,222)	(112,610)
	89,566	173,099
Dilution adjustment charged	52	235
Change in net assets attributable to shareholders from investment activities	16,049	(11,434)
Unclaimed distributions	–	1
Retained distributions on accumulation shares	12,883	6,938
<b>Closing net assets attributable to shareholders</b>	<b>898,127</b>	<b>943,680</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Accumulation</b>				
Group 1	2.0900	–	2.0900	0.9463
Group 2	1.2552	0.8348	2.0900	0.9463
<b>Class M Income</b>				
Group 1	1.6550	–	1.6550	0.7782
Group 2	0.9307	0.7243	1.6550	0.7782
<b>Class R Accumulation</b>				
Group 1	1.8466	–	1.8466	0.8348
Group 2	0.8886	0.9580	1.8466	0.8348
<b>Class S Accumulation</b>				
Group 1	1.7685	–	1.7685	0.7994
Group 2	1.7685	0.0000	1.7685	0.7994
<b>Class X Income</b>				
Group 1	1.5407	–	1.5407	0.7240
Group 2	0.6930	0.8477	1.5407	0.7240
<b>Class Z Income</b>				
Group 1	1.4593	–	1.4593	0.6839
Group 2	0.9932	0.4661	1.4593	0.6839

# Royal London Short Term Fixed Income Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Short Term Fixed Income Fund, Class R Accumulation	2.93	5.78	8.45	10.45
Royal London Short Term Fixed Income Fund, Class S Accumulation	2.93	5.78	8.45	–
Royal London Short Term Fixed Income Fund, Class S Income	2.93	5.78	8.45	10.45
Royal London Short Term Fixed Income Fund, Class X Accumulation	2.89	5.69	–	–
Royal London Short Term Fixed Income Fund, Class X Income	2.89	5.65	8.15	9.96
Royal London Short Term Fixed Income Fund, Class Y Accumulation	2.88	5.66	8.07	9.80
Royal London Short Term Fixed Income Fund, Class Y Income	2.87	5.65	8.06	9.78
Royal London Short Term Fixed Income Fund, Class Z Income	2.93	5.78	8.45	10.44
Sterling Overnight Index Average Rate (SONIA)	2.55	5.06	7.90	8.63

Class S Accumulation launched on 21 June 2019, Class M Income shares were converted into Class Y Income shares 2 November 2022. The performance history of Class Y Income shares has been adopted. Class X Accumulation launched 31 March 2023.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, delivering a positive overall return and beating its benchmark index.

### Market overview

The overall economic picture that has emerged during the review period has been dominated by interest rates and inflation. The final months of 2023 finished with expectations that falling inflation would lead to significant rate cuts in 2024. However, since the start of the year, positive growth data has seen central banks in the US, UK and eurozone temper expectations, with policymakers highlighting that they are in no rush to cut rates – with markets now generally pricing the start of the easing cycles to begin this summer. The Federal Reserve, European Central Bank and Bank of England all left interest rates unchanged over the period.

UK money market rates were generally flat during the period, with longer-dated rates generally falling slightly, reflecting changing market expectations. SONIA started November at 5.18%, and remained at this level throughout the review period, with no changes to UK base rates from the Bank of England, while two-year gilts, often seen as a proxy for market expectations of BoE rates, ended slightly lower, from 4.79% at the end of October 2023 to 4.51% at the end of April.

### Portfolio commentary

After a period of rising interest rates, short-term money markets have essentially been flat for around six months. During that period, the consensus around when rates would finally peak and then when central banks would start to trim rates has swung from optimistic to pessimistic. However, for our portfolio, this has been a period where we have benefited from activity before the review period where we built up portfolio yield, and yet have still been able to rotate maturing proceeds into equally attractive securities. Covered bonds still account for the majority of non-money market exposure. These were helpful for returns over period as these pay a premium over SONIA, while the high level of yield in the portfolio also helped produce strong returns.

Given the volatility in longer rates and the relatively muted issuance, we have focused on short-dated treasury bills and CDs, preferring to add names with modest yield premium to SONIA but also strong credit, ESG and governance characteristics, rather than chase yield at the expense of quality. Examples during the period included Svenska Handelsbanken, Australia and New Zealand Bank and Co-operative Rabobank. Within covered exposure, we were happy to take profits on a number of holdings close to maturity where the additional yield available had fallen, including Toronto Dominion, Bank of Nova Scotia and National Australia Bank, but adding new issues of covered bonds where these had an attractive premium over SONIA, with examples including three-year Toronto Dominion and Federation Des Caisses Desjardins (CCDJ), as well as five-year bonds from Leeds Building Society.

## Manager's Investment Report (continued)

### Investment outlook

The last few months have seen the market interpreting short-term economic data releases through the prism of what might be a catalyst for the Bank of England cutting interest rates. Although the UK technically saw a recession in the second half of 2023, the economic outlook is little changed from last year: growth is low, inflation is falling, but elements of that – notably services and wages – are still above levels that suggest a clear return to the 2% inflation target.

Towards the end of the review period, market pricing of the first UK rate cut moved from August to June, reflecting an unexpected shift in the voting split at the Bank of England. Our own view is that while June is possible, we feel that August is more likely. From a domestic point of view, it allows more time for the Bank to digest spring economic data, and coincides with the August Quarterly Inflation report – historically the Bank has preferred to time rate moves with this release. In addition, in a global context, we think that many central banks will be cautious about being the first to cut – with many having half an eye on the Federal Reserve, where we feel the direction of travel in terms of growth and inflation is more obviously favourable for a rate-cutting move.

Current cash rates remain above the level of inflation, offering investors positive real yields, but a lot has happened in the past few months and markets have at times, been unpredictable. However, it is exactly this level of market unpredictability which we believe offers opportunities for active managers.

**Craig Inches and Tony Cole**  
**Fund Managers**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.



## Comparative Tables

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23** (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	–	101.32	102.08	102.16
Return before operating charges*	–	0.06	0.35	0.25
Operating charges	–	–	(0.26)	(0.26)
Return after operating charges*	–	0.06	0.09	(0.01)
Distributions on income shares	–	–	(0.85)	(0.07)
Cancellation price	–	(101.38)	–	–
<b>Closing net asset value per share</b>	<b>–</b>	<b>–</b>	<b>101.32</b>	<b>102.08</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	–	0.06%	0.09%	(0.01)%
<b>Other information</b>				
Closing net asset value (£'000)	–	–	24,723	33,012
Closing number of shares	–	–	24,400,759	32,338,802
Operating charges	–	–	0.25%	0.25%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	–	101.38	102.20	102.30
Lowest share price	–	101.38	101.55	102.11

\*\* Class M Income merged into Class Y Income on 1 November 2022.

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	107.94	102.78	102.47	102.26
Return before operating charges*	3.20	5.19	0.34	0.24
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	3.18	5.16	0.31	0.21
Distributions on accumulation shares	(2.99)	(4.73)	(1.08)	(0.29)
Retained distributions on accumulation shares	2.99	4.73	1.08	0.29
<b>Closing net asset value per share</b>	<b>111.12</b>	<b>107.94</b>	<b>102.78</b>	<b>102.47</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.95%	5.02%	0.30%	0.21%
<b>Other information</b>				
Closing net asset value (£'000)	2,527,046	2,601,064	4,087,179	4,576,024
Closing number of shares	2,274,096,190	2,409,722,180	3,976,479,397	4,465,808,123
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	111.15	107.98	102.82	102.58
Lowest share price	107.99	102.83	102.27	102.31

## Comparative Tables (continued)

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	107.05	101.94	101.62	101.41
Return before operating charges*	3.18	5.14	0.35	0.24
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	3.16	5.11	0.32	0.21
Distributions on accumulation shares	(2.96)	(4.69)	(1.07)	(0.29)
Retained distributions on accumulation shares	2.96	4.69	1.07	0.29
<b>Closing net asset value per share</b>	<b>110.21</b>	<b>107.05</b>	<b>101.94</b>	<b>101.62</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	2.95%	5.01%	0.31%	0.21%
<b>Other information</b>				
Closing net asset value (£'000)	161,580	159,678	88,634	497,360
Closing number of shares	146,616,588	149,162,407	86,950,845	489,417,802
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	110.23	107.09	101.98	101.73
Lowest share price	107.10	101.98	101.42	101.47

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	99.96	99.54	100.29	100.37
Return before operating charges*	2.95	4.96	0.33	0.24
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	2.93	4.93	0.30	0.21
Distributions on income shares	(2.75)	(4.51)	(1.05)	(0.29)
<b>Closing net asset value per share</b>	<b>100.14</b>	<b>99.96</b>	<b>99.54</b>	<b>100.29</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	2.93%	4.95%	0.30%	0.21%
<b>Other information</b>				
Closing net asset value (£'000)	27,270	51,767	46,941	47,306
Closing number of shares	27,232,053	51,789,519	47,157,144	47,169,733
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	101.59	101.68	100.43	100.56
Lowest share price	100.13	99.58	99.79	100.37

### Class X Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23** (p)
Opening net asset value per share	103.04	100.00
Return before operating charges*	3.05	3.10
Operating charges	(0.06)	(0.06)
Return after operating charges*	2.99	3.04
Distributions on accumulation shares	(2.81)	(3.14)
Retained distributions on accumulation shares	2.81	3.14
<b>Closing net asset value per share</b>	<b>106.03</b>	<b>103.04</b>
* after direct transaction costs of:	—	—
<b>Performance</b>		
Return after charges	2.90%	3.04%
<b>Other information</b>		
Closing net asset value (£'000)	127,589	111,325
Closing number of shares	120,331,211	108,042,168
Operating charges	0.11%	0.11%
Direct transaction costs	—	—
<b>Prices*</b>		
Highest share price	106.06	103.08
Lowest share price	103.09	100.00

\*\* Class X Accumulation launched on 31 March 2023.

### Class X Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	99.90	99.53	100.27	100.35
Return before operating charges*	2.95	4.91	0.34	0.24
Operating charges	(0.05)	(0.11)	(0.11)	(0.11)
Return after operating charges*	2.90	4.80	0.23	0.13
Distributions on income shares	(2.71)	(4.43)	(0.97)	(0.21)
<b>Closing net asset value per share</b>	<b>100.09</b>	<b>99.90</b>	<b>99.53</b>	<b>100.27</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	2.90%	4.82%	0.23%	0.13%
<b>Other information</b>				
Closing net asset value (£'000)	126,936	91,948	84,066	74,855
Closing number of shares	126,827,875	92,036,621	84,466,293	74,651,323
Operating charges	0.11%	0.11%	0.11%	0.11%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	101.51	101.61	100.40	100.52
Lowest share price	100.07	99.57	99.77	100.34

## Comparative Tables (continued)

### Class Y Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	109.88	104.76	104.56	104.47
Return before operating charges*	3.27	5.28	0.36	0.25
Operating charges	(0.08)	(0.16)	(0.16)	(0.16)
Return after operating charges*	3.19	5.12	0.20	0.09
Distributions on accumulation shares	(2.97)	(4.69)	(0.98)	(0.17)
Retained distributions on accumulation shares	2.97	4.69	0.98	0.17
<b>Closing net asset value per share</b>	<b>113.07</b>	<b>109.88</b>	<b>104.76</b>	<b>104.56</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.90%	4.89%	0.19%	0.09%
<b>Other information</b>				
Closing net asset value (£'000)	578,237	560,749	693,117	1,058,933
Closing number of shares	511,410,387	510,313,445	661,627,135	1,012,720,788
Operating charges	0.15%	0.15%	0.15%	0.15%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	113.09	109.92	104.80	104.69
Lowest share price	109.94	104.80	104.31	104.53

### Class Y Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	100.04	99.62	100.37	100.45
Return before operating charges*	2.95	4.96	0.34	0.24
Operating charges	(0.08)	(0.15)	(0.15)	(0.15)
Return after operating charges*	2.87	4.81	0.19	0.09
Distributions on income shares	(2.69)	(4.39)	(0.94)	(0.17)
<b>Closing net asset value per share</b>	<b>100.22</b>	<b>100.04</b>	<b>99.62</b>	<b>100.37</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.87%	4.83%	0.19%	0.09%
<b>Other information</b>				
Closing net asset value (£'000)	422,616	487,995	371,236	458,433
Closing number of shares	421,689,356	487,814,458	372,642,584	456,744,322
Operating charges	0.15%	0.15%	0.15%	0.15%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	101.64	101.73	100.49	100.61
Lowest share price	100.21	99.66	99.86	100.43

## Comparative Tables (continued)

### Class Z Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23** (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	–	108.72	108.39	108.17
Return before operating charges*	–	2.50	0.36	0.25
Operating charges	–	(0.02)	(0.03)	(0.03)
Return after operating charges*	–	2.48	0.33	0.22
Distributions on accumulation shares	–	(1.84)	(1.14)	(0.31)
Retained distributions on accumulation shares	–	1.84	1.14	0.31
Cancellation price	–	(111.20)	–	–
<b>Closing net asset value per share</b>	<b>–</b>	<b>–</b>	<b>108.72</b>	<b>108.39</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	–	2.28%	0.30%	0.20%
<b>Other information</b>				
Closing net asset value (£'000)	–	–	88	19,619
Closing number of shares	–	–	80,845	18,100,443
Operating charges	–	–	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	–	111.20	108.76	108.51
Lowest share price	–	108.77	108.18	105.22

\*\* Class Z Accumulation closed on 2 May 2023.

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	100.68	100.26	101.01	101.09
Return before operating charges*	2.97	4.99	0.34	0.24
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	2.95	4.96	0.31	0.21
Distributions on income shares	(2.77)	(4.54)	(1.06)	(0.29)
<b>Closing net asset value per share</b>	<b>100.86</b>	<b>100.68</b>	<b>100.26</b>	<b>101.01</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.93%	4.95%	0.31%	0.21%
<b>Other information</b>				
Closing net asset value (£'000)	3,002	2,997	2,985	3,007
Closing number of shares	2,976,891	2,976,891	2,976,891	2,976,891
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	102.32	102.42	101.15	101.29
Lowest share price	100.85	100.30	100.51	101.10

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Certificates of Deposit – 44.70% (31/10/23 – 43.87%)</b>			
£125,000,000	Australia and New Zealand 0% 1/5/2025	118,658	2.99
£50,000,000	Barclays 6.36% 19/8/2024	50,137	1.26
£40,000,000	BNP Paribas 5.55% 22/5/2024	40,002	1.01
£100,000,000	BNP Paribas 5.38% 15/7/2024	99,993	2.52
£20,000,000	Cooperative Rabobank 4/11/24	20,000	0.50
£50,000,000	Cooperative Rabobank 5.17% 2/1/2025	49,933	1.26
£20,000,000	Cooperative Rabobank 6.03% 23/9/2024	20,043	0.50
£50,000,000	Credit Industriel et Commercial 5.32% 10/2/2025	49,971	1.26
£5,000,000	Credit Industriel et Commercial 5.37% 14/2/2025	4,999	0.12
£10,000,000	Credit Agricole 5.245% 24/2/2025	9,995	0.25
£90,000,000	Credit Agricole 5.33% 17/6/2024	89,997	2.26
£60,000,000	Credit Industriel et Commercial 0% 2/5/2024	59,983	1.51
£50,000,000	DNB Bank 5.50% 22/11/2024	50,025	1.26
£75,000,000	DNB Bank 6.16% 8/8/2024	75,141	1.89
£50,000,000	DZ Bank 5.53% 22/8/2024	50,022	1.26
£10,000,000	Goldman Sachs 0% 19/9/2024	9,797	0.25
£25,000,000	HSBC Bank SONIA 10/5/2024	25,003	0.63
£40,000,000	HSBC Bank SONIA 13/5/2024	40,004	1.01
£75,000,000	ING Bank 0% 3/5/2024	74,968	1.89
£25,000,000	ING Bank 0% 21/2/2025	23,970	0.60
£20,000,000	Lloyds Bank 6.34% 19/8/2024	20,051	0.50
£100,000,000	Lloyds Bank Corporate Markets SONIA 14/8/2024	100,091	2.52
£32,500,000	Macquarie Bank 0% 1/8/2024	32,072	0.81
£40,000,000	Macquarie Bank 0% 1/10/2024	39,127	0.98
£100,000,000	Natixis Securities 5.32% 17/5/2024	99,992	2.51
£65,000,000	National Bank of Abu Dhabi 5.80% 8/11/2024	65,104	1.64
£50,000,000	National Westminster Bank 0% 19/3/25	47,784	1.20
£50,000,000	National Westminster Bank 5.28% 20/1/2025	49,981	1.26
£15,000,000	National Westminster Bank 5.85% 27/9/2024	15,024	0.38
£60,000,000	Nordea Bank 5.27% 24/2/2025	59,983	1.51
£50,000,000	Nordea Bank 6.16% 8/8/2024	50,093	1.26
£10,000,000	Skandinaviska Enskilda Banken 6.17% 24/6/2024	10,010	0.25
£70,000,000	Skandinaviska Enskilda Banken 6.28% 2/8/2024	70,138	1.76
£40,000,000	Societe General 6.25% 9/9/2024	40,101	1.01
£50,000,000	Swedbank 0% 1/8/2024	49,339	1.24
£40,000,000	Toronto Dominion Bank 0% 2/5/2024	39,988	1.01
£25,000,000	Toronto Dominion Bank 5.3% 29/4/2025	24,997	0.63
<b>Total Certificates of Deposit</b>		<b>1,776,516</b>	<b>44.70</b>
<b>Commercial Papers – 1.50% (31/10/23 – 1.42%)</b>			
£10,000,000	ANZ 0% 10/10/2024	9,769	0.25
£50,000,000	Skandinaviska Enskilda Banken 0% 7/6/2024	49,731	1.25
<b>Total Commercial Papers</b>		<b>59,500</b>	<b>1.50</b>

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 49.54% (31/10/23 – 54.39%)</b>			
£112,800,000	Aareal Bank FRN 29/4/2025	113,128	2.85
£75,000,000	Bank of Montreal FRN 9/6/2025	75,343	1.90
£95,000,000	Bank of Montreal FRN 15/9/2026	96,080	2.42
£47,500,000	Bank of Nova Scotia FRN 9/11/2024	47,657	1.20
£103,917,000	Bank of Nova Scotia FRN 22/6/2026	105,061	2.64
£5,000,000	Banque Fédérative du Crédit Mutuel FRN 26/1/2025	5,000	0.13
£70,000,000	Canadian Imperial Bank of Commerce FRN 9/6/2025	70,320	1.77
£14,000,000	Canadian Imperial Bank of Commerce FRN 30/6/2025	14,032	0.35
£90,323,000	Canadian Imperial Bank of Commerce FRN 23/6/2026	91,292	2.30
£35,070,000	Clydesdale Bank FRN 22/3/2026	35,219	0.89
£51,500,000	CPPIB Capital FRN 15/6/2026	52,441	1.32
£85,485,000	DBS Bank FRN 17/11/2025	86,179	2.17
£40,385,000	DBS Bank Ltd FRN 17/11/2026	40,456	1.02
£56,500,000	Federation des Caisses Desjardins FRN 30/11/2026	56,634	1.42
£57,301,000	Federation des Caisses Desjardins FRN 12/10/2028	57,357	1.44
£54,750,000	Leeds Building Society FRN 15/9/2026	54,980	1.38
£37,941,000	Leeds Building Society FRN 4/4/2029	37,975	0.95
£3,000,000	Lloyds Bank FRN 6/11/2026	3,008	0.08
£81,967,000	National Australia Bank FRN 17/6/2026	82,246	2.07
£104,270,000	National Bank of Canada FRN 5/5/2026	105,313	2.65
£13,129,000	Nationwide Building Society FRN 20/4/2026	13,194	0.33
£12,500,000	OP Corporate Bank FRN 18/11/2025	12,540	0.31
£97,300,000	Royal Bank of Canada FRN 13/7/2026	98,397	2.48
£10,000,000	Royal Bank of Canada FRN 22/10/2026	10,119	0.25
£30,000,000	Royal Bank of Canada FRN 18/3/2027	30,064	0.76
£50,000,000	Royal Bank of Canada FRN 18/1/2028	50,235	1.26
£52,174,000	Santander UK PLC FRN 12/07/2027	52,344	1.32
£17,187,000	Skipton Building Society FRN 22/10/2028	17,234	0.43
£109,615,000	Toronto Dominion Bank FRN 18/1/2027	110,032	2.77
£138,329,000	TSB Bank FRN 14/2/2027	138,788	3.49
£20,634,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	20,621	0.52
£161,669,000	United Overseas Bank FRN 21/9/2026	163,056	4.10
£22,300,000	Westpac Banking Corporation FRN 16/3/2026	22,532	0.57
<b>Total Corporate Bonds</b>		<b>1,968,877</b>	<b>49.54</b>
<b>Government Bonds – 0.59% (31/10/23 – 0.80%)</b>			
£4,000,000	UK Treasury 0% 12/8/2024	3,942	0.10
£20,000,000	UK Treasury 0% 19/8/2024	19,689	0.49
<b>Total Government Bonds</b>		<b>23,631</b>	<b>0.59</b>

<b>Total value of investments</b>	<b>3,828,524</b>	<b>96.33</b>
<b>Net other assets</b>	<b>145,752</b>	<b>3.67</b>
<b>Total net assets</b>	<b>3,974,276</b>	<b>100.00</b>

All investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,992,508	50.13	2,196,685	54.01
Unrated bonds	–	–	47,984	1.18
<b>Total bonds</b>	<b>1,992,508</b>	<b>50.13</b>	<b>2,244,669</b>	<b>55.19</b>
Certificates of deposit	1,776,516	44.70	1,784,392	43.87
Commercial paper	59,500	1.50	57,829	1.42
<b>Investments as shown in the balance sheet</b>	<b>3,828,524</b>	<b>96.33</b>	<b>4,086,890</b>	<b>100.48</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
Australia And New Zealand 0% 1/5/2025	118,692
Toronto Dominion Bank FRN 18/1/2027	109,640
BNP Paribas 5.38% 15/7/2024	100,000
Credit Agricole 5.33% 17/6/2024	90,000
National Bank of Abu Dhabi 5.80% 8/11/2024	65,000
Nordea Bank 5.27% 24/2/2025	60,000
Federation des Caisses Desjardins FRN 12/10/2028	57,301
Santander UK FRN 12/7/2027	52,174
DNB Bank 5.50% 22/11/2024	50,000
DZ Bank 5.53% 22/8/2024	50,000
<b>Subtotal</b>	<b>752,807</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>1,333,057</b>

### Significant Sales

	Proceeds £'000
Deutsche Pfandbriefbank FRN 26/4/2024	132,700
Toronto Dominion Bank 5.14% 15/4/2024	99,897
Santander UK FRN 12/3/2026	80,015
Cooperative Rabobank 4.83% 1/11/2023	75,000
National Bank of Abu Dhabi 4.58% 9/11/2023	63,000
National Australia Bank FRN 4/2/2025	56,174
Commonwealth Bank of Australia FRN 16/1/2025	55,194
Nordea Bank 4.71% 22/11/2023	50,000
DNB Bank 4.78% 22/11/2023	50,000
UBS 4.83% 22/11/2023	50,000
<b>Subtotal</b>	<b>711,980</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>1,606,977</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	2,528	26,351
Revenue	113,487	84,764
Expenses	(1,272)	(1,453)
Interest payable and similar charges	(8)	(1)
Net revenue before taxation	112,207	83,310
Taxation	–	–
Net revenue after taxation	112,207	83,310
Total return before distributions	114,735	109,661
Distributions	(107,461)	(83,295)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>7,274</b>	<b>26,366</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	3,828,524	4,086,890
Current assets:		
Debtors	65,168	48,180
Cash and bank balances	109,873	2,018
<b>Total assets</b>	<b>4,003,565</b>	<b>4,137,088</b>
<b>Liabilities</b>		
Creditors:		
Other creditors	21,186	59,005
Distribution payable	8,103	10,560
<b>Total liabilities</b>	<b>29,289</b>	<b>69,565</b>
<b>Net assets attributable to shareholders</b>	<b>3,974,276</b>	<b>4,067,523</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>4,067,523</b>	<b>5,398,969</b>
Amounts receivable on creation of shares	304,317	449,819
Amounts payable on cancellation of shares	(496,426)	(1,754,906)
	(192,109)	(1,305,087)
Dilution adjustment charged	36	669
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>7,274</b>	<b>26,366</b>
Retained distributions on accumulation shares	91,552	66,754
<b>Closing net assets attributable to shareholders</b>	<b>3,974,276</b>	<b>4,187,671</b>



## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class R Accumulation</b>				
Group 1	1.4277	–	1.4277	0.7703
Group 2	0.4093	1.0184	1.4277	0.7703
<b>Class S Accumulation</b>				
Group 1	1.4159	–	1.4159	0.7640
Group 2	1.4159	0.0000	1.4159	0.7640
<b>Class S Income</b>				
Group 1	1.3229	–	1.3229	0.7460
Group 2	0.4129	0.9100	1.3229	0.7460
<b>Class X Accumulation*</b>				
Group 1	1.3418	–	1.3418	–
Group 2	0.6103	0.7315	1.3418	–
<b>Class X Income</b>				
Group 1	1.3017	–	1.3017	0.7256
Group 2	0.5911	0.7106	1.3017	0.7256
<b>Class Y Accumulation</b>				
Group 1	1.4198	–	1.4198	0.7531
Group 2	0.5456	0.8742	1.4198	0.7531
<b>Class Y Income</b>				
Group 1	1.2932	–	1.2932	0.7162
Group 2	0.8016	0.4916	1.2932	0.7162
<b>Class Z Accumulation**</b>				
Group 1	–	–	–	0.8150
Group 2	–	–	–	0.8150
<b>Class Z Income</b>				
Group 1	1.3324	–	1.3324	0.7514
Group 2	1.3324	0.0000	1.3324	0.7514

\* Class X Accumulation launched on 31 March 2023.

\*\* Class Z Accumulation closed on 2 May 2023.

## Distribution Tables (continued)

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class R Accumulation</b>				
Group 1	1.5598	–	1.5598	0.9718
Group 2	0.3720	1.1878	1.5598	0.9718
<b>Class S Accumulation</b>				
Group 1	1.5471	–	1.5471	0.9638
Group 2	1.5471	0.0000	1.5471	0.9638
<b>Class S Income</b>				
Group 1	1.4257	–	1.4257	0.9342
Group 2	1.4257	0.0000	1.4257	0.9342
<b>Class X Accumulation</b>				
Group 1	1.4679	–	1.4679	0.3253
Group 2	0.5589	0.9090	1.4679	0.3253
<b>Class X Income</b>				
Group 1	1.4050	–	1.4050	0.9146
Group 2	0.2274	1.1776	1.4050	0.9146
<b>Class Y Accumulation</b>				
Group 1	1.5543	–	1.5543	0.9589
Group 2	0.5889	0.9654	1.5543	0.9589
<b>Class Y Income</b>				
Group 1	1.3968	–	1.3968	0.9054
Group 2	0.8152	0.5816	1.3968	0.9054
<b>Class Z Accumulation*</b>				
Group 1	–	–	–	1.0281
Group 2	–	–	–	1.0281
<b>Class Z Income</b>				
Group 1	1.4360	–	1.4360	0.9409
Group 2	1.4360	0.0000	1.4360	0.9409

\* Class Z Accumulation closed on 2 May 2023.

# Royal London International Government Bond Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London International Government Bond Fund, Class M Income	4.10	0.47	-5.99	-0.01
Royal London International Government Bond Fund, Class R Accumulation	4.17	0.67	-5.32	1.25
Royal London International Government Bond Fund, Class S Income	4.17	0.69	-5.34	1.20
JP Morgan Traded World ex-UK Government Bond Index (Hedged)	3.84	-0.49	-9.05	-3.25
IA Global Government Bond TR	1.44	-2.60	-10.27	-6.99

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund outperformed its benchmark in the six-month period under review. It has outperformed the benchmark over the past 12 month, three-year and five-year periods. It also outperformed the broader Investment Association Global Government Bond sector over the six-month, 12-month, three-year and five-year periods.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year.

Global government bond yields continued their upward path – a trend that began in mid-2020, reflecting market views that rising inflation would necessitate higher interest rates. With inflation starting to come down, expectations of rate cuts in 2024 meant that bond yields fell in November and December. However, one major development to emerge towards the end of the period was markets have recalibrated their pricing for expected central bank cuts over this year. At the end of last year, markets were pricing in an aggressive rate cutting cycle, but then swiftly moved to temper those forecasts.

### Portfolio commentary

In terms of portfolio performance, the defensive interest rate position (we were positioned for higher rates) in the latter half of the period was beneficial, as yields rose (largely in response to the incoming economic data rather than the bonds being supplied to the market). The main underweight was in Japan, and hence the portfolio was largely immune from the continued rise in yields.

We remain comfortable with the underweight in Japan as we believe that yields will need to rise as the market prices further action for the Bank of Japan, not least to address the continued weakness in its currency. We are running a small overweight in Europe and have a larger overweight to dollar block interest rate risk, (mainly the US), as we feel that dollar block yields better reflect the prevailing market conditions and likely future path of monetary policy.

## Manager's Investment Report (continued)

### Portfolio commentary – continued

Inflation positioning remains relatively light in the portfolio, as many markets look, at best, fair value, in our view. Pockets of value are potentially emerging, particularly in the light of geopolitical developments, but we remain on the sidelines for now, awaiting better levels for entering break-even inflation trades.

Overall, the US curve was a broadly neutral contributor to performance. While the European curve positioning will have been a small detractor to performance, Germany continues to command a safe haven premium, though its own economy faces challenges.

Having historically been underweight Italy, we elected to take the Fund neutral during the latter half of the period, as there did not appear to be a valid catalyst for any spread widening and hence were happy to stay on the sidelines – though we did participate in a number of new bonds issued by Italy, taking advantage of new issue premiums.

### Investment outlook

We believe that inflation will continue to drift lower in 2024, although it is likely to remain above target in most economies by the end of the year. Shallow recessions are possible but are unlikely to be deep enough at this stage to ease the excessive tightness seen in labour markets. As we move through 2024, central banks are likely to start reducing rates, but with yields below central bank interest rates in all markets, this is well priced.

In the US, the market is now assuming the first cut to come at the end of the third quarter or in the fourth quarter – but terminal rates have remained unchanged, meaning the level of easing has not changed but the market has shifted the rate cutting cycle by a quarter. In Europe, the ECB has found itself in a similar situation. Beyond the first move, the ECB remains fully data dependent and noncommittal to a given rate path.

In Japan, the BoJ moved away from its NIRP (negative interest rate policy) but the adjustments to monetary policy were widely anticipated. Communication from the BoJ was also clear that this was not anticipated to be the start of an aggressive rate rising cycle, but more of a move towards policy normalisation, and that they would act to ensure markets remained orderly and volatility remained suppressed, through flexible buying of bonds.

Supply will be an issue for the majority of government bond markets over the next few years, particularly against a backdrop of significantly reduced central bank buying (and in some cases, central bank selling of holding in government bonds). Some markets, such as the US, are better priced to reflect this than others.

**Gareth Hill**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>. This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.92	100.89	114.09	117.22
Return before operating charges*	4.22	(0.14)	(11.42)	(1.82)
Operating charges	(0.15)	(0.31)	(0.32)	(0.35)
Return after operating charges*	4.07	(0.45)	(11.74)	(2.17)
Distributions on income shares	(1.48)	(2.52)	(1.46)	(0.96)
<b>Closing net asset value per share</b>	<b>100.51</b>	<b>97.92</b>	<b>100.89</b>	<b>114.09</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.16%	(0.45)%	(10.29)%	(1.85)%
<b>Other information</b>				
Closing net asset value (£'000)	710,759	541,985	432,799	163,188
Closing number of shares	707,162,026	553,484,836	429,000,030	143,039,794
Operating charges	0.30%	0.30%	0.30%	0.30%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	104.70	105.00	115.50	117.90
Lowest share price	97.90	98.78	100.40	113.20

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	100.44	100.67	111.96	113.79
Return before operating charges*	4.33	(0.18)	(11.24)	(1.77)
Operating charges	(0.03)	(0.05)	(0.05)	(0.06)
Return after operating charges*	4.30	(0.23)	(11.29)	(1.83)
Distributions on accumulation shares	(1.52)	(2.53)	(1.44)	(0.93)
Retained distributions on accumulation shares	1.52	2.53	1.44	0.93
<b>Closing net asset value per share</b>	<b>104.74</b>	<b>100.44</b>	<b>100.67</b>	<b>111.96</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.28%	(0.23)%	(10.08)%	(1.61)%
<b>Other information</b>				
Closing net asset value (£'000)	385,574	362,199	284,511	295,217
Closing number of shares	368,138,615	360,612,811	282,622,599	263,681,964
Operating charges	0.05%	0.05%	0.05%	0.05%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	107.40	104.90	113.40	114.50
Lowest share price	100.40	99.89	99.31	110.40

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	90.93	93.46	105.43	108.06
Return before operating charges*	3.92	(0.13)	(10.56)	(1.69)
Operating charges	(0.03)	(0.06)	(0.06)	(0.06)
Return after operating charges*	3.89	(0.19)	(10.62)	(1.75)
Distributions on income shares	(1.38)	(2.34)	(1.35)	(0.88)
<b>Closing net asset value per share</b>	<b>93.44</b>	<b>90.93</b>	<b>93.46</b>	<b>105.43</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	4.28%	(0.20)%	(10.07)%	(1.62)%
<b>Other information</b>				
Closing net asset value (£'000)	5	5	5	5
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges	0.05%	0.05%	0.05%	0.05%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	97.26	97.37	106.80	108.70
Lowest share price	90.91	91.72	92.99	104.50

\* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Government Bonds – 95.16% (31/10/23 – 94.27%)</b>			
€19,354,000	Federal Republic of Germany 0% 15/8/2031	13,784	1.26
€6,564,301	Federal Republic of Germany 0% 15/8/2050	2,801	0.26
€2,136,000	Federal Republic of Germany 0.25% 15/2/2029	1,635	0.15
€7,459,000	Federal Republic of Germany 0.5% 15/2/2028	5,882	0.54
€3,660,000	Federal Republic of Germany 1% 15/5/2038	2,505	0.23
€7,026,000	Federal Republic of Germany 1.3% 15/10/2027	5,724	0.52
€5,820,414	Federal Republic of Germany 2.5% 15/8/2054	4,764	0.43
€2,000	Federal Republic of Germany 4.75% 4/7/2040	2	–
AUD9,685,000	Government of Australia 0.5% 21/9/2026	4,620	0.42
AUD10,213,000	Government of Australia 1% 21/12/2030	4,312	0.39
AUD9,001,000	Government of Australia 3.75% 21/5/2034	4,412	0.40
AUD2,547,000	Government of Australia 4.75% 21/6/2054	1,324	0.12
€1,207,000	Government of Belgium 0.4% 22/6/2040	653	0.06
€108,000	Government of Belgium 1.9% 22/6/2038	78	0.01
CAD5,782,000	Government of Canada 1.5% 1/6/2031	2,883	0.26
CAD2,733,000	Government of Canada 2.25% 1/6/2029	1,479	0.13
CAD9,026,000	Government of Canada 3.75% 1/5/2025	5,196	0.47
€11,601,028	Government of France 0% 25/11/2030	8,204	0.75
€9,942,000	Government of France 0% 25/11/2031	6,815	0.62
€12,125,000	Government of France 0.75% 25/5/2028	9,502	0.87
€972,000	Government of France 0.75% 25/5/2053	425	0.04
€1,991,000	Government of France 1% 25/5/2027	1,602	0.15
€6,299,000	Government of France 1.25% 25/5/2038	4,158	0.38
€7,788,000	Government of France 1.5% 25/5/2031	6,055	0.55
€4,208,000	Government of France 2% 25/5/2048	2,765	0.25
€3,352,000	Government of France 2.5% 25/5/2030	2,799	0.25
€7,621,161	Government of France 2.5% 25/5/2043	5,685	0.52
€6,585,000	Government of France 3% 25/5/2033	5,610	0.51
€2,485,035	Government of France 3% 25/6/2049	1,975	0.18
€4,855,501	Government of France 3.25% 25/5/2055	3,939	0.36
€8,540,000	Government of France 4.75% 25/4/2035	8,376	0.76
¥98,550,000	Government of Japan 0.005% 1/12/2024	500	0.05
¥1,970,250,000	Government of Japan 0.1% 20/6/2028	9,881	0.90
¥2,304,950,000	Government of Japan 0.1% 20/3/2029	11,492	1.05
¥3,764,400,000	Government of Japan 0.4% 20/3/2025	19,155	1.75
¥1,433,900,000	Government of Japan 0.4% 20/3/2036	6,751	0.62
¥3,233,350,000	Government of Japan 0.4% 20/3/2039	14,382	1.31
¥1,204,450,000	Government of Japan 0.5% 20/12/2041	5,153	0.47
¥1,091,650,000	Government of Japan 0.6% 20/6/2050	4,105	0.37
¥3,716,650,000	Government of Japan 0.8% 20/3/2048	15,279	1.39
¥3,950,900,000	Government of Japan 1.2% 20/12/2034	20,574	1.88
¥1,054,250,000	Government of Japan 1.4% 20/9/2045	5,063	0.46
¥90,450,000	Government of Japan 1.4% 20/3/2055	403	0.04
¥1,480,100,000	Government of Japan 1.8% 20/9/2030	8,099	0.74
¥619,000,000	Government of Japan 1.8% 20/3/2043	3,250	0.30
¥385,600,000	Government of Japan 1.9% 20/3/2029	2,091	0.19
¥919,950,000	Government of Japan 2.2% 20/3/2028	4,998	0.46
¥955,800,000	Government of Japan 2.2% 20/3/2031	5,373	0.49
¥1,052,800,000	Government of Japan 2.4% 20/3/2048	5,983	0.55
€8,281,000	Government of Netherlands 0% 15/7/2031	5,811	0.52
€6,243,000	Government of Netherlands 0% 15/1/2038	3,568	0.32
€2,718,000	Government of Netherlands 0.5% 15/1/2040	1,615	0.15

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
€9,133,000	Government of Spain 0% 31/1/2028	6,968	0.64
€12,120,000	Government of Spain 0.6% 31/10/2029	9,082	0.83
€7,632,000	Government of Spain 1% 31/10/2050	3,505	0.32
€7,153,000	Government of Spain 1.50% 30/4/2027	5,833	0.53
€7,823,000	Government of Spain 1.95% 30/7/2030	6,261	0.57
€5,057,000	Government of Spain 2.35% 30/7/2033	4,004	0.36
€849,000	Government of Spain 2.9% 31/10/2046	629	0.06
€2,991,000	Government of Spain 3.25% 30/4/2034	2,531	0.23
€10,497,000	Government of Spain 3.55% 31/10/2033	9,133	0.83
€5,281,000	Government of Spain 4.7% 30/7/2041	5,080	0.46
SEK6,815,000	Government of Sweden 1% 12/11/2026	474	0.04
€15,025,000	Republic of Italy 0.45% 15/2/2029	11,168	1.02
€22,306,000	Republic of Italy 0.95% 1/6/2032	15,464	1.41
€4,400,000	Republic of Italy 0.95% 1/3/2037	2,613	0.24
€7,167,000	Republic of Italy 1.45% 15/11/2024	6,050	0.55
€7,812,000	Republic of Italy 1.45% 1/3/2036	5,095	0.46
€10,207,000	Republic of Italy 1.65% 1/3/2032	7,539	0.69
€2,343,000	Republic of Italy 1.75% 1/7/2024	1,994	0.18
€14,669,000	Republic of Italy 3.5% 15/2/2031	12,451	1.14
€11,383,000	Republic of Italy 3.75% 1/9/2024	9,719	0.89
€5,703,000	Republic of Italy 4.15% 1/10/2039	4,844	0.44
€5,132,000	Republic of Italy 4.45% 1/9/2043	4,478	0.41
€72,000	Republic of Italy 4.5% 1/10/2053	63	0.01
£30,319,000	UK Treasury 0.25% 31/1/2025	29,308	2.67
£8,063,000	UK Treasury 2.75% 7/9/2024	8,006	0.73
\$89,279,800	US Treasury 0.625% 30/11/2027	61,545	5.61
\$16,486,000	US Treasury 0.625% 15/5/2030	10,363	0.94
\$23,152,600	US Treasury 0.625% 15/8/2030	14,418	1.31
\$40,892,000	US Treasury 0.75% 31/3/2026	30,120	2.75
\$25,938,000	US Treasury 0.75% 30/4/2026	19,042	1.74
\$19,055,600	US Treasury 1.125% 15/2/2031	12,123	1.11
\$38,331,600	US Treasury 1.125% 15/5/2040	18,024	1.64
\$14,814,000	US Treasury 1.25% 15/8/2031	9,345	0.85
\$10,130,700	US Treasury 1.25% 15/5/2050	3,822	0.35
\$19,468,000	US Treasury 1.375% 31/10/2028	13,440	1.23
\$10,715,000	US Treasury 1.375% 15/11/2031	6,769	0.62
\$6,924,100	US Treasury 1.5% 30/11/2024	5,408	0.49
\$17,651,400	US Treasury 1.5% 15/2/2030	11,821	1.08
\$31,526,700	US Treasury 1.625% 30/9/2026	23,293	2.12
\$28,615,100	US Treasury 1.75% 31/12/2026	21,066	1.92
\$37,561,700	US Treasury 1.875% 15/2/2051	16,747	1.53
\$18,619,700	US Treasury 2% 15/8/2025	14,286	1.30
\$27,862,000	US Treasury 2.125% 15/5/2025	21,554	1.97
\$37,113,900	US Treasury 2.25% 15/11/2024	29,151	2.66
\$1,835,800	US Treasury 2.25% 15/11/2025	1,404	0.13
\$2,318,000	US Treasury 2.25% 15/8/2046	1,187	0.11
\$3,295,500	US Treasury 2.375% 15/5/2029	2,357	0.21
\$20,349,000	US Treasury 2.75% 15/2/2028	15,098	1.38
\$52,708,000	US Treasury 2.75% 31/5/2029	38,360	3.50
\$27,147,700	US Treasury 2.875% 15/5/2032	19,050	1.74
\$16,146,000	US Treasury 2.875% 15/5/2049	9,163	0.84
\$19,690,200	US Treasury 3% 15/2/2049	11,467	1.05
\$5,842,200	US Treasury 3.125% 15/11/2041	3,702	0.34
\$17,819,700	US Treasury 3.125% 15/8/2044	10,965	1.00
\$4,812,700	US Treasury 3.375% 15/5/2044	3,090	0.28
\$7,889,500	US Treasury 3.375% 15/11/2048	4,932	0.45
\$10,279,900	US Treasury 3.5% 15/2/2039	7,152	0.65
\$8,311,700	US Treasury 3.625% 15/8/2043	5,568	0.51
\$7,044,000	US Treasury 3.625% 15/2/2044	4,705	0.43
\$35,237,600	US Treasury 3.875% 31/3/2025	27,797	2.53
\$29,917,000	US Treasury 4% 29/2/2028	23,220	2.12
\$5,618,100	US Treasury 4% 15/11/2052	3,931	0.36
\$52,390,000	US Treasury 4.125% 30/9/2027	40,910	3.73
\$8,649,900	US Treasury 4.375% 15/5/2041	6,535	0.60
\$5,823,000	US Treasury 4.625% 15/2/2040	4,570	0.42
<b>Total Government Bonds</b>		<b>1,043,282</b>	<b>95.16</b>

## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Government Index-Linked Bonds – 5.10% (31/10/23 – 5.60%)</b>			
¥4,380,900,000	Government of Japan 0.1% IL 10/3/2026	24,837	2.26
€28,042,000	Republic of Italy 1.4% IL 26/5/2025	23,682	2.16
\$9,827,000	US Treasury 2.125% IL 15/2/2054	7,447	0.68
<b>Total Government Index-Linked Bonds</b>		<b>55,966</b>	<b>5.10</b>
<b>Supranational Bonds – 0.00% (31/10/23 – 0.69%)</b>			
<b>Forward Currency Contracts – (0.12)% (31/10/23 – (0.62)%)</b>			
	Buy AUD640,000 & Sell £333,797 <sup>†</sup>	(1)	–
	Buy CAD375,000 & Sell £219,439 <sup>†</sup>	(1)	–
	Buy €13,161,000 & Sell £11,305,896 <sup>†</sup>	(49)	(0.01)
	Buy £15,504,316 & Sell AUD29,697,000 <sup>†</sup>	82	0.01
	Buy £9,683,042 & Sell CAD16,655,000 <sup>†</sup>	(5)	–
	Buy £289,814,816 & Sell €337,534,000 <sup>†</sup>	967	0.09
	Buy £178,241,961 & Sell ¥33,943,923,000 <sup>†</sup>	4,508	0.41
	Buy £492,204 & Sell SEK6,578,000 <sup>†</sup>	12	–
	Buy £619,508,935 & Sell \$784,341,000 <sup>†</sup>	(6,696)	(0.61)
	Buy ¥630,602,000 & Sell £3,274,862 <sup>†</sup>	(47)	–
	Buy SEK140,000 & Sell £10,299 <sup>†</sup>	–	–
	Buy \$34,014,500 & Sell £27,283,424 <sup>†</sup>	(127)	(0.01)
<b>Total Forward Currency Contracts</b>		<b>(1,357)</b>	<b>(0.12)</b>
<b>Futures – (0.17)% (31/10/23 – (0.06)%)</b>			
664	CBT US 10YR Note June 2024	(1,380)	(0.12)
(70)	EUX EURO-BTP Future June 2024	1	–
173	EUX EURO-Bund Future June 2024	(246)	(0.02)
21	EUX EURO-BUXL 30YR BND June 2024	(69)	(0.01)
300	EUX EURO-Schatz Future June 2024	(206)	(0.02)
<b>Total Futures</b>		<b>(1,900)</b>	<b>(0.17)</b>
<b>Total value of investments<sup>^</sup></b>		<b>1,095,991</b>	<b>99.97</b>
<b>Net other assets</b>		<b>347</b>	<b>0.03</b>
<b>Total net assets</b>		<b>1,096,338</b>	<b>100.00</b>

<sup>^</sup> Including investment liabilities

<sup>†</sup> Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,099,248	100.26	909,254	100.56
<b>Total bonds</b>	<b>1,099,248</b>	<b>100.26</b>	<b>909,254</b>	<b>100.56</b>
Forward currency contracts – assets	5,569	0.51	1,824	0.21
Futures – assets	1	–	93	0.01
<b>Investments as shown in the balance sheet</b>	<b>1,104,818</b>	<b>100.77</b>	<b>911,171</b>	<b>100.78</b>
Forward currency contracts – liabilities	(6,926)	(0.63)	(7,417)	(0.83)
Futures – liabilities	(1,901)	(0.17)	(672)	(0.07)
<b>Total value of investments</b>	<b>1,095,991</b>	<b>99.97</b>	<b>903,082</b>	<b>99.88</b>

\* Ratings supplied by S&P, followed by Moody's.



## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.25% 31/1/2025	29,975
US Treasury 0.625% 30/11/2027	24,356
US Treasury 2.75% 31/5/2029	22,882
Republic of Italy 0.95% 1/6/2032	15,944
Republic of Italy 1.45% 15/11/2024	13,878
Republic of Italy 3.5% 15/2/2031	12,877
Republic of Italy 0.45% 15/2/2029	11,438
Federal Republic of Germany 1% 15/5/2038	11,435
UK Treasury 0.125% 31/1/2024	10,943
US Treasury 1.875% 15/2/2051	10,935
<b>Subtotal</b>	<b>164,663</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>488,933</b>

### Significant Sales

	Proceeds £'000
US Treasury 1.625% 15/2/2026	15,976
Government of Canada 3.5% 1/3/2028	14,054
Republic of Italy 4% 30/10/2031	13,932
US Treasury 0.375% 15/4/2024	12,889
UK Treasury 0.125% 31/1/2024	10,987
UK Treasury 1% 22/4/2024	10,091
Federal Republic of Germany 1% 15/5/2038	9,081
Federal Republic of Germany 0% 15/5/2035	8,991
Republic of Italy 3.5% 1/3/2030	8,903
Government of Australia 4.75% 21/6/2054	8,189
<b>Subtotal</b>	<b>113,093</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>291,067</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	23,427	19,915
Revenue	14,044	8,494
Expenses	(956)	(763)
Interest payable and similar charges	(8)	(10)
Net revenue before taxation	13,080	7,721
Taxation	11	–
Net revenue after taxation	13,091	7,721
Total return before distributions	36,518	27,636
Distributions	(14,046)	(8,484)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>22,472</b>	<b>19,152</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	1,104,818	911,171
Current assets:		
Debtors	7,348	8,762
Cash and bank balances	7,474	7,134
Total assets	1,119,640	927,067
<b>Liabilities</b>		
Investment liabilities	8,827	8,089
Creditors:		
Bank overdraft	345	2,648
Other creditors	3,631	4,384
Distribution payable	10,499	7,757
Total liabilities	23,302	22,878
<b>Net assets attributable to shareholders</b>	<b>1,096,338</b>	<b>904,189</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>904,189</b>	<b>717,315</b>
Amounts receivable on creation of shares	234,543	152,258
Amounts payable on cancellation of shares	(70,501)	(23,267)
	164,042	128,991
Dilution adjustment charged	26	95
Change in net assets attributable to shareholders from investment activities	22,472	19,152
Retained distributions on accumulation shares	5,609	3,833
<b>Closing net assets attributable to shareholders</b>	<b>1,096,338</b>	<b>869,386</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Income</b>				
Group 1	1.4846	–	1.4846	1.1196
Group 2	0.3770	1.1076	1.4846	1.1196
<b>Class R Accumulation</b>				
Group 1	1.5237	–	1.5237	1.1179
Group 2	0.7973	0.7264	1.5237	1.1179
<b>Class S Income</b>				
Group 1	1.3794	–	1.3794	1.0376
Group 2	1.3794	0.0000	1.3794	1.0376

# Royal London Diversified Asset-Backed Securities Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Diversified Asset-Backed Securities Fund, Class R Accumulation	6.42	10.47	17.37	25.81
Royal London Diversified Asset-Backed Securities Fund, Class S Accumulation	6.48	10.48	17.35	25.75
Royal London Diversified Asset-Backed Securities Fund, Class Z Accumulation	6.27	10.10	16.05	23.16
Royal London Diversified Asset-Backed Securities Fund, Class Z Income	6.11	9.95	–	–
Sterling Overnight Index Average Rate (SONIA)	2.55	5.06	7.90	8.66
Sterling Overnight Index Average Rate (SONIA) +2% p.a.	3.55	7.06	13.90	18.66

Class Z Income launched 29 November 2021.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

In the period under review, the Fund outperformed its benchmark. For the longer 12-month, three-year and five-year periods, the Fund has significantly outpaced the benchmark.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

### Portfolio commentary

The main driver of positive performance was the combination of our sector allocation and stock positioning within the context of relatively strong corporate bond performance overall. Gilt yields increased over the period. Whilst there was a marginal negative impact from our interest rate positioning this was more than offset by the impact of the additional yield in the portfolio. At a sector level, our overweight in secured bonds was favourable and within the smaller unsecured allocation in the Fund, our bias towards the bank and insurance sectors was also helpful, notably in subordinated bonds including those from Aviva and Barclays.

## Manager's Investment Report (continued)

### Investment outlook

The rally in bond yields seen late last year, prompted by hopes that falling inflation would lead to relatively rapid and numerous interest rate cuts, was largely unwound in the first two weeks of 2024. Since then, sentiment has swung with various economic data, but it now seems unlikely that we will see significant moves in interest rates this year. We expect yields to remain sensitive to economic data, and unless there is a significant deterioration in underlying trends, we expect this to lead to range bound-yields and the opportunity to add/trim duration as markets react to individual data points.

Headline inflation is expected to reach the 2% Bank of England target level in the Q2. However, we are mindful that underlying pressures in the labour market and parts of the services sector mean that headline inflation figures may be somewhat misleading. In addition, data since the start of the year suggests that the UK is growing again – albeit slowly. Overall, the global tone is that rate cuts are not going to come through as quickly as anticipated and that the neutral level may be a bit higher than previously thought.

With bond yields higher than they were at the start of the year, and interest rate cuts now closer, we believe that overall government bond yields look attractive. Credit spreads have remained at relatively tight levels, but in our view, continue to compensate credit investors for the risk of default. From a credit spread perspective we continue to find better value in shorter-dated credit bonds, but with absolute yields at attractive levels we prefer to be broadly neutral in overall duration positioning, with a bias to extend on further rises in yields.

We target – and achieve – a material yield premium over the market level in our sterling credit strategies. We mitigate the risks by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark will generate outperformance.

**Shalin Shah**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	119.48	108.83	111.31	102.53
Return before operating charges*	7.78	10.72	(2.41)	8.84
Operating charges	(0.03)	(0.07)	(0.07)	(0.06)
Return after operating charges*	7.75	10.65	(2.48)	8.78
Distributions on accumulation shares	(3.22)	(6.70)	(3.55)	(2.45)
Retained distributions on accumulation shares	3.22	6.70	3.55	2.45
<b>Closing net asset value per share</b>	<b>127.23</b>	<b>119.48</b>	<b>108.83</b>	<b>111.31</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	6.49%	9.79%	(2.23)%	8.56%
<b>Other information</b>				
Closing net asset value (£'000)	18,355	21,002	13,724	29,815
Closing number of shares	14,426,421	17,577,472	12,610,351	26,786,190
Operating charges	0.06%	0.06%	0.06%	0.06%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	127.90	120.50	113.10	111.80
Lowest share price	119.50	107.70	108.10	103.20

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	118.35	107.80	110.25	101.57
Return before operating charges*	7.71	10.62	(2.38)	8.74
Operating charges	(0.03)	(0.07)	(0.07)	(0.06)
Return after operating charges*	7.68	10.55	(2.45)	8.68
Distributions on accumulation shares	(3.12)	(6.64)	(3.52)	(2.42)
Retained distributions on accumulation shares	3.12	6.64	3.52	2.42
<b>Closing net asset value per share</b>	<b>126.03</b>	<b>118.35</b>	<b>107.80</b>	<b>110.25</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	6.49%	9.79%	(2.22)%	8.55%
<b>Other information</b>				
Closing net asset value (£'000)	49,001	43,968	50,426	60,104
Closing number of shares	38,881,392	37,151,258	46,776,929	54,517,747
Operating charges	0.06%	0.06%	0.06%	0.06%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	126.70	119.40	112.00	110.70
Lowest share price	118.30	106.70	107.00	102.30

## Comparative Tables (continued)

### Class Z Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	143.06	130.79	134.24	124.15
Return before operating charges*	9.30	12.86	(2.88)	10.67
Operating charges	(0.30)	(0.59)	(0.57)	(0.58)
Return after operating charges*	9.00	12.27	(3.45)	10.09
Distributions on accumulation shares	(3.53)	(7.55)	(3.78)	(2.46)
Retained distributions on accumulation shares	3.53	7.55	3.78	2.46
<b>Closing net asset value per share</b>	<b>152.06</b>	<b>143.06</b>	<b>130.79</b>	<b>134.24</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	6.29%	9.38%	(2.57)%	8.13%
<b>Other information</b>				
Closing net asset value (£'000)	204,724	162,905	136,171	106,275
Closing number of shares	134,631,640	113,872,307	104,116,980	79,166,355
Operating charges	0.43%	0.43%	0.43%	0.43%*
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	152.90	144.30	136.20	134.80
Lowest share price	143.10	129.40	129.90	125.00

\* The FMF was reduced from 0.56% to 0.425% on 21 December 2020.

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22** (p)
Opening net asset value per share	98.11	94.66	100.00
Return before operating charges*	6.22	9.21	(2.47)
Operating charges	(0.20)	(0.42)	(0.38)
Return after operating charges*	6.02	8.79	(2.85)
Distributions on income shares	(2.31)	(5.34)	(2.49)
<b>Closing net asset value per share</b>	<b>101.82</b>	<b>98.11</b>	<b>94.66</b>
* after direct transaction costs of:	–	–	–
<b>Performance</b>			
Return after charges	6.14%	9.29%	(2.85)%
<b>Other information</b>			
Closing net asset value (£'000)	1,426	18	2
Closing number of shares	1,400,127	17,928	2,500
Operating charges	0.43%	0.43%	0.43%
Direct transaction costs	–	–	–
<b>Prices*</b>			
Highest share price	103.56	100.60	101.20
Lowest share price	98.41	93.90	94.96

\*\* Class Z Income launched on 14 December 2021.

^ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Commercial Mortgage Backed Securities – 8.95% (31/10/23 – 10.45%)</b>			
£1,381,000	Atom Mortgage Securities FRN 22/7/2031	1,029	0.38
£992,000	Canary Wharf Finance II (A7) FRN 22/10/2037	779	0.28
£2,677,000	Deco 2019-RAM DAC FRN 7/8/2030	850	0.31
£2,800,000	Equity Release FRN 14/7/2045	1,825	0.67
£2,660,664	Finance for Residence Social Housing 'A1' 8.369% 4/10/2058	1,841	0.67
£2,100,000	Finance for Residence Social Housing 'A2' 8.569% 5/10/2058	1,259	0.46
£6,571,000	Income Contingent Student Loan 2 FRN 24/7/2058	654	0.24
£2,426,000	Income Contingent Student Loan 2.5% 24/7/2056	1,352	0.50
£1,647,000	Income Contingent Student Loan 2.5% 24/7/2058	961	0.35
£393,000	Income Contingent Student Loan FRN 24/7/2056	22	0.01
£1,473,000	Last Mile Logistics CMBS 2023-1 17/8/2033	1,476	0.54
£1,497,755	Magenta 2020 FRN 20/12/2024	1,486	0.54
£1,579,276	Parkmore Point RMBS 2022-1 FRN 25/7/2045	1,599	0.58
£792,000	PCL Funding FRN 15/7/2026	793	0.29
£1,080,000	Sage AR Funding FRN 17/11/2030	1,069	0.39
£1,917,000	Sage AR Funding FRN 17/11/2051	1,853	0.68
£1,000,000	Stark Financing 2023-1 DAC FRN 17/8/2033	1,004	0.37
£1,799,000	Taurus FRN 17/5/2030	1,781	0.65
£1,900,000	Taurus FRN 17/5/2031	1,870	0.68
£282,000	Together Asset Backed Securitisation FRN 12/7/2063	115	0.04
£2,000,000	Together Asset Backed Securitisation FRN 15/12/2061	493	0.18
£1,300,000	Towd Point Mortgage Funding FRN 20/2/2045	376	0.14
<b>Total Commercial Mortgage Backed Securities</b>		<b>24,487</b>	<b>8.95</b>

<b>Corporate Bonds – 78.87% (31/10/23 – 80.44%)</b>			
£1,229,000	A2D Funding II 4.5% 30/9/2026	1,184	0.43
£2,133,000	AA Bond 6.269% 2/7/2043	2,132	0.78
£162,000	AA Bond 7.375% 31/7/2050	165	0.06
£311,000	AA Bond 8.45% 31/7/2050	326	0.12
£175,000	AA Bond Co Ltd 3.25% 31/7/2050	152	0.06
£1,516,000	Aberdeen 5.25% variable perpetual	1,262	0.46
£600,000	Aggregate Micro Power Infrastructure No.2 8% 17/10/2036	540	0.20
£630,000	Akelius Residential Property 2.375% 15/8/2025	599	0.22
£808,000	Anglian Water Osprey Financing 4% 8/3/2026	758	0.28
£2,150,000	Annes Gate Property 5.661% 30/6/2031	2,081	0.76
£350,000	Annington Funding 3.685% 12/7/2034	288	0.11
£543,000	Annington Funding 3.935% 12/7/2047	394	0.14
£486,000	Annington Funding 4.75% 9/8/2033	442	0.16
£1,720,000	Arqiva Finance 4.882% 31/12/2032	986	0.36
£1,610,000	Arqiva Financing 5.34% 30/12/2037	1,568	0.57
£560,000	Arqiva Financing 7.21% 30/6/2045	592	0.22
£1,070,000	Artesian Finance 6% 30/9/2033	1,081	0.40
£550,000	Assicurazioni Generali 6.269% perpetual	552	0.20
£1,243,000	Athora Netherlands 2.25% variable 15/7/2031	976	0.36
£300,000	Athora Netherlands 7% variable perpetual	254	0.09
£400,000	Australia & New Zealand Banking 1.809% variable 16/9/2031	362	0.13
£260,000	Aviva 6.125% variable 14/11/2036	262	0.10
£874,000	Aviva 6.875% variable 20/5/2058	881	0.32
£566,000	Aviva 6.875% variable 27/11/2053	580	0.21
£449,000	AXA 6.375% variable perpetual	393	0.14
£900,000	AXA 6.379% variable perpetual	768	0.28
£2,570,000	Barclays 6.278% variable perpetual	2,011	0.74
£549,000	Barclays 8.875% variable perpetual	554	0.20
£544,000	Barclays 9.25% variable perpetual	556	0.20

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£1,260,000	Barclays Bank 4.75% variable perpetual	1,014	0.37
£350,000	BAT International Finance 4% 23/11/2055	227	0.08
£1,343,000	BBC Pacific Quay Finance 5.5653% 25/7/2034	991	0.36
£1,711,000	Blackstone Property Partners Europe 2.625% 20/10/2028	1,472	0.54
£689,000	Blackstone Property Partners Europe 4.875% 29/4/2032	609	0.22
£100,000	Blend Funding 2.467% 16/6/2063	51	0.02
£100,000	Blend Funding 2.984% 15/3/2036	78	0.03
£500,000	BPCE 2.5% variable 30/11/2032	438	0.16
£3,649,000	British Land 5.264% 24/9/2035	3,448	1.26
£705,000	British Land 5.357% 31/3/2028	686	0.25
£483,829	British Land 5.357% 31/3/2028	471	0.17
£200,000	Broadgate Finance 4.851% 5/4/2033	159	0.06
£2,930,000	Broadgate 4.999% 5/10/2033	2,800	1.02
£1,095,000	Broadgate Finance 4.821% 5/7/2036	1,053	0.39
£665,000	Broadgate Financing 5.098% 5/4/2035	526	0.19
£767,000	BWP Issuer 2.868% 30/6/2036	499	0.18
£2,100,000	Canary Wharf Finance 5.952% 22/10/2037	1,093	0.40
£1,053,000	Canary Wharf Finance FRN 22/10/2037	784	0.29
£1,531,000	Canary Wharf Finance II (C2) FRN 22/10/2037	1,145	0.42
£8,120,000	Canary Wharf Finance II 6.455% 22/10/2033	505	0.18
£1,827,000	Channel Link Enterprises Finance FRN 30/12/2050	1,350	0.49
£1,414,000	Charm Finance 3.509% 12/4/2048	972	0.36
£500,000	Cheltenham & Gloucester 11.75% perpetual	800	0.29
£100,000	Close Brothers Finance 1.625% 3/12/2030	74	0.03
£600,000	Close Brothers Group 2% variable 11/9/2031	496	0.18
£197,000	Close Brothers Group 7.75% 14/6/2028	198	0.07
£713,000	Close Brothers Group 11.125% variable perpetual	685	0.25
£1,991,000	Connect M77 GSO 5.404% 31/3/2034	1,146	0.42
£1,979,000	Co-operative Bank Finance 6% variable 6/4/2027	1,967	0.72
£1,191,000	CoOperative Bank Finance 9.5% variable 24/5/2028	1,298	0.47
£600,000	Coventry Building Society 6.875% variable perpetual	597	0.22
£958,000	CPUK Finance 3.588% 28/2/2042	929	0.34
£900,000	CPUK Finance 3.69% 28/2/2047	820	0.30
£315,000	CPUK Finance 4.5% 28/8/2027	286	0.10
£300,000	Credit Agricole 5.875% 25/10/2033	279	0.10
£202,000	CYBG 9.25% variable perpetual	202	0.07
£450,000	Daily Mail & General 6.375% 21/6/2027	423	0.15
£1,100,000	Delamare Finance 5.5457% 19/2/2029	553	0.20
£610,000	Delamare Finance 6.067% 19/2/2029	623	0.23
£2,648,000	Derby Healthcare 5.564% 30/6/2041	2,346	0.86
£2,402,000	Dignity Finance 3.5456% 31/12/2034	1,374	0.51
£1,308,000	Direct Line Insurance 4% 5/6/2032	1,068	0.39
£1,318,000	Dresdner Funding Trust 8.151% 30/6/2031	1,133	0.41
£2,300,000	Electricite de France 5.875% variable perpetual	2,159	0.79
£600,000	Electricite de France 6% 23/1/2114	553	0.20
£1,000,000	Electricite de France 6% variable perpetual	975	0.36
£3,355,000	Equity Release Funding 5.7% 26/2/2031	1,310	0.48
£1,082,000	Equity Release Funding 5.88% 26/5/2032	565	0.21
£1,255,000	Equity Release Funding No.3 5.05% 26/4/2033	1,082	0.40
£650,000	Eskmuir Group Finance 4.255% 12/12/2047	395	0.14
£250,000	Esure Group 6% variable perpetual	174	0.06
£1,536,000	Eversholt Funding 2.742% 30/6/2040	1,065	0.39
£1,222,000	Eversholt Funding 6.697% 22/2/2035	998	0.36
£2,432,000	Folio Residential Finance 1.246% 31/10/2037	2,102	0.77
£659,175	Freshwater Finance 4.556% 3/4/2036	566	0.21



## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 78.87% (31/10/23 – 80.44%) – continued</b>			
£2,109,000	Freshwater Finance 5.182% 20/4/2035	1,964	0.72
£889,100	Fuller Smith & Turner 6.875% 30/4/2028	926	0.34
£460,000	Gatwick Funding 5.5% 4/4/2042	438	0.16
£631,000	General Electric Capital 4.875% 18/9/2037	562	0.21
£500,000	General Electric Capital 5.625% 16/9/2031	493	0.18
£300,000	Grainger 3.375% 24/4/2028	272	0.10
£1,300,000	Grand Union Group Funding 4.625% 4/12/2043	1,069	0.39
£1,317,101	Great Portland Estates 5.625% 31/1/2029	1,312	0.48
£808,000	Great Rolling Stock 6.5% 5/4/2031	587	0.21
£1,719,000	Great Rolling Stock 6.875% 27/7/2035	934	0.34
£981,000	Greene King 5.318% 15/9/2031	493	0.18
£1,639,000	Greene King Finance 3.593% 15/3/2035	1,255	0.46
£1,003,000	Greene King Finance 4.0643% 15/3/2035	576	0.21
£310,000	Greene King Finance 5.106% 15/3/2034	247	0.09
£601,000	GreenSquareAccord 5.25% 30/11/2047	546	0.20
£2,082,973	Grosvenor UK Finance 6.5% 29/9/2026	2,124	0.78
£1,690,560	Guinness Trust 7.5% 30/11/2037	1,367	0.50
£400,000	Gwynt y Môr OFTO 2.778% 17/2/2034	219	0.08
£2,032,340	Harbour Funding 5.28% 31/3/2044	1,964	0.72
£982,676	Haven Funding 8.125% 30/9/2037	923	0.34
£363,000	Heathrow Funding 2.625% 16/3/2028	321	0.12
£658,000	Heathrow Funding 7.075% variable 4/8/2028	695	0.25
£499,000	Heinz (HJ) Finance 6.25% 18/2/2030	512	0.19
£1,240,000	Hexagon Housing Association 3.625% 22/4/2048	858	0.31
£500,000	Home Group 8.75% 11/5/2037	593	0.22
£3,121,000	HSBC 5.844% variable perpetual	3,195	1.17
£189,000	HSBC 8.201% variable 16/11/2034	203	0.07
£1,040,000	IG GROUP 3.125% 18/11/2028	889	0.33
£995,000	Integrated Accommodation Service 6.48% 31/3/2029	305	0.11
£580,000	Intu Debenture 5.562% 31/12/2027	193	0.07
£2,347,000	Intu Metrocentre Finance 4.125% 6/12/2028	1,482	0.54
£930,000	Investec 1.875% variable 16/7/2028	805	0.29
£100,000	Investec 2.625% variable 4/1/2032	88	0.03
£373,000	Investec 9.125% variable 6/3/2033	392	0.14
£750,000	John Lewis 4.25% 18/12/2034	558	0.20
£550,000	John Lewis 6.125% 21/1/2025	549	0.20
£900,000	JRP Group 9% 26/10/2026	965	0.35
£122,000	Jupiter Fund Management 8.875% variable 27/7/2030	123	0.04
£432,000	Just Group 7% variable 15/4/2031	436	0.16
£650,000	Just Group 8.125% 26/10/2029	678	0.25
£506,000	Land Securities 5.391% variable 31/3/2027	502	0.18
£730,000	Land Securities 5.396% variable 31/7/2032	712	0.26
£268,000	Land Securities Capital Markets 4.75% 18/9/2031	261	0.10
£1,744,000	Law Debenture 6.125% 12/10/2034	1,779	0.65
£3,530,000	Legal & General 5.5% variable 27/6/2064	3,268	1.19
£611,000	Lendinvest Secured Income II 11.5% 3/10/2026	604	0.22
£257,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	255	0.09
£427,000	Lloyds Banking Group 8.5% variable perpetual	430	0.16
£1,600,000	Logicor 2019 1.875% 17/11/2031	1,459	0.53
£961,000	London Merchant Securities 6.5% 16/3/2026	964	0.35
£1,510,000	Longstone 4.896% 19/4/2036	1,371	0.51
£90,000	Longstone Finance 4.774% 19/4/2036	82	0.03
£2,500,000	Longstone Finance 4.791% 19/4/2036	824	0.30
£350,000	M&G 5% variable 20/7/2055	312	0.11
£1,042,000	M&G 5.625% variable 20/10/2051	979	0.36
£1,152,000	M&G 5.7% variable 19/12/2063	1,069	0.39
£894,000	Majedie Investments 7.25% 31/3/2025	894	0.33

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£435,000	Marstons Issuer 5.1576% variable 15/10/2027	206	0.08
£2,500,000	Marstons Issuer FRN 15/10/2031	1,020	0.37
£3,740,000	Meadowhall Finance 4.986% 12/1/2032	1,630	0.60
£1,975,000	Meadowhall Finance FRN 12/7/2037	1,131	0.41
£300,700	Mercantile Investment Trust 4.25% perpetual	241	0.09
£2,237,000	Mercantile Investment Trust 6.125% 25/2/2030	2,274	0.83
£1,000,000	Merchants Trust 5.875% 20/12/2029	1,003	0.37
£209,852	Metrocentre New Money Note Sonia + 11% PIK 6/12/2023	204	0.07
£559,000	MIELI London Ltd 4.82% 12/8/2027	527	0.19
£3,100,000	Mitchells & Butler 6.013% 15/12/2028	1,915	0.70
£2,483,000	Mitchells & Butlers (A1N) FRN 15/12/2030	772	0.28
£2,559,000	Mitchells & Butlers (A4) FRN 15/12/2028	1,151	0.42
£4,195,000	Mitchells & Butlers 5.574% 15/12/2030	933	0.34
£1,193,000	Mitchells & Butlers FRN 15/12/2033	860	0.31
\$1,579,000	Mitchells and Butlers Finance FRN 15/12/2030	397	0.15
£662,000	Morhomes 3.4% 19/2/2040	513	0.19
£340,000	MPT Operating Partnership 3.375% 24/4/2030	229	0.08
£650,000	MPT Operating Partnership 3.692% 5/6/2028	488	0.18
£300,000	National Australia Bank 1.699% variable 15/9/2031	269	0.10
£850,000	National Express 4.25% variable perpetual	774	0.28
£197,000	National Westminster Bank 9% Preference perpetual	262	0.10
£1,651,000	Natwest Group 2.105% variable 28/11/2031	1,496	0.55
£460,000	NatWest Group 7.416% variable 6/6/2033	474	0.17
£500,000	NIBC Bank 6.0% variable perpetual	419	0.15
£499,000	NN Group 6.375% variable perpetual	424	0.16
£883,000	Octagon Healthcare 5.333% 31/12/2035	601	0.22
£300,000	Opus Chartered variable 31/3/2025	40	0.01
£1,132,000	OSB Group 6% variable perpetual	917	0.34
£618,000	OSB Group 8.875% variable 16/1/2030	648	0.24
£593,000	OSB Group 9.993% variable 27/7/2033	607	0.22
£1,000,567	Peel Land & Property Investments 8.375% Step 30/4/2040	986	0.36
£212,000	Peel South East 10% 30/4/2026	212	0.08
£566,000	Pension Insurance Corp 8% 13/11/2033	599	0.22
£3,673,000	Peterborough Progress Health 5.581% 2/10/2042	2,390	0.87
£491,000	Places for People Homes 6.625% 30/9/2038	356	0.13
£576,000	PMF 2024-1 FRN 16/7/2060	576	0.21
£1,127,000	Poplar Housing & Regeneration Community 4.843% 30/9/2043	947	0.35
£1,383,000	Premier Transmission Finance 5.2022% 31/3/2030	485	0.18
£1,000,000	Premiertel 5.683% 8/8/2029	483	0.18
£2,254,000	Premiertel 6.175% 8/5/2032	1,523	0.56
£773,000	Principality Building Society 8.625% 12/7/2028	833	0.30
£670,000	Protective Life Global Funding 5.082% 15/4/2031	660	0.24
£589,000	QBE Insurance 2.5% variable 13/9/2038	498	0.18
£1,750,000	Quadrant Housing 7.93% Step 10/2/2033	1,400	0.51
£226,000	RAC Bond Co 8.25% 6/5/2046	244	0.09
£752,000	Radian Capital 6% 5/3/2042	727	0.27
£1,273,000	Retail Charity Bonds 4.4% 30/4/2027	1,221	0.45
£816,000	RMPA Services 5.337% 30/9/2038	518	0.19
£800,000	Rothsay Life 5.5% variable 17/9/2029	797	0.29
£1,034,000	RSL Finance 6.625% 31/3/2038	845	0.31
£1,500,000	Sage AR Funding No 1 FRN 17/11/2030	1,483	0.54
£697,000	Sainsburys Bank 10.5% variable 12/3/2033	765	0.28
£476,600	Sanctuary 8.375% 1/9/2031	397	0.15
£450,000	Santander 10.0625% perpetual	581	0.21
£2,052,000	Saxon Weald Capital 5.375% 6/6/2042	1,968	0.72

## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 78.87% (31/10/23 – 80.44%) – continued</b>			
£347,000	Schroders 6.346% variable 18/7/2034	345	0.13
£500,000	Scot Roads Partnership Finance 5.591% 16/3/2045	439	0.16
£430,000	Scottish Investment Trust 5.75% 17/4/2030	427	0.16
£1,423,500	Scottish Mortgage Investment Trust 12% 30/6/2026	1,590	0.58
£400,000	Scottish Widows 7% 16/6/2043	424	0.16
£850,000	Society of Lloyds 4.875% variable 7/2/2047	817	0.30
£1,000,000	Southern Water Services Finance 2.375% 28/5/2028	848	0.31
£623,000	Southern Water Services Finance 3% 28/5/2037	421	0.15
£400,000	Southern Water Services Finance 6.64% 31/3/2026	394	0.14
£397,000	SSE 3.74% variable perpetual	378	0.14
£649,000	St James Oncology Financing 2.804% 31/3/2037	385	0.14
£630,000	Standard Chartered 7.014% variable perpetual	509	0.19
£797,000	Stirling Water Seafield 5.822% 26/9/2026	143	0.05
£2,369,000	Summit Finance 6.484% 31/3/2028	637	0.23
£1,769,000	Sunderland 6.38% 31/3/2042	1,728	0.63
£904,000	SW Finance I 7% 16/4/2040	843	0.31
£1,097,000	SW Finance I 7.375% 12/12/2041	1,056	0.39
£1,520,000	Swan Housing Capital 3.625% 5/3/2048	1,111	0.41
£409,000	Swedbank 7.272% variable 15/11/2032	420	0.15
£2,155,000	Telereal Secured Finance 4.01% 10/12/2033	1,032	0.38
£969,000	Telereal Securitisation 1.9632% variable 10/12/2033	901	0.33
£771,000	Telereal Securitisation 3.507% variable 10/12/2033	696	0.25
£2,300,000	Telereal Securitisation 4.9741% 10/12/2033	779	0.28
£2,178,000	Telereal Securitisation 5.3887% 10/12/2033	797	0.29
£532,000	Telereal Securitisation 5.4252% 10/12/2033	417	0.15
£310,000	Telereal Securitisation 5.634% 10/12/2031	305	0.11
£1,673,000	Telereal Securitisation 6.1645% 10/12/2033	1,341	0.50
£600,000	Telereal Securitisation FRN 10/12/2033	472	0.17
£3,861,000	Telereal Securitisation FRN 10/12/2033	2,766	1.01
£1,750,000	Telereal Securitisation FRN 10/12/2033	538	0.20
£1,013,000	Tesco Property 5.4111% 13/7/2044	856	0.31
£500,000	Tesco Property 5.6611% 13/10/2041	455	0.17
£450,000	Tesco Property 5.744% Sink 13/4/2040	397	0.15
£1,400,000	Tesco Property 5.8006% 13/10/2040	1,253	0.46
£190,000	Tesco Property Finance 7.6227% 13/7/2039	162	0.06
£731,000	Thames Water 5.125% 28/9/2037	605	0.22
£280,000	Thames Water 6.75% 16/11/2028	254	0.09
£694,000	Thames Water Kemble Finance 4.625% 19/5/2026	78	0.03
£1,567,000	Thames Water Utilities 7.738% 9/4/2058	1,503	0.55
£2,961,000	Thames Water Utilities 7.75% 30/4/2044	2,786	1.02
£200,000	Town Centre 5.375% 20/11/2031	173	0.06
£330,000	TP ICAP 5.25% 29/5/2026	321	0.12
£291,000	TP ICAP Finance 7.875% 17/4/2030	309	0.11
£750,000	Trafford Centre 6.5% 28/7/2033	454	0.17
£700,000	Trafford Centre 7.03% 28/1/2029	198	0.07
£3,250,000	Trafford Centre FRN 28/7/2035	2,584	0.94
£716,000	Uliving@essex3 LLP NEW ISSUE 2.72% 31/8/2066 FIX	403	0.15
£1,061,000	Unifund 5.32% 7/12/2047	871	0.32
£16,289,000	Unique Pub Finance 5.659% 30/6/2027	5,623	2.06
£1,000,000	University of Greenwich 6.36% 31/7/2028	305	0.11
£1,877,000	UPP Bond Issuer 4.9023% 28/2/2040	1,385	0.51
£595,000	Varsity Funding 8.7915% Step 24/7/2026	59	0.02
£265,000	Vattenfall AB 6.875% variable 17/8/2083	269	0.10
£793,000	Virgin Money 2.625% variable 19/8/2031	732	0.27
£313,000	Virgin Money UK 7.625% variable 23/8/2029	335	0.12
£1,000,000	Viridis European Loan Conduit No FRN 22/7/2029	960	0.35
£2,065,000	Westfield Stratford City 1.642% 4/8/2031	1,858	0.68
£1,385,000	White City Property 5.1202% 17/4/2035	1,005	0.37

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£2,610,000	Worcestershire Hospital 5.87% 31/12/2030	1,138	0.42
£418,000	Yorkshire Building Society 7.375% variable 12/9/2027	430	0.16
£614,000	Yorkshire Water Finance 5.25% 28/4/2030	581	0.21
£319,000	Yorkshire Water Finance 5.5% 28/4/2035	295	0.11
<b>Total Corporate Bonds</b>		<b>215,702</b>	<b>78.87</b>
<b>Government Bonds – 2.56% (31/10/23 – 0.45%)</b>			
£600,000	UK Treasury 0.25% 31/1/2025	580	0.21
£6,500,000	UK Treasury 3.75% 22/10/2053	5,439	1.99
£500,000	UK Treasury 4.75% 22/10/2043	499	0.18
£650,000	United Mexican States 5.625% 19/3/2114	493	0.18
<b>Total Government Bonds</b>		<b>7,011</b>	<b>2.56</b>
<b>Index Linked Bonds – 0.08% (31/10/23 – 0.10%)</b>			
£350,000	Road Management Services 3.642% IL 31/3/2028	204	0.08
<b>Total Index Linked Bonds</b>		<b>204</b>	<b>0.08</b>
<b>Public Authorities – 1.28% (31/10/23 – 0.99%)</b>			
£1,998,000	Highways 2021 FRN 18/11/2026	1,988	0.73
£1,507,000	PCL Funding VIII FRN 15/5/2028	1,515	0.55
<b>Total Public Authorities</b>		<b>3,503</b>	<b>1.28</b>
<b>Total Return Swaps – 0.15% (31/10/23 – (0.12%))</b>			
£10,225,261	TRS 4.78% 28/10/24 Fixed	10,225	3.75
(£11,000,000)	TRS 28/10/24 Floating	(10,196)	(3.73)
£23,943,564	TRS 4.78% 28/10/24 Fixed	23,944	8.75
(£25,000,000)	TRS 28/10/24 Floating	(23,894)	(8.74)
£7,943,283	TRS 5.08% 28/10/24 Fixed	7,943	2.90
(£10,000,000)	TRS 28/10/24 Floating	(7,853)	(2.87)
£10,280,836	TRS 5.11% 28/10/24 Fixed	10,281	3.76
(£10,000,000)	TRS 28/10/24 Floating	(10,044)	(3.67)
<b>Total Total Return Swaps</b>		<b>406</b>	<b>0.15</b>
<b>Overnight Index Swaps – 4.00% (31/10/23 – 3.87%)</b>			
(£2,000,000)	OIS 3.54% 22/5/2073	178	0.06
(£5,000,000)	OIS 0.744% 13/11/2034	1,503	0.55
(£10,000,000)	OIS 0.9% 19/6/2034	2,958	1.08
(£7,000,000)	OIS 0.77% 19/6/2028	1,196	0.44
(£5,000,000)	OIS 0.715% 07/4/2030	898	0.33
(£2,000,000)	OIS 0.622% 01/11/2071	1,428	0.52
(£11,000,000)	OIS 4.271% 27/11/2028	54	0.02
(£2,000,000)	OIS 3.963% 27/11/2053	49	0.02
(£2,000,000)	OIS 3.7113% 28/11/2073	85	0.03
(£1,000,000)	OIS 3.961% 28/11/2053	25	0.01
(£15,000,000)	OIS 3.854% 11/12/2043	625	0.23
(£4,000,000)	OIS 3.471% 02/1/2054	432	0.16
(£20,000,000)	OIS 3.33% 02/1/2034	1,029	0.38
(£5,000,000)	OIS 3.546% 11/1/2034	232	0.08
(£20,000,000)	OIS 4.116% 27/3/2027	248	0.09
<b>Total Overnight Index Swaps</b>		<b>10,940</b>	<b>4.00</b>
<b>Forward Currency Contracts – (0.01%) (31/10/23 – 0.01%)</b>			
	Buy £3,761,181 & Sell €4,379,590 <sup>†</sup>	11	–
	Buy £4,963,743 & Sell \$6,249,358 <sup>†</sup>	(25)	(0.01)
<b>Total Forward Currency Contracts</b>		<b>(14)</b>	<b>(0.01)</b>
<b>Total value of investments<sup>^</sup></b>		<b>262,239</b>	<b>95.88</b>
<b>Net other assets</b>		<b>11,267</b>	<b>4.12</b>
<b>Total net assets</b>		<b>273,506</b>	<b>100.00</b>

<sup>†</sup> Unlisted

<sup>^</sup> Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	163,586	59.81	140,443	61.63
Investments of below investment grade	31,264	11.43	22,259	9.77
Unrated bonds	55,795	20.40	47,948	21.04
<b>Total bonds</b>	<b>250,645</b>	<b>91.64</b>	<b>210,650</b>	<b>92.44</b>
Forward currency contracts – assets	11	–	32	0.01
Corporate preference shares	262	0.10	–	–
Swaps – assets	11,346	4.15	10,056	4.40
<b>Investments as shown in the balance sheet</b>	<b>262,264</b>	<b>95.89</b>	<b>220,738</b>	<b>96.85</b>
Swaps – liabilities	–	–	(974)	(0.42)
Forward currency contracts – liabilities	(25)	(0.01)	(1)	–
<b>Total value of investments</b>	<b>262,239</b>	<b>95.88</b>	<b>219,763</b>	<b>96.43</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 1% 31/1/2032	18,121
UK Treasury 3.75% 22/10/2053	5,779
UK Treasury 4.75% 22/10/2043	3,618
Unique Pub Finance 5.659% 30/6/2027	3,386
Thames Water Utilities 7.75% 30/4/2044	2,954
Co-operative Bank Finance 6% variable 6/4/2027	1,949
Mitchells & Butler 6.013% 15/12/2030	1,545
Sage AR Funding No 1 FRN 17/11/2030	1,481
Co-operative Bank Finance 9.5% VRN 24/5/2028	1,290
Retail Charity Bonds 4.4% 30/4/2027	1,225
<b>Subtotal</b>	<b>41,348</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>89,431</b>

### Significant Sales

	Proceeds £'000
UK Treasury 1% 31/1/2032	18,073
UK Treasury 4.75% 22/10/2043	3,124
Thames Water Utilities 4% 19/6/2025	1,505
Taurus 2019-2 UK DAC FRN 17/11/2029	1,428
Centrica 5.25% variable 10/4/2075	1,238
HSBC 8.201% variable 16/11/2034	1,097
Electricite de France 6% 23/1/2114	1,056
Unique Pub Fin 7.395% 30/3/2024	1,051
Canary Wharf Finance 5.952% 22/10/2037	1,008
Protective Life Global Funding 5.248% 13/1/2028	937
<b>Subtotal</b>	<b>30,517</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>56,060</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	9,028	6,294
Revenue	6,654	5,506
Expenses	(420)	(321)
Interest payable and similar charges	(7)	(7)
Net revenue before taxation	6,227	5,178
Taxation	(2)	–
Net revenue after taxation	6,225	5,178
Total return before distributions	15,253	11,472
Distributions	(6,244)	(5,178)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>9,009</b>	<b>6,294</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	262,264	220,738
Current assets:		
Debtors	5,312	6,199
Cash and bank balances	8,825	3,803
<b>Total assets</b>	<b>276,401</b>	<b>230,740</b>
<b>Liabilities</b>		
Investment liabilities	25	975
Creditors:		
Other creditors	2,852	1,872
Distribution payable	18	–
<b>Total liabilities</b>	<b>2,895</b>	<b>2,847</b>
<b>Net assets attributable to shareholders</b>	<b>273,506</b>	<b>227,893</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>227,893</b>	<b>200,323</b>
Amounts receivable on creation of shares	51,630	24,400
Amounts payable on cancellation of shares	(21,650)	(24,014)
	29,980	386
Dilution adjustment charged	191	168
Change in net assets attributable to shareholders from investment activities	9,009	6,294
Retained distributions on accumulation shares	6,433	5,128
<b>Closing net assets attributable to shareholders</b>	<b>273,506</b>	<b>212,299</b>

## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class R Accumulation</b>				
Group 1	1.5212	–	1.5212	1.5348
Group 2	1.5212	0.0000	1.5212	1.5348
<b>Class S Accumulation</b>				
Group 1	1.4407	–	1.4407	1.5201
Group 2	0.6594	0.7813	1.4407	1.5201
<b>Class Z Accumulation</b>				
Group 1	1.6382	–	1.6382	1.7203
Group 2	0.7477	0.8905	1.6382	1.7203
<b>Class Z Income</b>				
Group 1	1.0209	–	1.0209	1.2432
Group 2	0.1837	0.8372	1.0209	1.2432

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class R Accumulation</b>				
Group 1	1.6964	–	1.6964	1.3218
Group 2	1.6964	0.0000	1.6964	1.3218
<b>Class S Accumulation</b>				
Group 1	1.6803	–	1.6803	1.3061
Group 2	1.6803	0.0000	1.6803	1.3061
<b>Class Z Accumulation</b>				
Group 1	1.8927	–	1.8927	1.4642
Group 2	0.7812	1.1115	1.8927	1.4642
<b>Class Z Income</b>				
Group 1	1.2861	–	1.2861	1.0411
Group 2	0.4991	0.7870	1.2861	1.0411

# Royal London Short Duration Gilts Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Short Duration Gilts Fund, Class M Income	2.14	3.43	-0.47	0.91
Royal London Short Duration Gilts Fund, Class N Accumulation	2.24	–	–	–
Royal London Short Duration Gilts Fund, Class R Accumulation	2.18	3.63	0.10	1.98
Royal London Short Duration Gilts Fund, Class S Income	2.24	3.65	0.20	2.03
Royal London Short Duration Gilts Fund, Class Z Income	2.17	3.50	-0.28	1.30
FTSE® Actuaries UK Conventional Gilts Up to 5 Years Index	2.07	2.98	-1.96	-0.45
IA UK Gilts TR	3.80	-1.05	-23.41	-18.51

Class N Accumulation launched 18 August 2023.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund outperformed its benchmark in the six-month period under review. It has outperformed the benchmark over the past 12-month, three-year and five-year periods. It also outperformed the broader Investment Association UK Gilt sector over the six-month, 12-month, three-year and five-year periods.

### Market overview

The environment over the past two years has been difficult for bond investors. Yields rose during much of that period as central banks consistently raised rates to combat high and surprisingly persistent spot inflation. That backdrop created a headwind for bonds, as prices go down when yields go up (and vice versa). During the period under review, markets were less one way in terms of their direction, and remained volatile throughout, as participants consistently reappraised expectations of when central banks might start cutting interest rates in response to slowing economic growth and declining inflation.

In the final quarter of 2023, markets began to price in a relatively aggressive rate cutting cycle, led by the federal reserve, and beginning in Q1 2024. This saw bond markets rally sharply into year end. However, that move lower in yields was quickly reversed early in 2024 as economic data came in above expectations, and inflation once again proved stickier than expected, albeit at lower levels.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

### Portfolio commentary

Yields were relatively flat over the period. However, during the period, markets were volatile, with large falls in yield in the final few months of December, being offset by a rise in yields in January 2024. Since the middle of January, bond markets have broadly moved sideways, in what has been a relatively tight trading range until new inflation data came out of the US in early April.

The sell-off in early January was led by the front end of the curve, with five-year yields rising most, as markets reappraised both the timing of the first interest rate cut from the Bank of England, and the number of cuts it expected from the BoE in 2024.

The Fund has positioned itself with long interest rate risk versus the index, believing yields look attractive at these levels. Five-year gilt yields ended the period at 4.25%, their highest level since early November 2023. The Fund added US treasury bonds to the portfolio after the US CPI inflation data in April. The Fund remains overweight in the two-to-three year part of the curve.



## Manager's Investment Report (continued)

### Investment outlook

We believe that inflation will continue to drift lower in 2024, although it is likely to remain above target in most economies by the end of the year. Shallow recessions are possible but are unlikely to be deep enough at this stage to ease the excessive tightness seen in labour markets. As we move through 2024, central banks are likely to start reducing rates, but with bond yields below base rates in all markets, this is well priced.

In the UK, the market is now assuming base rates have peaked at 5.25%, with the first cut fully priced in for August 2024, with a 50% chance of June, and falling to a terminal level of around 3.5% by late-2026.

Supply will remain high for the next few years, with around £200bn per annum forecast over each of the next five years. Alongside quantitative tightening (where the BoE is selling its gilt holdings back into the market), this could represent a headwind for gilts. However, when considering gilts in a global context, we believe the gilt market is somewhat priced for this, with the UK curve much steeper than both the US and German bonds.

**Ben Nicholl**

**Fund Manager**

**Royal London Asset Management Limited**

**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.



## Comparative Tables

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	93.72	94.86	99.70	101.31
Return before operating charges*	2.16	2.27	(3.53)	(1.14)
Operating charges	(0.14)	(0.27)	(0.28)	(0.29)
Return after operating charges*	2.02	2.00	(3.81)	(1.43)
Distributions on income shares	(1.98)	(3.14)	(1.03)	(0.18)
<b>Closing net asset value per share</b>	<b>93.76</b>	<b>93.72</b>	<b>94.86</b>	<b>99.70</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.16%	2.11%	(3.82)%	(1.41)%
<b>Other information</b>				
Closing net asset value (£'000)	479,395	531,939	405,812	212,720
Closing number of shares	511,314,613	567,570,855	427,787,909	213,368,451
Operating charges	0.29%	0.29%	0.29%	0.29%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	96.45	96.74	100.50	101.50
Lowest share price	93.72	92.10	92.91	99.85

### Class N Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23** (p)
Opening net asset value per share	102.41	100.00
Return before operating charges*	2.35	2.42
Operating charges	(0.02)	(0.01)
Return after operating charges*	2.33	2.41
Distributions on accumulation shares	(2.16)	(0.83)
Retained distributions on accumulation shares	2.16	0.83
<b>Closing net asset value per share</b>	<b>104.74</b>	<b>102.41</b>
* after direct transaction costs of:	–	–
<b>Performance</b>		
Return after charges	2.28%	2.41%
<b>Other information</b>		
Closing net asset value (£'000)	285,227	224,581
Closing number of shares	272,326,318	219,297,795
Operating charges	0.04%	0.04%
Direct transaction costs	–	–
<b>Prices*</b>		
Highest share price	105.50	102.60
Lowest share price	102.40	100.00

\*\* Class N Accumulation launched 18 August 2023

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	100.52	98.24	101.95	103.21
Return before operating charges*	2.31	2.37	(3.62)	(1.17)
Operating charges	(0.05)	(0.09)	(0.09)	(0.09)
Return after operating charges*	2.26	2.28	(3.71)	(1.26)
Distributions on accumulation shares	(2.12)	(3.28)	(1.05)	(0.18)
Retained distributions on accumulation shares	2.12	3.28	1.05	0.18
<b>Closing net asset value per share</b>	<b>102.78</b>	<b>100.52</b>	<b>98.24</b>	<b>101.95</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.25%	2.32%	(3.64)%	(1.22)%
<b>Other information</b>				
Closing net asset value (£'000)	227,944	258,659	430,413	384,418
Closing number of shares	221,774,515	257,314,502	438,119,037	377,060,350
Operating charges	0.09%	0.09%	0.09%	0.09%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	103.50	100.70	102.80	103.40
Lowest share price	100.50	96.88	95.47	102.00

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	94.35	95.29	99.93	101.33
Return before operating charges*	2.17	2.29	(3.54)	(1.15)
Operating charges	(0.04)	(0.07)	(0.07)	(0.07)
Return after operating charges*	2.13	2.22	(3.61)	(1.22)
Distributions on income shares	(1.99)	(3.16)	(1.03)	(0.18)
<b>Closing net asset value per share</b>	<b>94.49</b>	<b>94.35</b>	<b>95.29</b>	<b>99.93</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.26%	2.33%	(3.61)%	(1.20)%
<b>Other information</b>				
Closing net asset value (£'000)	5	5	5	5
Closing number of shares	5,000	5,000	5,000	5,000
Operating charges	0.07%	0.07%	0.07%	0.07%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	97.18	97.23	100.80	101.60
Lowest share price	94.35	92.65	93.31	100.10

## Comparative Tables (continued)

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	94.34	95.42	100.21	101.76
Return before operating charges*	2.16	2.29	(3.54)	(1.15)
Operating charges	(0.11)	(0.21)	(0.22)	(0.22)
Return after operating charges*	2.05	2.08	(3.76)	(1.37)
Distributions on income shares	(1.99)	(3.16)	(1.03)	(0.18)
<b>Closing net asset value per share</b>	<b>94.40</b>	<b>94.34</b>	<b>95.42</b>	<b>100.21</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	2.17%	2.18%	(3.75)%	(1.35)%
<b>Other information</b>				
Closing net asset value (£'000)	311,444	316,571	373,128	261,461
Closing number of shares	329,903,166	335,577,487	391,048,508	260,910,672
Operating charges	0.22%	0.22%	0.22%	0.22%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	97.11	97.33	101.10	102.00
Lowest share price	94.34	92.68	93.44	100.40

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Certificates of Deposit – 0.00% (31/10/23 – 1.08%)</b>			
<b>Commercial Mortgage Backed Securities – 0.05% (31/10/23 – 0.05%)</b>			
£6,413,000	Income Contingent Student Loan 2 FRN 24/7/2058	638	0.05
<b>Total Commercial Mortgage Backed Securities</b>		<b>638</b>	<b>0.05</b>
<b>Corporate Bonds – 3.28% (31/10/23 – 2.78%)</b>			
£2,500,000	Bank of Nova Scotia FRN 9/11/2024	2,508	0.19
£1,400,000	Banque Federative du Credit Mutuel 1.875% 26/10/2028	1,214	0.09
£1,615,000	DBS Bank FRN 17/11/2026	1,618	0.13
£6,403,000	DNB Bank 1.375% variable 2/12/2025	6,257	0.48
£3,583,000	Leeds Building Society 1.375% 6/10/2027	3,134	0.24
£6,038,000	Lloyds Bank 5.125% 7/3/2025	6,030	0.46
£2,459,000	National Australia Bank FRN 17/6/2026	2,467	0.19
£1,650,000	Nordea Bank Abp 6% variable 2/6/2026	1,657	0.13
£4,447,000	OP Corporate Bank 3.375% 14/1/2026	4,307	0.33
£5,598,000	PRS Finance 1.75% 24/11/2026	4,603	0.35
£2,765,000	Royal Bank of Canada 1% 9/9/2026	2,514	0.19
£2,593,000	Royal Bank of Canada FRN 27/1/2025	2,592	0.20
£2,014,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	2,023	0.16
£1,818,000	TSB Bank FRN 14/2/2027	1,824	0.14
<b>Total Corporate Bonds</b>		<b>42,748</b>	<b>3.28</b>
<b>Government Bonds – 96.88% (31/10/23 – 96.23%)</b>			
£642,000	Development Bank of Japan 4.5% 6/6/2025	635	0.05
£1,900,000	Dexia Credit Local 1.25% 21/7/2025	1,809	0.14
£1,341,000	KfW 1.125% 4/7/2025	1,282	0.10
£79,000,000	UK Treasury 0.125% 31/1/2028	67,651	5.19
£40,000,000	UK Treasury 0.375% 22/10/2026	36,185	2.77
£392,000,000	UK Treasury 0.5% 31/1/2029	329,155	25.24
£224,000,000	UK Treasury 3.5% 22/10/2025	219,666	16.85
£178,000,000	UK Treasury 3.75% 7/3/2027	174,112	13.35
£335,000,000	UK Treasury 4.125% 29/1/2027	331,358	25.41
£72,000,000	UK Treasury 5% 7/3/2025	72,037	5.52
\$42,000,000	US Treasury 1.875% 28/2/2029	29,437	2.26
<b>Total Government Bonds</b>		<b>1,263,327</b>	<b>96.88</b>
<b>Forward Currency Contracts – 0.00% (31/10/23 – (0.02)%)</b>			
	Buy £29,597,047 & Sell \$37,048,413†	18	–
<b>Total Forward Currency Contracts</b>		<b>18</b>	<b>–</b>
<b>Total value of investments</b>			
		<b>1,306,731</b>	<b>100.21</b>
<b>Net other liabilities</b>			
		<b>(2,716)</b>	<b>(0.21)</b>
<b>Total net assets</b>			
		<b>1,304,015</b>	<b>100.00</b>

† Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	1,306,713	100.21	1,318,566	99.01
Unrated bonds	–	–	639	0.05
<b>Total bonds</b>	<b>1,306,713</b>	<b>100.21</b>	<b>1,319,205</b>	<b>99.06</b>
Certificates of deposit	–	–	14,431	1.08
Forward currency contracts – assets	18	–	49	–
<b>Investments as shown in the balance sheet</b>	<b>1,306,731</b>	<b>100.21</b>	<b>1,333,685</b>	<b>100.14</b>
Forward currency contracts – liabilities	–	–	(274)	(0.02)
<b>Total value of investments</b>	<b>1,306,731</b>	<b>100.21</b>	<b>1,333,411</b>	<b>100.12</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.5% 31/1/2029	515,308
UK Treasury 3.75% 7/3/2027	181,709
UK Treasury 4.125% 29/1/2027	112,555
UK Treasury 0.625% 7/6/2025	103,997
UK Treasury 5% 7/3/2025	82,200
UK Treasury 1% 22/4/2024	68,866
UK Treasury 0.125% 31/1/2024	55,397
UK Treasury 0.25% 31/1/2025	35,393
US Treasury 1.875% 28/2/2029	29,540
UK Treasury 1.25% 22/7/2027	25,804
<b>Subtotal</b>	<b>1,210,769</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>1,260,309</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.5% 31/1/2029	375,987
UK Treasury 0.25% 31/1/2025	211,623
UK Treasury 0.625% 7/6/2025	105,138
UK Treasury 1% 22/4/2024	99,157
UK Treasury 0.125% 31/1/2024	82,956
UK Treasury 4.125% 29/1/2027	75,310
UK Treasury 0.125% 30/1/2026	74,122
UK Treasury 3.5% 22/10/2025	59,969
UK Treasury 0.375% 22/10/2026	44,543
UK Treasury 2% 7/9/2025	43,201
<b>Subtotal</b>	<b>1,172,006</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>1,303,795</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains/(losses)	2,783	(3,643)
Revenue	28,405	17,663
Expenses	(1,289)	(1,252)
Interest payable and similar charges	(20)	(4)
Net revenue before taxation	27,096	16,407
Taxation	–	–
Net revenue after taxation	27,096	16,407
Total return before distributions	29,879	12,764
Distributions	(28,385)	(17,659)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>1,494</b>	<b>(4,895)</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	1,306,731	1,333,685
Current assets:		
Debtors	11,400	18,990
Cash and bank balances	3,025	21,518
<b>Total assets</b>	<b>1,321,156</b>	<b>1,374,193</b>
<b>Liabilities</b>		
Investment liabilities	–	274
Creditors:		
Bank overdraft	–	153
Other creditors	446	25,864
Distribution payable	16,695	16,147
<b>Total liabilities</b>	<b>17,141</b>	<b>42,438</b>
<b>Net assets attributable to shareholders</b>	<b>1,304,015</b>	<b>1,331,755</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>1,331,755</b>	<b>1,209,358</b>
Amounts receivable on creation of shares	149,728	230,094
Amounts payable on cancellation of shares	(189,581)	(319,289)
	(39,853)	(89,195)
Dilution adjustment charged	15	152
Change in net assets attributable to shareholders from investment activities	1,494	(4,895)
Retained distributions on accumulation shares	10,604	4,363
<b>Closing net assets attributable to shareholders</b>	<b>1,304,015</b>	<b>1,119,783</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Income</b>				
Group 1	1.9793	–	1.9793	1.3535
Group 2	1.0963	0.8830	1.9793	1.3535
<b>Class N Accumulation*</b>				
Group 1	2.1641	–	2.1641	N/A
Group 2	1.5993	0.5648	2.1641	N/A
<b>Class R Accumulation</b>				
Group 1	2.1239	–	2.1239	1.4024
Group 2	0.6435	1.4804	2.1239	1.4024
<b>Class S Income</b>				
Group 1	1.9935	–	1.9935	1.3604
Group 2	1.9935	0.0000	1.9935	1.3604
<b>Class Z Income</b>				
Group 1	1.9927	–	1.9927	1.3617
Group 2	0.9044	1.0883	1.9927	1.3617

\* Class N Accumulation launched on 18 August 2023 hence has no comparative.

# Royal London Short Term Fixed Income Enhanced Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month return %	1 year return %	3 year return %	5 year return %
Royal London Short Term Fixed Income Enhanced Fund, Class R Accumulation	3.48	6.33	7.23	10.30
Royal London Short Term Fixed Income Enhanced Fund, Class S Accumulation	3.51	6.35	7.26	10.32
Royal London Short Term Fixed Income Enhanced Fund, Class S Income	3.48	6.33	7.23	10.30
Royal London Short Term Fixed Income Enhanced Fund, Class Y Accumulation	3.40	6.16	6.75	9.47
Royal London Short Term Fixed Income Enhanced Fund, Class Y Income	3.41	6.17	6.75	9.48
Royal London Short Term Fixed Income Enhanced Fund, Class Z Accumulation	3.49	6.34	7.27	9.97
Sterling Overnight Index Average Rate (SONIA)	2.55	5.06	7.90	8.63

Class S Accumulation and Class S Income launched on 9 April 2019.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, delivering a positive overall return and beating its benchmark index.

### Market overview

The overall economic picture that has emerged during the review period has been dominated by interest rates and inflation. The final months of 2023 finished with expectations that falling inflation would lead to significant rate cuts in 2024. However, since the start of the year, positive growth data has seen central banks in the US, UK and eurozone temper expectations, with policymakers highlighting that they are in no rush to cut rates – with markets now generally pricing the start of the easing cycles to begin this summer. The Federal Reserve, European Central Bank and Bank of England (BoE) all left interest rates unchanged over the period.

UK money market rates were generally flat during the period, with longer-dated rates generally falling slightly, reflecting changing market expectations. SONIA started November at 5.18%, and remained at this level throughout the review period, with no changes to UK base rates from the Bank of England, while two-year gilts, often seen as a proxy for market expectations of BoE rates, ended slightly lower, from 4.79% at the end of October 2023 to 4.51% at the end of April.

### Portfolio commentary

After a period of rising interest rates, short-term money markets have essentially been flat for around six months. During that period, the consensus around when rates would finally peak and then when central banks would start to trim rates has swung from optimistic to pessimistic. However, for our portfolio, this has been a period where we have benefited from activity before the review period where we built up portfolio yield, and yet have still been able to rotate maturing proceeds into equally attractive securities. The high level of yield in the portfolios has helped produce strong returns for the six months, as did our exposure to short-dated high quality corporate bonds, which performed well.

Aside from overnight deposits, we continued to look at tactical opportunities in five-year gilts to take advantage of market volatility, with gilts largely range-bound for much of the quarter. Within the portfolio, we were happy to take profits on a number of holdings close to maturity which had performed well, including certificates of deposits from Toronto Dominion and Commonwealth Bank of Australia, but adding new issues of covered bonds where these had an attractive premium over SONIA, with examples including five-year bonds from Coventry Building Society and Leeds Building Society. We also added subordinated bank bonds from KBC, as well as PMF, a securitisation of prime buy-to-let mortgages granted to borrowers with no adverse credit, rental income verification, and high loan-to-value ratios, which came at around 100bps over SONIA.



## Manager's Investment Report (continued)

### Investment outlook

The last few months have seen the market interpreting short-term economic data releases through the prism of what might be a catalyst for the Bank of England cutting interest rates. Although the UK technically saw a recession in the second half of 2023, the economic outlook is little changed from last year: growth is low, inflation is falling, but elements of that – notably services and wages – are still above levels that suggest a clear return to the 2% inflation target.

Towards the end of the review period, market pricing of the first UK rate cut moved from August to June, reflecting an unexpected shift in the voting split at the Bank of England. Our own view is that while June is possible, we feel that August is more likely. From a domestic point of view, it allows more time for the Bank to digest spring economic data, and coincides with the August Quarterly Inflation report – historically the Bank has preferred to time rate moves with this release. In addition, in a global context, we think that many central banks will be cautious about being the first to cut – with many having half an eye on the Federal Reserve, where we feel the direction of travel in terms of growth and inflation is more obviously favourable for a rate-cutting move.

Current cash rates remain above the level of inflation, offering investors positive real yields, but a lot has happened in the past few months and markets have at times, been unpredictable. However, it is exactly this level of market unpredictability which we believe offers opportunities for active managers.

**Tony Cole & Craig Inches**

**Fund Managers**

**Royal London Asset Management Limited**

**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	107.75	102.05	103.91	103.40
Return before operating charges*	3.75	5.73	(1.83)	0.54
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	3.73	5.70	(1.86)	0.51
Distributions on accumulation shares	(2.62)	(3.96)	(1.36)	(0.88)
Retained distributions on accumulation shares	2.62	3.96	1.36	0.88
<b>Closing net asset value per share</b>	<b>111.48</b>	<b>107.75</b>	<b>102.05</b>	<b>103.91</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	3.46%	5.59%	(1.79)%	0.49%
<b>Other information</b>				
Closing net asset value (£'000)	582,403	766,017	868,855	1,424,780
Closing number of shares	522,429,605	710,928,283	851,368,248	1,371,138,059
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	111.57	107.75	104.28	104.34
Lowest share price	107.83	102.22	100.86	103.52

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	106.70	101.06	102.90	102.40
Return before operating charges*	3.74	5.67	(1.81)	0.53
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	3.72	5.64	(1.84)	0.50
Distributions on accumulation shares	(2.59)	(3.92)	(1.35)	(0.87)
Retained distributions on accumulation shares	2.59	3.92	1.35	0.87
<b>Closing net asset value per share</b>	<b>110.42</b>	<b>106.70</b>	<b>101.06</b>	<b>102.90</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	3.49%	5.58%	(1.79)%	0.49%
<b>Other information</b>				
Closing net asset value (£'000)	54,015	59,939	8,899	291,383
Closing number of shares	48,918,640	56,175,192	8,805,774	283,164,031
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	110.51	106.70	103.27	103.32
Lowest share price	106.78	101.22	99.88	102.51

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	98.51	96.86	99.94	100.30
Return before operating charges*	3.40	5.38	(1.75)	0.52
Operating charges	(0.01)	(0.03)	(0.03)	(0.03)
Return after operating charges*	3.39	5.35	(1.78)	0.49
Distributions on income shares	(2.38)	(3.70)	(1.30)	(0.85)
<b>Closing net asset value per share</b>	<b>99.52</b>	<b>98.51</b>	<b>96.86</b>	<b>99.94</b>
* after direct transaction costs of:	—	—	—	—
<b>Performance</b>				
Return after charges	3.44%	5.52%	(1.78)%	0.49%
<b>Other information</b>				
Closing net asset value (£'000)	3,376	37,431	318,217	383,665
Closing number of shares	3,391,835	37,998,717	328,518,056	383,885,575
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	—	—	—	—
<b>Prices*</b>				
Highest share price	100.80	99.80	100.30	100.79
Lowest share price	98.63	97.02	96.22	100.17

## Comparative Tables (continued)

### Class Y Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	109.75	104.11	106.17	105.80
Return before operating charges*	3.82	5.83	(1.87)	0.56
Operating charges	(0.10)	(0.19)	(0.19)	(0.19)
Return after operating charges*	3.72	5.64	(2.06)	0.37
Distributions on accumulation shares	(2.58)	(3.87)	(1.23)	(0.74)
Retained distributions on accumulation shares	2.58	3.87	1.23	0.74
<b>Closing net asset value per share</b>	<b>113.47</b>	<b>109.75</b>	<b>104.11</b>	<b>106.17</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.39%	5.42%	(1.94)%	0.35%
<b>Other information</b>				
Closing net asset value (£'000)	108,637	105,887	221,881	398,692
Closing number of shares	95,743,824	96,476,721	213,121,493	375,539,703
Operating charges	0.18%	0.18%	0.18%	0.18%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	113.56	109.75	106.52	106.62
Lowest share price	109.83	104.28	102.91	105.92

### Class Y Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	97.26	95.64	98.68	99.03
Return before operating charges*	3.38	5.31	(1.72)	0.52
Operating charges	(0.09)	(0.18)	(0.18)	(0.18)
Return after operating charges*	3.29	5.13	(1.90)	0.34
Distributions on income shares	(2.28)	(3.51)	(1.14)	(0.69)
<b>Closing net asset value per share</b>	<b>98.27</b>	<b>97.26</b>	<b>95.64</b>	<b>98.68</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.38%	5.36%	(1.93)%	0.34%
<b>Other information</b>				
Closing net asset value (£'000)	388,600	454,579	808,725	404,558
Closing number of shares	395,458,687	467,384,182	845,592,703	409,973,580
Operating charges	0.18%	0.18%	0.18%	0.18%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	99.48	98.50	99.01	99.48
Lowest share price	97.39	95.79	94.98	98.87

### Class Z Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	110.73	104.87	106.76	106.23
Return before operating charges*	3.85	5.88	(1.87)	0.55
Operating charges	(0.01)	(0.02)	(0.02)	(0.02)
Return after operating charges*	3.84	5.86	(1.89)	0.53
Distributions on accumulation shares	(2.70)	(4.08)	(1.41)	(0.91)
Retained distributions on accumulation shares	2.70	4.08	1.41	0.91
<b>Closing net asset value per share</b>	<b>114.57</b>	<b>110.73</b>	<b>104.87</b>	<b>106.76</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.47%	5.59%	(1.77)%	0.50%
<b>Other information</b>				
Closing net asset value (£'000)	3	3	2	3
Closing number of shares	2,359	2,359	2,359	2,359
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	114.66	110.73	107.14	107.20
Lowest share price	110.81	105.03	103.64	106.35

\* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Certificates of Deposit – 20.84% (31/10/23 – 31.29%)</b>			
£5,000,000	Barclays 6.36% 19/8/2024	5,014	0.44
£15,000,000	Co-operative Rabobank 6.03% 23/9/2024	15,032	1.32
£15,000,000	Credit Industrial et Commercial 0% 2/5/2024	14,996	1.32
£25,000,000	DNB Bank 6.16% 8/8/2024	25,047	2.20
£5,000,000	Goldman Sachs 0% 19/9/2024	4,898	0.43
£50,000,000	Lloyds Bank Corporate Markets 5.7916% 14/8/2024	50,046	4.40
£12,500,000	Macquarie Bank 0% 1/8/2024	12,335	1.09
£10,000,000	Macquarie Bank 0% 1/10/2024	9,782	0.86
£15,000,000	National Westminster Bank 5.85% 27/9/2024	15,024	1.32
£10,000,000	National Bank of Abu Dhabi 5.80% 08/11/2024	10,016	0.88
£10,000,000	Skandinaviska Enskilda Banken 6.17% 24/6/2024	10,010	0.88
£30,000,000	Skandinaviska Enskilda Banken 6.28% 2/8/2024	30,059	2.65
£10,000,000	Societe General 6.25% 9/9/2024	10,025	0.88
£25,000,000	Swedbank 0% 1/8/2024	24,669	2.17
<b>Total Certificates of Deposit</b>		<b>236,953</b>	<b>20.84</b>
<b>Commercial Mortgage Backed Securities – 6.35% (31/10/23 – 5.22%)</b>			
£7,891,000	Atom Mortgage Securities DAC FRN 22/7/2031	5,882	0.52
£4,718,000	Frost CMBS 2021 1 DAC FRN 22/11/2026	4,580	0.40
£6,650,000	Highways 2021 FRN 18/11/2026	6,615	0.58
£57,617,000	Income Contingent Student Loan FRN 24/7/2056	3,230	0.28
£111,155,000	Income Contingent Student Loan 2 FRN 24/7/2058	11,057	0.97
£4,331,000	Parkmore Point RMBS 2022-1 FRN 25/7/2045	3,297	0.29
£7,203,000	PCL Funding VI FRN 15/7/2026	7,216	0.64
£8,080,000	PCL Funding VIII FRN 15/5/2028	8,124	0.72
£1,921,000	PMF 2024-1 FRN 16/7/2060	1,922	0.17
£5,660,000	Sage AR Funding FRN 17/11/2030	5,603	0.49
£4,500,000	Taurus 2021-1 FRN 17/5/2031	4,429	0.39
£7,162,000	Taurus CMBS FRN 17/5/2030	7,090	0.62
£5,000,000	Together Asset Backed Securitisation FRN 15/12/2061	1,232	0.11
£4,703,000	Together Asset Backed Securitisation FRN 12/7/2063	1,924	0.17
<b>Total Commercial Mortgage Backed Securities</b>		<b>72,201</b>	<b>6.35</b>
<b>Commercial Paper – 0.43% (31/10/23 – 0.33%)</b>			
£5,000,000	ANZ 0% 10/10/2024	4,885	0.43
<b>Total Commercial Paper</b>		<b>4,885</b>	<b>0.43</b>
<b>Corporate Bonds – 65.63% (31/10/23 – 57.49%)</b>			
£9,600,000	Aareal Bank AG FRN 29/4/2025	9,628	0.85
£6,830,000	Australia & New Zealand Banking 1.809% variable 16/9/2031	6,173	0.54
£15,000,000	Banco Santander SA FRN 17/4/2025	14,993	1.32
£18,200,000	Banco Santander SA 1.375% 31/7/2024	18,017	1.59
£10,200,000	Banco Santander SA 3.125% variable 6/10/2026	9,809	0.86
£15,000,000	Bank of Montreal FRN 15/9/2026	15,171	1.33
£13,000,000	Bank of Nova Scotia FRN 15/10/2024	13,033	1.15
£10,000,000	Bank of Nova Scotia FRN 9/11/2024	10,033	0.88
£936,000	Bank of Nova Scotia FRN 14/3/2025	941	0.08
£11,513,000	Bank of Nova Scotia FRN 22/6/2026	11,640	1.02
£12,800,000	Banque Federative Du Credit Mutuel 5% 19/1/2026	12,705	1.12
£17,200,000	BNP Paribas 2% variable 24/5/2031	15,774	1.39
£15,000,000	Canadian Imperial Bank of Commerce FRN 9/6/2025	15,069	1.33
£10,210,000	Canadian Imperial Bank of Commerce FRN 23/6/2026	10,320	0.91
£2,705,000	Close Brothers Group 2% variable 11/9/2031	2,235	0.20
£3,299,000	Close Brothers Group 7.75% 14/6/2028	3,323	0.29

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£20,714,000	Commonwealth Bank of Australia FRN 16/1/2025	20,752	1.83
£3,835,000	Coventry Building Society 5.875% variable 12/3/2030	3,802	0.33
£6,620,000	Coventry Building Society 7% variable 7/11/2027	6,773	0.60
£4,925,000	Danske Bank AS 4.625% variable 13/4/2027	4,853	0.43
£23,097,000	DBS Bank FRN 17/11/2025	23,285	2.05
£10,100,000	Deutsche Bank 2.625% 16/12/2024	9,918	0.87
£10,000,000	Deutsche Pfandbriefbank FRN 1/9/2026	9,947	0.88
£15,397,000	DNB Bank 1.375% variable 2/12/2025	15,046	1.32
£8,236,000	DNB Bank 2.625% variable 10/6/2026	7,981	0.70
£2,116,000	DNB Bank 4% variable 17/8/2027	2,046	0.18
£15,000,000	Federation des Caisses Desjardins FRN 30/11/2026	15,036	1.32
£11,374,000	Goldman Sachs Group 1% variable 16/12/2025	11,076	0.97
£17,000,000	Heathrow Funding 6.75% 3/12/2028	17,449	1.54
£19,081,000	HSBC 1.75% variable 24/7/2027	17,505	1.54
£3,000,000	HSBC 6.5% 20/5/2024	3,001	0.26
£11,303,000	Industrial Commercial Bank of China 1.625% 28/12/2025	10,473	0.92
£11,200,000	ING Groep 5% variable 30/8/2026	11,104	0.98
£19,609,000	JP Morgan Chase 0.991% variable 28/4/2026	18,768	1.65
£8,600,000	KBC Group 1.25% variable 21/9/2027	7,783	0.68
£2,000,000	KBC Group 6.151% variable 19/3/2034	1,979	0.17
£3,400,000	Kering 5.125% 23/11/2026	3,379	0.30
£1,799,000	Leeds Building Society FRN 15/1/2025	1,803	0.16
£5,059,000	Leeds Building Society FRN 4/4/2029	5,063	0.45
£18,184,000	Leeds Building Society 1.375% 6/10/2027	15,903	1.40
£7,000,000	Legal & General 5.375% variable 27/10/2045	6,919	0.61
£4,718,000	Lloyds Bank 1.985% variable 15/12/2031	4,257	0.37
£7,000,000	Lloyds Bank 2.25% 16/10/2024	6,897	0.61
£11,800,000	M&G 3.875% variable 20/7/2049	11,742	1.03
£6,210,000	Metropolitan Life Global Funding 4.125% 2/9/2025	6,112	0.54
£10,960,000	Mitchells & Butlers (A4) FRN 15/12/2028	4,930	0.43
£3,000,000	Mitchells & Butlers (A1N) FRN 15/12/2030	933	0.08
£26,159,000	National Australia Bank FRN 4/2/2025	26,201	2.30
£9,016,000	National Australia Bank FRN 17/6/2026	9,047	0.80
£4,871,000	National Australia Bank 1.699% variable 15/9/2031	4,365	0.38
£18,250,000	Nationwide Building Society FRN 24/2/2031	18,005	1.58
£7,552,000	NatWest Group 2.105% variable 28/11/2031	6,843	0.60
£6,700,000	NatWest Markets 6.625% 22/6/2026	6,842	0.60
£700,000	New York Life Global Funding 1.25% 17/12/2026	635	0.06
£10,000,000	NIE Finance 2.5% 27/10/2025	9,547	0.84
£4,951,000	Nordea Bank Abp 6% variable 2/6/2026	4,970	0.44
£1,146,000	Northern Powergrid Yorkshire 2.5% 1/4/2025	1,112	0.10
£12,500,000	OP Corporate Bank FRN 18/11/2025	12,540	1.10
£3,471,000	Principality Building Society 8.625% 12/7/2028	3,739	0.33
£38,941,000	Royal Bank of Canada 1% 9/9/2026	35,406	3.11
£2,000,000	Royal Bank of Scotland 2.875% variable 19/9/2026	1,924	0.17
£10,069,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	10,116	0.89
£26,960,000	Skipton Building Society 2% variable 2/10/2026	25,434	2.24
£3,300,000	Societe Generale 1.875% 3/10/2024	3,252	0.29
£8,000,000	Swedbank 7.272% variable 15/11/2032	8,207	0.72
£2,500,000	Telereal Securitisation FRN 10/12/2033	1,968	0.17
£10,000,000	Telereal Securitisation FRN 10/12/2033	3,072	0.27
£20,000,000	Toronto Dominion Bank FRN 12/6/2028	20,051	1.76
£3,668,000	Toronto Dominion Bank 2.875% 5/4/2027	3,421	0.30
£8,046,000	TSB Bank FRN 14/2/2027	8,073	0.71

## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 65.63% (31/10/23 – 57.49%) – continued</b>			
£15,317,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	15,308	1.35
£4,500,000	Unite USAF II 3.921% 30/6/2030	4,391	0.39
£13,867,000	United Overseas Bank FRN 21/9/2026	13,986	1.23
£5,000,000	Volkswagen Financial Services 3.25% 13/4/2027	4,678	0.41
£10,900,000	Westfield Stratford City 1.642% 4/8/2031	9,809	0.86
£17,865,000	Yorkshire Building Society FRN 21/11/2024	17,898	1.57
<b>Total Corporate Bonds</b>		<b>746,219</b>	<b>65.63</b>
<b>Government Bonds – 5.54% (31/10/23 – 2.59%)</b>			
£75,000,000	UK Treasury 0.5% 31/1/2029	62,976	5.54
<b>Total Government Bonds</b>		<b>62,976</b>	<b>5.54</b>
<b>Total value of investments</b>		<b>1,123,234</b>	<b>98.79</b>
<b>Net other assets</b>		<b>13,800</b>	<b>1.21</b>
<b>Total net assets</b>		<b>1,137,034</b>	<b>100.00</b>

All investments are listed on recognised stock exchanges and are "approved securities" within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	871,009	76.61	893,306	62.73
Unrated bonds	10,387	0.91	36,545	2.57
<b>Total bonds</b>	<b>881,396</b>	<b>77.52</b>	<b>929,851</b>	<b>65.30</b>
Certificates of deposit	236,953	20.84	445,441	31.29
Commercial paper	4,885	0.43	4,741	0.33
<b>Total value of investments</b>	<b>1,123,234</b>	<b>98.79</b>	<b>1,380,033</b>	<b>96.92</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.5% 31/1/2029	256,780
National Bank of Abu Dhabi 5.80% 8/11/2024	10,000
BNP Paribas 5.55% 22/5/2024	10,000
Electricity North West 8.875% 25/3/2026	8,052
Leeds Building Society FRN 4/4/2029	5,059
Coventry Building Society 5.875% variable 12/3/2030	3,829
Kering 5.125% 23/11/2026	3,400
DNB Bank 1.375% variable 2/12/2025	2,400
DNB Bank 4% variable 17/8/2027	2,053
KBC Group 6.151% variable 19/3/2034	2,000
<b>Subtotal</b>	<b>303,573</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>308,479</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.5% 31/1/2029	231,403
Natixis Securities 4.72% 22/2/2024	50,000
Toronto Dominion Bank 5.38% 22/5/2024	49,990
Commonwealth Bank of Australia 5.70% 30/4/2024	25,003
Credit Industrial et Commercial 0.00% 20/2/2024	25,000
ING Bank 0.00% 13/2/2024	24,923
Barclays 3.125% 17/1/2024	22,000
Barclays 4.74% 9/2/2024	16,667
Nationwide Building Society FRN 15/12/2023	16,300
Commonwealth Bank of Australia FRN 16/1/2025	15,031
<b>Subtotal</b>	<b>476,317</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>582,430</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	14,342	26,065
Revenue	31,245	31,405
Expenses	(612)	(1,074)
Interest payable and similar charges	–	(4)
Net revenue before taxation	30,633	30,327
Taxation	–	–
Net revenue after taxation	30,633	30,327
Total return before distributions	44,975	56,392
Distributions	(30,633)	(30,327)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>14,342</b>	<b>26,065</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	1,123,234	1,380,033
Current assets:		
Debtors	17,635	20,643
Cash and bank balances	1,268	36,220
<b>Total assets</b>	<b>1,142,137</b>	<b>1,436,896</b>
<b>Liabilities</b>		
Creditors:		
Other creditors	564	6,757
Distribution payable	4,539	6,283
<b>Total liabilities</b>	<b>5,103</b>	<b>13,040</b>
<b>Net assets attributable to shareholders</b>	<b>1,137,034</b>	<b>1,423,856</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>1,423,856</b>	<b>2,226,579</b>
Amounts receivable on creation of shares	109,398	175,807
Amounts payable on cancellation of shares	(429,367)	(735,517)
	(319,969)	(559,710)
Dilution adjustment charged	215	711
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>14,342</b>	<b>26,065</b>
Retained distributions on accumulation shares	18,590	13,184
<b>Closing net assets attributable to shareholders</b>	<b>1,137,034</b>	<b>1,706,829</b>



## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class R Accumulation</b>				
Group 1	1.3018	–	1.3018	0.7103
Group 2	0.6966	0.6052	1.3018	0.7103
<b>Class S Accumulation</b>				
Group 1	1.2893	–	1.2893	0.7033
Group 2	0.2941	0.9952	1.2893	0.7033
<b>Class S Income</b>				
Group 1	1.1903	–	1.1903	0.6741
Group 2	1.1903	0.0000	1.1903	0.6741
<b>Class Y Accumulation</b>				
Group 1	1.2838	–	1.2838	0.6845
Group 2	0.6416	0.6422	1.2838	0.6845
<b>Class Y Income</b>				
Group 1	1.1380	–	1.1380	0.6290
Group 2	0.4984	0.6396	1.1380	0.6290
<b>Class Z Accumulation</b>				
Group 1	1.3413	–	1.3413	0.7322
Group 2	1.3413	0.0000	1.3413	0.7322

## Distribution Tables (continued)

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class R Accumulation</b>				
Group 1	1.3165	–	1.3165	0.8513
Group 2	0.3109	1.0056	1.3165	0.8513
<b>Class S Accumulation</b>				
Group 1	1.3039	–	1.3039	0.8433
Group 2	0.1874	1.1165	1.3039	0.8433
<b>Class S Income</b>				
Group 1	1.1888	–	1.1888	0.8026
Group 2	1.1888	0.0000	1.1888	0.8026
<b>Class Y Accumulation</b>				
Group 1	1.2986	–	1.2986	0.8290
Group 2	0.6283	0.6703	1.2986	0.8290
<b>Class Y Income</b>				
Group 1	1.1375	–	1.1375	0.7569
Group 2	0.6083	0.5292	1.1375	0.7569
<b>Class Z Accumulation</b>				
Group 1	1.3560	–	1.3560	0.8779
Group 2	1.3560	0.0000	1.3560	0.8779

# Royal London Cautious Managed Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Royal London Cautious Managed Fund, Class A Accumulation	6.81	6.90	2.06	10.77
Cautious Managed Composite Benchmark*	5.70	5.54	0.93	9.37
IA Mixed Investment 0-35% Shares TR	7.33	4.41	-2.51	5.97

\* The Fund has a custom composite benchmark comprised of equities, gilts and cash indices.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund produced positive returns for the period, outperforming its composite benchmark but lagging the average fund in its Investment Association peer group.

### Market overview

Both equities and bonds produced positive absolute returns in the period, despite it being a period characterised by heightened geopolitical tensions and economic uncertainty. In financial markets a key debate has been around the path of inflation and, consequently, interest rates. Inflation data has shown that prices are growing less quickly than they were and this has prompted markets to speculate that interest rates cuts were imminent. However, a consistent theme has been that investors have priced in cuts far earlier than central bank policy makers have been willing to action.

Bond yields have been volatile – falling sharply (which creates positive returns) in late 2023 on expectation that we were nearing the top of the rate cycle, and that multiple rate cuts would be delivered in 2024, before reversing direction in 2024 as the market realised that rate cuts, while likely in 2024, were probably going to be slower and fewer than originally thought. Gilt markets ended the period making modest returns, with corporate bonds outperforming – helped by the additional yield these offer.

Equity markets also produced strong returns, helped by the tailwind of resilient global growth and the perception that the next move in interest rates would be lower. Looking beyond the macroeconomic headlines, company fundamentals have been supportive too, with strong performance from industrial and technology sectors.

### Portfolio commentary

Global equity indices hit all-time highs during the period. Resilient macro data, strong corporate earnings results, and expectations of policy loosening this year all contributed to market optimism. Our Investment Clock moved into equity-friendly Recovery phase and technical factors remained supportive, which saw us continue to hold an overweight equity position. Our overweight position added value. The best performing region during the period was Japan, moving to all-time highs for the first time in 34 years. Japanese equities have been benefitting from a weaker yen, loose monetary policy and improving corporate profits. We benefitted from a continued overweight allocation to the region.

## Manager's Investment Report (continued)

### Investment outlook

While we expect headline inflation to continue to fall, we are not expecting a return to the previous disinflationary world. We see a more normal new regime characterised by periodic spikes in inflation and short boom-bust cycles. Tactical asset allocation is important when business cycles are shorter given inflation causing more movement in interest rates. We have benefitted from an overweight position in equities so far in 2024 as the macro backdrop has proved more resilient than expected. Macro conditions remain supportive, with the prospect of interest rates cuts boosting hopes of a recovery in activity. We remain vigilant. More defensive positioning could be necessary later this year. Geopolitical risk or disappointment around the number of interest rate cuts this year could cause a correction in markets.

**Trevor Greetham**

**Fund Manager**

**Royal London Asset Management Limited**

**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Table

### Class A Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	120.37	116.80	127.70	120.35
Return before operating charges*	8.69	4.41	(10.04)	8.23
Operating charges	(0.44)	(0.84)	(0.86)	(0.88)
Return after operating charges*	8.25	3.57	(10.90)	7.35
Distributions on accumulation shares	–	(3.36)	(1.90)	(1.76)
Retained distributions on accumulation shares	–	3.36	1.90	1.76
<b>Closing net asset value per share</b>	<b>128.62</b>	<b>120.37</b>	<b>116.80</b>	<b>127.70</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	6.85%	3.06%	(8.54)%	6.11%
<b>Other information</b>				
Closing net asset value (£'000)	163,168	165,439	189,177	240,838
Closing number of shares	126,862,745	137,447,844	161,964,836	188,592,058
Operating charges	0.70%	0.70%	0.70%	0.70%
Direct transaction costs	–	–	–	–
<b>Prices<sup>^</sup></b>				
Highest share price	129.40	122.50	129.90	128.80
Lowest share price	120.20	117.00	112.60	120.60

<sup>^</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Bond Collective Investment Schemes – 70.90% (31/10/23 – 79.47%)</b>			
5,210,955	Royal London Diversified Asset-Backed Securities Fund R Acc <sup>†</sup>	6,655	4.08
12,696,504	Royal London Investment Grade Short Dated Credit Fund R Acc <sup>†</sup>	13,858	8.49
15,917,718	Royal London Short Duration Gilts Fund R Acc <sup>†</sup>	16,381	10.04
9,739,368	Royal London Short Term Fixed Income Fund R Acc <sup>†</sup>	10,825	6.63
19,856,332	Royal London Short-Term Money Market Fund R Acc <sup>†</sup>	21,800	13.36
23,864,045	Royal London Sterling Credit Fund R Acc <sup>†</sup>	26,909	16.49
21,440,572	Royal London UK Government Bond Fund R Acc <sup>†</sup>	19,260	11.81
<b>Total Bond Collective Investment Schemes</b>		<b>115,688</b>	<b>70.90</b>
<b>Equity Collective Investment Schemes – 28.65% (31/10/23 – 20.67%)</b>			
2,224,593	Royal London Asia Pacific ex Japan Tilt Fund R Acc <sup>†</sup>	3,152	1.93
5,158,061	Royal London Emerging Markets ESG Leaders Equity Tracker Fund R Acc <sup>†</sup>	6,265	3.84
2,341,361	Royal London Europe ex UK Equity Tilt Fund R Acc <sup>†</sup>	3,901	2.39
4,072,022	Royal London Japan Equity Tilt Fund R Acc <sup>†</sup>	5,388	3.30
11,322,968	Royal London UK Broad Equity Tilt Fund R Acc <sup>†</sup>	13,622	8.35
7,234,129	Royal London US Equity Tilt Fund R Acc <sup>†</sup>	14,420	8.84
<b>Total Equity Collective Investment Schemes</b>		<b>46,748</b>	<b>28.65</b>
<b>Total value of investments</b>		<b>162,436</b>	<b>99.55</b>
<b>Net other assets</b>		<b>732</b>	<b>0.45</b>
<b>Total net assets</b>		<b>163,168</b>	<b>100.00</b>

<sup>†</sup> Related party

All investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
Royal London UK Government Bond Fund	7,690
Royal London Emerging Markets ESG Leaders Equity Tracker Fund	4,310
Royal London Japan Equity Tilt Fund	3,830
Royal London Asia Pacific ex Japan Tilt Fund	3,470
Royal London Europe ex UK Equity Tilt Fund	3,217
Royal London US Equity Tilt Fund	2,542
Royal London Short-Term Money Market Fund	1,914
Royal London UK Broad Equity Tilt Fund	1,584
Royal London Short Term Fixed Income Fund	1,047
Royal London Short Duration Gilts Fund	33
<b>Subtotal</b>	<b>29,637</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>29,637</b>

### Significant Sales

	Proceeds £'000
Royal London Short-Term Money Market Fund	12,751
Royal London UK Government Bond Fund	7,274
Royal London Short Term Fixed Income Fund	6,543
Royal London Europe ex UK Equity Tilt Fund	3,122
Royal London Sterling Credit Fund	2,995
Royal London US Equity Tilt Fund	2,904
Royal London UK Broad Equity Tilt Fund	2,489
Royal London Japan Equity Tilt Fund	2,423
Royal London Investment Grade Short Dated Credit Fund	1,108
Royal London Short Duration Gilts Fund	888
<b>Subtotal</b>	<b>42,497</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>44,446</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	8,131	4,177
Revenue	3,515	2,126
Expenses	(581)	(646)
Net revenue before taxation	2,934	1,480
Taxation	–	–
Net revenue after taxation	2,934	1,480
Total return before distributions	11,065	5,657
Distributions	(234)	(140)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>10,831</b>	<b>5,517</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>165,439</b>	<b>189,177</b>
Amounts receivable on creation of shares	–	17
Amounts payable on cancellation of shares	(13,102)	(15,659)
	(13,102)	(15,642)
Change in net assets attributable to shareholders from investment activities	10,831	5,517
<b>Closing net assets attributable to shareholders</b>	<b>163,168</b>	<b>179,052</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	162,436	165,675
Current assets:		
Debtors	28	16
Cash and bank balances	963	–
<b>Total assets</b>	<b>163,427</b>	<b>165,691</b>
<b>Liabilities</b>		
Creditors:		
Bank overdraft	–	7
Other creditors	259	245
<b>Total liabilities</b>	<b>259</b>	<b>252</b>
<b>Net assets attributable to shareholders</b>	<b>163,168</b>	<b>165,439</b>



**Distribution Table**

For the six month period ended 30 April 2024

The Fund distributes annually.

# Royal London Investment Grade Short Dated Credit Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month return %	1 year return %	3 year return %	5 year return %
Royal London Investment Grade Short Dated Credit Fund, Class N Accumulation	4.96	6.58	0.68	6.76
Royal London Investment Grade Short Dated Credit Fund, Class R Accumulation	5.00	6.74	1.02	7.27
Royal London Investment Grade Short Dated Credit Fund, Class S Accumulation	4.99	6.65	0.94	7.19
Royal London Investment Grade Short Dated Credit Fund, Class S Income	4.99	6.69	0.92	7.20
Royal London Investment Grade Short Dated Credit Fund, Class Z Accumulation	4.89	6.48	–	–
Royal London Investment Grade Short Dated Credit Fund, Class Z Income	4.88	6.47	0.29	6.17
ICE BofAML 1-5yr Sterling Non-Gilt All Stocks Index	3.56	4.96	-1.63	3.22
ICE BofAML 1-5yr Sterling Non-Gilt All Stocks Index + 0.25% per rolling 3 years	3.68	5.21	-0.88	4.47
IA £ Corporate Bond TR	6.50	5.38	-9.10	0.52

Class Z Accumulation launched on 22 July 2021.

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

In the period under review, the Fund outperformed its benchmark but was behind the Corporate Bond peer group, which includes both short and longer-dated bond funds. For the longer 12-month, three-year and five-year periods, the Fund has outpaced the benchmark and peers.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year.

Returns for UK government bonds were therefore positive, with corporate bonds producing greater returns thanks to the higher yield these offer and optimism over the health of the corporate sector.

### Portfolio commentary

The combination of sector and stock selection was the main driver of positive relative returns. Our low exposure to supranationals was positive on a relative basis, as these underperformed the wider sterling corporate bond market, while our bias towards the bank and insurance sectors was also helpful, notably in subordinated bonds including those from ING and M&G. There were not many laggards to performance, with our real estate holdings showing a slight negative return.

## Manager's Investment Report (continued)

### Investment outlook

The rally in bond yields seen late last year, prompted by hopes that falling inflation would lead to relatively rapid and numerous interest rate cuts, was largely unwound in the first two weeks of 2024. Since then, sentiment has swung with various economic data, but it now seems unlikely that we will see significant moves in interest rates this year. We expect yields to remain sensitive to economic data, and unless there is a significant deterioration in underlying trends, we expect this to lead to range bound-yields and the opportunity to add/trim interest rate risk as markets react to individual data points.

Headline inflation is expected to reach the 2% Bank of England target level in the Q2. However, we are mindful that underlying pressures in the labour market and parts of the services sector mean that headline inflation figures may be somewhat misleading. In addition, data since the start of the year suggests that the UK is growing again – albeit slowly. Overall, the global tone is that rate cuts are not going to come through as quickly as anticipated and that the neutral level may be a bit higher than previously thought.

With bond yields higher than they were at the start of the year, and interest rate cuts now closer, we believe that overall government bond yields look attractive. Credit spreads have remained at relatively tight levels, but in our view, continue to compensate credit investors for the risk of default. From a credit spread perspective we continue to find better value in shorter-dated credit bonds, but with absolute yields at attractive levels we prefer to be broadly neutral in terms of interest rate risk, with a bias to add to this if bonds weaken further.

We target – and achieve – a material yield premium over the market level in our sterling credit strategies. We mitigate the risks by maintaining highly diversified portfolios, with a bias towards bonds that offer greater security and downside protection. Our view remains that over the medium term our focus on delivering greater income than the benchmark will generate outperformance.

**Paola Binns**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.

## Comparative Tables

### Class N Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	107.56	101.49	111.85	110.41
Return before operating charges*	5.65	6.10	(10.33)	1.47
Operating charges	(0.02)	(0.03)	(0.03)	(0.03)
Return after operating charges*	5.63	6.07	(10.36)	1.44
Distributions on accumulation shares	(2.63)	(4.26)	(2.79)	(2.48)
Retained distributions on accumulation shares	2.63	4.26	2.79	2.48
<b>Closing net asset value per share</b>	<b>113.19</b>	<b>107.56</b>	<b>101.49</b>	<b>111.85</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.23%	5.98%	(9.26)%	1.30%
<b>Other information</b>				
Closing net asset value (£'000)	1,206,663	932,119	723,835	366,844
Closing number of shares	1,066,089,814	866,637,925	713,243,022	327,992,663
Operating charges	0.03%	0.03%	0.03%	0.03%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	114.10	107.80	113.00	113.30
Lowest share price	107.70	102.00	98.38	110.70

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	103.70	97.85	107.85	106.47
Return before operating charges*	5.43	5.89	(9.96)	1.42
Operating charges	(0.02)	(0.04)	(0.04)	(0.04)
Return after operating charges*	5.41	5.85	(10.00)	1.38
Distributions on accumulation shares	(2.54)	(4.11)	(2.69)	(2.39)
Retained distributions on accumulation shares	2.54	4.11	2.69	2.39
<b>Closing net asset value per share</b>	<b>109.11</b>	<b>103.70</b>	<b>97.85</b>	<b>107.85</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.22%	5.98%	(9.27)%	1.30%
<b>Other information</b>				
Closing net asset value (£'000)	729,069	722,831	375,759	579,858
Closing number of shares	668,167,905	697,073,971	383,996,919	537,629,212
Operating charges	0.04%	0.04%	0.04%	0.04%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	110.00	104.00	109.00	109.20
Lowest share price	103.90	98.32	94.86	106.70

## Comparative Tables (continued)

### Class S Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	102.08	96.32	106.18	104.81
Return before operating charges*	5.35	5.80	(9.82)	1.41
Operating charges	(0.02)	(0.04)	(0.04)	(0.04)
Return after operating charges*	5.33	5.76	(9.86)	1.37
Distributions on accumulation shares	(2.50)	(4.04)	(2.65)	(2.35)
Retained distributions on accumulation shares	2.50	4.04	2.65	2.35
<b>Closing net asset value per share</b>	<b>107.41</b>	<b>102.08</b>	<b>96.32</b>	<b>106.18</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.22%	5.98%	(9.29)%	1.31%
<b>Other information</b>				
Closing net asset value (£'000)	75,934	72,161	9,439	17,530
Closing number of shares	70,694,458	70,694,458	9,800,081	16,509,835
Operating charges	0.04%	0.04%	0.04%	0.04%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	108.30	102.30	107.30	107.50
Lowest share price	102.30	96.78	93.38	105.00

### Class S Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	90.09	88.50	100.14	101.06
Return before operating charges*	4.73	5.29	(9.12)	1.37
Operating charges	(0.02)	(0.04)	(0.04)	(0.04)
Return after operating charges*	4.71	5.25	(9.16)	1.33
Distributions on income shares	(2.19)	(3.66)	(2.48)	(2.25)
<b>Closing net asset value per share</b>	<b>92.61</b>	<b>90.09</b>	<b>88.50</b>	<b>100.14</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.23%	5.93%	(9.15)%	1.32%
<b>Other information</b>				
Closing net asset value (£'000)	30,533	32,507	92,985	105,215
Closing number of shares	32,969,978	36,081,713	105,071,616	105,071,616
Operating charges	0.04%	0.04%	0.04%	0.04%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	94.45	93.05	101.20	103.10
Lowest share price	90.26	88.61	86.44	100.80

## Comparative Tables (continued)

### Class Z Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21** (p)
Opening net asset value per share	94.89	89.72	99.08	100.00
Return before operating charges*	4.98	5.39	(9.13)	(0.86)
Operating charges	(0.12)	(0.22)	(0.23)	(0.06)
Return after operating charges*	4.86	5.17	(9.36)	(0.92)
Distributions on accumulation shares	(2.32)	(3.76)	(2.47)	(0.60)
Retained distributions on accumulation shares	2.32	3.76	2.47	0.60
<b>Closing net asset value per share</b>	<b>99.75</b>	<b>94.89</b>	<b>89.72</b>	<b>99.08</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.12%	5.76%	(9.45)%	(0.92)%
<b>Other information</b>				
Closing net asset value (£'000)	94,651	103,939	103,444	30,307
Closing number of shares	94,886,268	109,538,749	115,301,087	30,587,411
Operating charges	0.24%	0.24%	0.24%	0.24%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	100.60	95.14	100.10	100.30
Lowest share price	95.06	90.15	86.98	99.17

\*\* Class Z Accumulation launched on 22 July 2021.

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	88.74	87.35	99.03	100.14
Return before operating charges*	4.66	5.21	(9.00)	1.35
Operating charges	(0.11)	(0.21)	(0.23)	(0.24)
Return after operating charges*	4.55	5.00	(9.23)	1.11
Distributions on income shares	(2.16)	(3.61)	(2.45)	(2.22)
<b>Closing net asset value per share</b>	<b>91.13</b>	<b>88.74</b>	<b>87.35</b>	<b>99.03</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	5.13%	5.72%	(9.32)%	1.11%
<b>Other information</b>				
Closing net asset value (£'000)	328,319	319,233	334,496	359,833
Closing number of shares	360,282,879	359,732,657	382,958,815	363,348,889
Operating charges	0.24%	0.24%	0.24%	0.24%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	92.96	91.79	100.10	102.10
Lowest share price	88.90	87.34	85.33	99.66

\* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Fixed Income – 98.43% (31/10/23 – 98.87%)</b>			
<b>Commercial Mortgage Backed Securities – 0.86% (31/10/23 – 0.44%)</b>			
£8,051,000	Canary Wharf Finance II (A7) FRN 22/10/2037	6,320	0.26
£4,450,000	Equity Release Funding FRN 14/7/2045	2,901	0.12
£4,803,000	PMF 2024-1 FRN 16/7/2060	4,804	0.19
£4,778,000	Stark Financing 2023-1 DAC FRN 17/8/2033	4,796	0.19
£2,369,000	Taurus CMBS FRN 17/5/2030	2,345	0.10
<b>Total Commercial Mortgage Backed Securities</b>		<b>21,166</b>	<b>0.86</b>
<b>Corporate Bonds – 97.57% (31/10/23 – 98.43%)</b>			
£5,255,800	A2D Funding II 4.5% 30/9/2026	5,065	0.21
£12,525,000	A2Dominion Housing Group 3.5% 15/11/2028	11,329	0.46
£7,916,000	AA Bond 6.269% 2/7/2043	7,914	0.32
£4,659,000	AA Bond 7.375% 31/7/2050	4,734	0.19
£4,673,000	AA Bond 8.45% 31/7/2050	4,905	0.20
£10,192,000	Australia and New Zealand Banking Group 1.809% variable 16/9/2031	9,211	0.37
£4,648,000	Affinity Water Finance 2004 5.875% 13/7/2026	4,626	0.19
£10,519,000	Akelius Residential Property 2.375% 15/8/2025	10,007	0.41
\$4,000,000	Allianz 3.5% variable perpetual	2,915	0.12
£12,318,000	Anglian Water Osprey Financing 4% 8/3/2026	11,548	0.47
£11,431,000	Annington Funding 3.184% 12/7/2029	10,059	0.41
£150,000	APT Pipelines 3.125% 18/7/2031	126	0.01
£11,475,000	APT Pipelines 3.5% 22/3/2030	10,142	0.41
£13,241,000	Arqiva Financing 4.882% 31/12/2032	7,589	0.31
£7,573,000	Arqiva Financing 5.34% 30/12/2037	7,374	0.30
£4,000,000	Arqiva Financing 7.21% 30/6/2045	4,228	0.17
£18,200,000	Assicurazioni Generali 6.269% perpetual	18,251	0.74
£4,600,000	AT&T 2.9% 4/12/2026	4,328	0.18
£8,000,000	AT&T 4.375% 14/9/2029	7,642	0.31
£10,353,000	Australia New Zealand Banking Group FRN 4/12/2026	10,389	0.42
£1,256,000	Aviva 4.375% variable 12/9/2049	1,152	0.05
£23,550,000	Aviva 6.125% variable 14/11/2036	23,696	0.96
£8,012,000	AXA 6.375% variable perpetual	7,006	0.28
£11,200,000	Banco Bilbao Vizcaya Argentia 8.25% variable 30/11/2033	11,853	0.48
£8,000,000	Banco Santander 1.375% 31/7/2024	7,919	0.32
£9,700,000	Banco Santander 1.5% 14/4/2026	8,968	0.36
£15,200,000	Banco Santander 2.25% variable 4/10/2032	13,240	0.54
£2,900,000	Banco Santander 3.125% variable 6/10/2026	2,789	0.11
£4,700,000	Banco Santander 4.75% variable 30/8/2028	4,581	0.19
£2,000,000	Bank of America 7% 31/7/2028	2,129	0.09
£2,000,000	Banque Federative du Credit Mutuel 1.875% 26/10/2028	1,735	0.07
£7,800,000	Banque Federative Du Credit Mutuel 5% 19/1/2026	7,742	0.31
£6,800,000	Banque Federative du Credit Mutuel 5% 22/10/2029	6,715	0.27
£5,900,000	Banque Federative Du Credit Mutuel 5.375% 25/5/2028	5,913	0.24
£8,809,000	Barclays Bank 5.75% 14/9/2026	8,789	0.36
£24,755,000	Barclays PLC 7.09% variable 6/11/2029	25,902	1.05
£17,735,000	Barclays 8.407% variable 14/11/2032	18,598	0.75
£7,428,000	Blackstone Property Partners Europe 2.625% 20/10/2028	6,389	0.26
£8,700,000	BNP Paribas 1.875% 14/12/2027	7,718	0.31
£31,000,000	BNP Paribas 2% variable 24/5/2031	28,431	1.15
£7,300,000	BNP Paribas 2.875% 24/2/2029	6,513	0.26
£9,500,000	BNP Paribas SA 6% variable 18/8/2029	9,741	0.40
£22,286,000	BP Capital Markets 4.25% variable perpetual	20,965	0.85
£5,000,000	BPCE 1% 22/12/2025	4,663	0.19
£4,000,000	BPCE 1.375% 23/12/2026	3,614	0.15
£12,100,000	BPCE 2.5% variable 30/11/2032	10,600	0.43
£5,500,000	BPCE 5.25% 16/4/2029	5,301	0.22
£9,600,000	BPCE 6% variable 29/9/2028	9,682	0.39
£7,500,000	BPCE 6.125% 24/5/2029	7,583	0.31
£5,635,000	Broadgate 4.999% 5/10/2033	5,386	0.22
£5,635,000	BUPA Finance 5% 8/12/2026	5,501	0.22

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£7,300,000	CaixaBank 6.875% variable 25/10/2033	7,383	0.30
£4,807,000	Canadian Imperial Bank of Commerce FRN 23/6/2026	4,859	0.20
£105,025,000	Canary Wharf Finance II 6.455% 22/10/2033	6,530	0.26
£5,806,000	Canary Wharf Finance II (C2) FRN 22/10/2037	4,342	0.18
£5,717,000	Centrica 4.375% 13/3/2029	5,487	0.22
£300,000	Channel Link Enterprises Finance FRN 30/12/2050	222	0.01
£13,808,000	Citigroup 5.875% 1/7/2024	13,801	0.56
£3,350,000	Close Brothers Finance 1.625% 3/12/2030	2,489	0.10
£9,614,000	Close Brothers Finance 2% variable 11/9/2031	7,945	0.32
£9,733,000	Close Brothers Group 7.75% 14/6/2028	9,805	0.40
£3,091,000	Close Brothers Group 11.125% variable perpetual	2,970	0.12
£4,700,000	Clydesdale Bank 4.625% 8/6/2026	4,641	0.19
£8,900,000	Commerzbank 1.5% 22/11/2024	8,706	0.35
£10,000,000	Commerzbank 1.75% 22/1/2025	9,719	0.39
£6,000,000	Commonwealth Bank of Australia 3% 4/9/2026	5,713	0.23
£3,200,000	Co-operative Rabobank 1.25% 14/1/2025	3,111	0.13
£4,909,000	Coventry Building Society 5.875% variable 12/3/2030	4,867	0.20
£10,305,000	CPUK Finance 3.588% 28/2/2042	9,995	0.41
£8,500,000	CPUK Finance 3.69% 28/2/2047	7,741	0.31
£9,900,000	Credit Agricole 1.874% variable 9/12/2031	8,866	0.36
£7,500,000	Credit Agricole 5.375% variable 15/1/2029	7,449	0.30
£5,500,000	Credit Agricole 5.75% variable 29/11/2027	5,508	0.22
£5,077,000	Credit Suisse AG London 1.125% 15/12/2025	4,738	0.19
€6,129,000	Credit Suisse Ag London 1.5% 10/4/2026	5,006	0.20
£16,800,000	Credit Suisse 2.125% variable 12/9/2025	16,593	0.67
£2,583,000	Credit Suisse 2.125% variable 15/11/2029	2,235	0.09
£16,918,000	Credit Suisse 7% variable 30/9/2027	17,374	0.70
£11,813,000	Credit Suisse 7.75% 10/3/2026	12,274	0.50
£3,500,000	CYBG 3.125% variable 22/6/2025	3,487	0.14
£10,944,000	CYBG 4% variable 25/9/2026	10,655	0.43
£4,289,000	Danske Bank 2.25% 14/1/2028	3,911	0.16
£7,404,000	Danske Bank 4.625% variable 13/4/2027	7,296	0.30
£34,540,000	Delamare Finance 5.5457% 19/2/2029	17,366	0.70
£6,600,000	Deutsche Bank AG 2.625% 16/12/2024	6,481	0.26
£12,400,000	Deutsche Bank 4% variable 24/6/2026	12,103	0.49
£394,000	Digital Stout 2.75% 19/7/2024	392	0.02
£3,345,000	Digital Stout 4.25% 17/1/2025	3,312	0.13
£5,576,000	Direct Line Insurance 4% 5/6/2032	4,552	0.18
£13,331,000	DNB Bank 1.375% variable 2/12/2025	13,027	0.53
£18,467,000	DNB Bank 2.625% variable 10/6/2026	17,896	0.73
£6,219,000	DNB Bank 4% variable 17/8/2027	6,013	0.24
£8,639,000	DWR Cymru Financing 1.625% 31/3/2026	7,957	0.32
£1,795,000	Eastern Power Networks 8.5% 31/3/2025	1,836	0.07
£3,000,000	Electricite de France 5.875% 18/7/2031	3,056	0.12
£11,106,000	Electricity North West 8.875% 25/3/2026	11,769	0.48
£6,810,000	Enel Finance International 1% 20/10/2027	5,935	0.24
£4,717,000	Enel Finance International NV 2.875% 11/4/2029	4,234	0.17
£4,026,000	Equity Release Funding 5.7% 26/2/2031	1,572	0.06
£14,956,000	Equity Release Funding 5.88% 26/5/2032	7,805	0.32
£11,644,000	Equity Release Funding No.3 5.05% 26/4/2033	10,039	0.41
£14,807,000	Eversholt Funding 2.742% 30/6/2040	10,270	0.42
£14,997,000	Eversholt Funding 6.697% 22/2/2035	12,245	0.50
£9,474,000	Federation des Caisses Desjardins FRN 12/10/2028	9,483	0.38
£4,125,000	First Abu Dhabi Bank 0.875% 9/12/2025	3,821	0.15
£6,897,000	First Abu Dhabi Bank 1.125% 7/9/2026	6,263	0.25
£18,786,000	Folio Residential Finance 1.246% 31/10/2037	16,239	0.66
£5,661,000	Gatwick Funding 2.5% 15/4/2032	4,832	0.20
£6,784,000	Gatwick Funding 6.125% 2/3/2028	6,838	0.28
£5,122,000	Goldman Sachs 1.5% 7/12/2027	4,502	0.18
£3,952,000	Goldman Sachs 3.625% variable 29/10/2029	3,666	0.15
£6,753,000	Goldman Sachs 7.125% 7/8/2025	6,890	0.28



**Portfolio Statement** (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 97.57% (31/10/23 – 98.43%) – continued</b>			
£16,991,000	Great Rolling Stock 6.5% 5/4/2031	12,353	0.50
£17,990,000	Great Rolling Stock 6.875% 27/7/2035	9,770	0.40
£11,415,000	Greater Gabbard OFTO 4.137% 29/11/2032	6,688	0.27
£7,400,000	Greene King Finance 4.0643% 15/3/2035	4,251	0.17
£2,500,000	Greene King Finance 5.106% 15/3/2034	1,992	0.08
£5,072,000	Gwyn y Môr OFTO 2.778% 17/2/2034	2,782	0.11
£1,014,960	Haven Funding 7% 30/11/2032	767	0.03
£4,789,866	Haven Funding 8.125% 30/9/2037	4,497	0.18
£5,459,000	Heathrow Funding 2.625% 16/3/2028	4,828	0.20
£4,360,000	Heathrow Funding 2.75% 13/10/2031	3,833	0.16
£5,000,000	Heathrow Funding 6.45% 10/12/2031	5,257	0.21
£20,079,000	Heathrow Funding 6.75% 3/12/2028	20,609	0.84
£3,105,000	Heathrow Funding 7.075% variable 4/8/2028	3,282	0.13
£19,582,000	HSBC Holdings 1.75% variable 24/7/2027	17,965	0.73
£9,994,000	HSBC 3% variable 22/7/2028	9,201	0.37
£4,230,000	HSBC Holdings 5.875% variable perpetual	4,029	0.16
£4,828,000	HSBC Holdings 6.8% variable 14/9/2031	5,068	0.21
£30,073,000	HSBC 8.201% variable 16/11/2034	32,358	1.31
£5,730,000	Industrial Commercial Bank of China 1.625% 28/12/2025	5,309	0.22
£5,600,000	ING Groep NV 5% variable 30/8/2026	5,552	0.23
£18,500,000	ING Groep NV 6.25% variable 20/5/2033	18,414	0.75
£31,830,000	Integrated Accommodation Service 6.48% 31/3/2029	9,752	0.40
£5,701,000	InterContinental Hotels 2.125% 24/8/2026	5,272	0.21
£9,281,000	InterContinental Hotels 3.375% 8/10/2028	8,541	0.35
£5,351,000	Intesa Sanpaolo SpA 6.5% 14/3/2029	5,386	0.22
£2,368,000	Investec 1.25% variable 11/8/2026	1,938	0.08
£20,153,000	Investec 1.875% variable 16/7/2028	17,449	0.71
£4,141,000	Investec 2.625% variable 4/1/2032	3,641	0.15
£7,499,000	Investec 9.125% variable 6/3/2033	7,887	0.32
£6,250,000	JRP Group 9% 26/10/2026	6,703	0.27
£2,567,000	Jupiter Fund Management 8.875% variable 27/7/2030	2,585	0.10
£6,722,000	Just Group 7% variable 15/4/2031	6,789	0.28
£1,038,000	Just Group 8.125% 26/10/2029	1,083	0.04
£18,478,000	Juturna Euro Loan Conduit 5.0636% 10/8/2033	11,991	0.49
£5,000,000	KBC 1.25% variable 21/9/2027	4,525	0.18
£10,000,000	KBC 5.5% variable 20/9/2028	9,971	0.40
£5,200,000	KBC Group 6.151% variable 19/3/2034	5,145	0.21
£11,200,000	La Banque Postale 5.625% variable 21/9/2028	11,120	0.45
£4,000,000	La Mondiale SAM 4.8% variable 18/1/2048	2,949	0.12
£4,398,000	Land Securities 5.391% variable 31/3/2027	4,361	0.18
£9,908,000	Land Securities Capital Markets 2.375% 29/3/2029	9,102	0.37
£3,163,000	Land Securities Capital Markets 4.75% 18/9/2031	3,075	0.12
£3,900,000	Legal & General 3.75% variable 26/11/2049	3,449	0.14
£12,608,000	Legal & General 5.125% variable 14/11/2048	12,170	0.49
£23,556,000	Legal & General 5.375% variable 27/10/2045	23,283	0.94
£13,797,000	Legal & General 5.5% variable 27/6/2064	12,773	0.52
£4,500,000	Legal & General 5.625% variable perpetual	3,947	0.16
£4,162,000	Liverpool Victoria Friendly Society 6.5% variable 22/5/2043	4,131	0.17
£7,804,000	Lloyds Bank 4.875% 30/3/2027	7,777	0.32
£4,050,000	Lloyds Banking Group 1.875% variable 15/1/2026	3,943	0.16
£8,543,000	Lloyds Banking Group 1.985% variable 15/12/2031	7,708	0.31
£5,038,000	Lloyds Banking Group 2% variable 12/4/2028	4,533	0.18
£12,623,000	Lloyds Banking Group 2.707% variable 3/12/2035	10,039	0.41
£14,111,000	Lloyds Banking Group 6.625% variable 2/6/2033	14,159	0.57
£22,571,000	Logicor 2019 1.875% 17/11/2031	20,585	0.84
£15,549,000	London & Quadrant 2.625% 5/5/2026	14,683	0.60

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£8,921,000	London Merchant Securities 6.5% 16/3/2026	8,948	0.36
£39,760,000	Longstone Finance 4.791% 19/4/2036	13,102	0.53
£21,886,000	M&G 3.875% variable 20/7/2049	21,779	0.88
£9,389,000	M&G 5% variable 20/7/2055	8,374	0.34
£19,500,000	M&G 5.625% variable 20/10/2051	18,314	0.74
£13,360,000	Meadowhall Finance FRN 12/7/2037	7,650	0.31
£8,489,000	Metropolitan Life Global Funding 1.625% 12/10/2028	7,355	0.30
£6,027,000	Metropolitan Life Global Funding 4% 5/4/2028	5,220	0.21
£4,603,000	Metropolitan Life Global Funding 4.125% 2/9/2025	4,530	0.18
£14,196,000	Metropolitan Life Global Funding 4.5% 9/7/2027	13,943	0.57
£5,119,000	Mitchells & Butlers (A1N) FRN 15/12/2030	1,592	0.06
£11,700,000	Mitchells & Butlers (A4) FRN 15/12/2028	5,263	0.21
£27,889,000	Mitchells & Butlers 5.574% 15/12/2030	6,203	0.25
£2,202,000	Mitchells & Butlers FRN 15/12/2033	1,588	0.06
£11,413,000	Mizuho Financial 5.628% 13/6/2028	11,507	0.47
£14,396,000	National Australia Bank 1.699% variable 15/9/2031	12,900	0.52
£14,738,000	National Grid Electricity Distribution 3.875% 17/10/2024	14,631	0.59
£14,898,000	National Grid Electricity Distribution 5.5% 9/5/2025	14,943	0.61
£4,349,000	National Grid Electricity Distribution 5.875% 25/3/2027	4,397	0.18
£8,000,000	National Grid Electricity Transmission 1.125% 7/7/2028	6,782	0.28
£2,427,000	National Grid Electricity Transmission 1.375% 16/9/2026	2,211	0.09
£4,700,000	National Grid Gas 7% 16/12/2024	4,733	0.19
£4,531,000	Nationwide Building Society 6.125% 21/8/2028	4,650	0.19
£4,149,000	Nationwide Building Society 6.178% variable 7/12/2027	4,189	0.17
£3,366,000	NATS (En Route) 1.375% 31/3/2031	2,584	0.10
£7,000,000	NatWest Group 2.057% variable 9/11/2028	6,205	0.25
£3,118,000	NatWest Group 2.105% variable 28/11/2031	2,825	0.11
£2,919,000	NatWest Group 3.619% variable 29/3/2029	2,702	0.11
£12,090,000	NatWest Group 7.416% variable 6/6/2033	12,446	0.50
£5,499,000	NatWest Markets 6.375% 8/11/2027	5,660	0.23
£5,200,000	NatWest Markets 6.625% 22/6/2026	5,310	0.22
£11,250,000	New York Life Global Funding 4.35% 16/9/2025	11,109	0.45
£11,252,000	NGG Finance 5.625% variable 18/6/2073	11,105	0.45
£13,727,000	NIE Finance 2.5% 27/10/2025	13,105	0.53
£10,730,000	NIE Finance 6.375% 2/6/2026	10,906	0.44
£4,500,000	NN Group 6.375% variable perpetual	3,824	0.16
£12,041,000	Nordea Bank Abp 1.625% variable 9/12/2032	10,356	0.42
£5,282,000	Nordea Bank Abp 6% variable 2/6/2026	5,303	0.22
£21,204,000	Octagon Healthcare 5.333% 31/12/2035	14,441	0.59
£11,229,000	OP Corporate Bank 1.375% 4/9/2026	10,199	0.41
£10,884,000	OP Corporate Bank 3.375% 14/1/2026	10,541	0.43
£5,678,000	OSB Group 8.875% variable 16/1/2030	5,956	0.24
£6,920,000	OSB Group 9.5% variable 7/9/2028	7,295	0.30
£7,281,000	OSB Group 9.993% variable 27/7/2033	7,450	0.30
£9,059,000	Pacific Life Global Funding II 5.375% 30/11/2028	9,149	0.37
£2,653,000	Pension Insurance 6.5% 3/7/2024	2,653	0.11
£3,000,000	Pension Insurance Corporation 7.375% variable perpetual	2,880	0.12
£10,064,000	Pension Insurance Corporation 8% 13/11/2033	10,657	0.43
£11,399,000	Places for People Homes 3.625% 22/11/2028	10,536	0.43
£2,981,000	Places for People Treasury 2.875% 17/8/2026	2,804	0.11
£21,073,000	Porterbrook Rail Finance 7.125% 20/10/2026	21,906	0.89
£1,767,000	Premier Transmission Finance 5.2022% 31/3/2030	620	0.03
£15,134,000	Principality Building Society 8.625% 12/7/2028	16,301	0.66



## Portfolio Statement (continued)

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Corporate Bonds – 97.57% (31/10/23 – 98.43%) – continued</b>			
£6,637,000	Protective Life Global Funding 5.082% 15/4/2031	6,540	0.27
£9,522,000	Protective Life Global Funding 5.248% 13/1/2028	9,522	0.39
£11,815,000	QBE Insurance 2.5% variable 13/9/2038	9,988	0.41
£5,930,000	Quadrant Housing 7.93% Step 10/2/2033	4,744	0.19
£2,090,000	RAC Bond Co 8.25% 6/5/2046	2,255	0.09
£2,635,000	Realty Income 1.875% 14/1/2027	2,388	0.10
£9,007,000	Rothsay Life 3.375% 12/7/2026	8,547	0.35
£7,900,000	Rothsay Life 5.5% variable 17/9/2029	7,872	0.32
£7,024,000	Rothsay Life 6.875% variable perpetual	6,506	0.26
£7,280,000	Royal Bank of Canada 5% 24/1/2028	7,203	0.29
£10,000,000	Royal Bank of Scotland 2.875% variable 19/9/2026	9,619	0.39
£5,792,000	Royal Bank of Scotland Group 3.125% variable 28/3/2027	5,519	0.22
£7,500,000	Royal Bank of Scotland 3.622% variable 14/8/2030	7,283	0.30
£8,123,000	RSA Insurance 5.125% variable 10/10/2045	7,982	0.32
£2,443,000	Sanctuary 8.375% 1/9/2031	2,036	0.08
£18,899,000	Santander UK 2.92% variable 8/5/2026	18,337	0.74
£1,500,000	Santander 3.625% 14/1/2026	1,453	0.06
£8,000,000	Santander UK 7.098% variable 16/11/2027	8,182	0.33
£3,472,000	Schroders 6.346% variable 18/7/2034	3,452	0.14
£1,798,000	Skandinaviska Enskilda Banken 5.5% 1/6/2026	1,806	0.07
£10,702,000	Skipton Building Society 2% variable 2/10/2026	10,096	0.41
£5,222,000	Skipton Building Society 6.25% variable 25/4/2029	5,227	0.21
£7,100,000	Societe Generale 5.75% variable 22/1/2032	6,993	0.28
£5,260,000	Society of Lloyds 4.875% variable 7/2/2047	5,057	0.21
£5,575,000	South East Water 5.5834% 29/3/2029	5,344	0.22
£4,869,000	South Eastern Power Networks 5.5% 5/6/2026	4,887	0.20
£5,843,000	Southern Water Services Finance 1.625% 30/3/2027	4,997	0.20
£12,000,000	Southern Water Services Finance 6.64% 31/3/2026	11,816	0.48
£2,805,000	SPD Finance UK 5.875% 17/7/2026	2,831	0.11
£7,577,000	SSE 3.74% variable perpetual	7,217	0.29
£7,200,000	SSE 4% variable perpetual	5,972	0.24
£15,006,000	Stagecoach 4% 29/9/2025	14,490	0.59
£3,692,000	Standard Chartered 3.971% variable 30/3/2026	2,892	0.12
£3,000,000	Sustainable Communities for Leeds Finance 5.069% 30/9/2032	1,693	0.07
£8,024,000	Stirling Water Seafield 5.822% 26/9/2026	1,441	0.06
£6,504,000	Swedbank 1.375% variable 8/12/2027	5,853	0.24
£9,357,000	Swedbank 7.272% variable 15/11/2032	9,599	0.39
£5,733,000	Telefonica Emisiones 5.375% 2/2/2026	5,720	0.23
£13,378,000	Telereal Secured Finance 4.01% 10/12/2033	6,407	0.26
£5,832,000	Telereal Securitisation 1.3657% 10/12/2033	3,287	0.13
£7,483,000	Telereal Securitisation 1.9632% variable 10/12/2033	6,958	0.28
£5,007,000	Telereal Securitisation 3.507% variable 10/12/2033	4,519	0.18
£15,364,000	Telereal Securitisation 4.9741% 10/12/2033	5,204	0.21
£6,280,000	Telereal Securitisation 5.634% 10/12/2031	6,174	0.25
£23,066,000	Telereal Securitisation 6.1645% 10/12/2033	18,484	0.75
£6,582,000	Telereal Securitisation FRN 10/12/2033	4,715	0.19
£2,908,000	Telereal Securitisation FRN 10/12/2033	2,290	0.09
£4,500,000	Telereal Securitisation FRN 10/12/2033	1,383	0.06
£10,000,000	Tesco Property 6.0517% 13/10/2039	7,386	0.30
£2,580,000	Thames Water 6.75% 16/11/2028	2,343	0.10
£21,889,000	Thames Water Utilities 4% 19/6/2025	19,765	0.80
£7,505,000	Thames Water Utilities Finance 7.125% 30/4/2031	6,820	0.28
£5,796,000	Thames Water Utilities Finance 4% 18/4/2027	4,322	0.18
£5,096,000	Toronto Dominion Bank 2.875% 5/4/2027	4,753	0.19
£4,084,000	TP ICAP 5.25% 29/5/2026	3,970	0.16
£5,649,000	TP ICAP Finance 7.875% 17/4/2030	6,005	0.24
£3,150,000	Trafford Centre 6.5% 28/7/2033	1,907	0.08
£13,650,000	Trafford Centre FRN 28/7/2035	10,852	0.44

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
£2,224,000	UBS Jersey 8.75% 18/12/2025	2,301	0.09
£9,013,000	UK Municipal Bonds Agency Finance FRN 12/3/2025	9,008	0.37
£19,520,000	Unite USAF II 3.921% 30/6/2030	19,046	0.77
£2,548,000	Vicinity Centres 3.375% 7/4/2026	2,439	0.10
£10,788,000	Virgin Money 2.625% variable 19/8/2031	9,961	0.40
£8,216,000	Virgin Money 5.125% variable 11/12/2030	8,054	0.33
£9,502,000	Virgin Money UK 7.625% variable 23/8/2029	10,172	0.41
£6,800,000	Volkswagen Financial Services 2.125% 18/1/2028	6,023	0.25
£4,000,000	Volkswagen Financial Services 3.25% 13/4/2027	3,742	0.15
£3,000,000	Volkswagen Financial Services 4.25% 9/10/2025	2,943	0.12
£8,300,000	Volkswagen Financial Services 5.875% 23/5/2029	8,408	0.34
£5,800,000	Volkswagen Financial Services NV 6.5% 18/9/2027	5,951	0.24
£9,600,000	Volkswagen International Finance 3.375% 16/11/2026	9,100	0.37
£5,000,000	Volkswagen International Finance 4.375% variable perpetual	3,889	0.16
£3,900,000	Volkswagen International Finance 7.5% variable perpetual	3,583	0.15
£6,362,000	Weir Group 6.875% 14/6/2028	6,584	0.27
£4,268,000	Wells Fargo 2% 28/7/2025	4,090	0.17
£8,590,000	Wells Fargo 3.473% variable 26/4/2028	8,082	0.33
£20,239,000	Wessex Water 5.375% 10/3/2028	19,853	0.81
£18,311,000	Western Power Distribution 3.5% 16/10/2026	17,432	0.71
£11,500,000	Westfield America Management 2.125% 30/3/2025	11,098	0.45
£26,873,000	Westfield Stratford City 1.642% 4/8/2031	24,184	0.98
£4,445,000	Westpac Banking Corp FRN 11/1/2028	4,466	0.18
£1,759,000	Whitbread Group 2.375% 31/5/2027	1,589	0.07
£10,010,000	White City Property 5.1202% 17/4/2035	7,264	0.30
£2,370,000	Worcestershire Hospital 5.57% 31/12/2030	1,033	0.04
£9,056,000	Yorkshire Building Society 3.375% variable 13/9/2028	8,200	0.33
£3,660,000	Yorkshire Building Society 6.375% variable 15/11/2028	3,722	0.15
£7,829,000	Yorkshire Building Society 7.375% variable 12/9/2027	8,053	0.33
£3,713,000	Yorkshire Building Society 13.5% 1/4/2025	3,891	0.16
£6,144,000	Yorkshire Water Finance 5.25% 28/4/2030	5,810	0.24
£2,443,000	Zurich Finance 5.125% variable 23/11/2052	2,304	0.09
<b>Total Corporate Bonds</b>		<b>2,405,368</b>	<b>97.57</b>
<b>Forward Currency Contracts – 0.01% (31/10/23 – 0.00%)</b>			
	Buy £42,375,924 & Sell €49,295,608†	172	0.01
	Buy £8,816,693 & Sell \$11,100,225†	(45)	–
<b>Total Forward Currency Contracts</b>		<b>127</b>	<b>0.01</b>

<b>Total value of investments<sup>^</sup></b>	<b>2,426,661</b>	<b>98.44</b>
<b>Net other assets</b>	<b>38,508</b>	<b>1.56</b>
<b>Total net assets</b>	<b>2,465,169</b>	<b>100.00</b>

<sup>^</sup> Including investment liabilities

† Unlisted

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	2,307,986	93.61	2,015,242	92.32
Investments of below investment grade	4,131	0.17	4,987	0.23
Unrated bonds	114,417	4.65	137,991	6.32
<b>Total bonds</b>	<b>2,426,534</b>	<b>98.43</b>	<b>2,158,220</b>	<b>98.87</b>
Forward currency contracts – assets	172	0.01	32	–
<b>Investments as shown in the balance sheet</b>	<b>2,426,706</b>	<b>98.44</b>	<b>2,158,252</b>	<b>98.87</b>
Forward currency contracts – liabilities	(45)	–	(62)	–
<b>Total value of investments</b>	<b>2,426,661</b>	<b>98.44</b>	<b>2,158,190</b>	<b>98.87</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 2.75% 7/9/2024	49,508
Barclays 7.09% variable 6/11/2029	21,253
Porterbrook Rail Finance 7.125% 20/10/2026	18,378
Metropolitan Life Global Funding 4.5% 9/7/2027	14,138
Credit Suisse 7.75% 10/3/2026	14,087
Barclays 8.407% variable 14/11/2032	12,050
Australia New Zealand Banking Group FRN 4/12/2026	10,353
Pension Insurance Corporation 8% 13/11/2033	10,290
Federation des Caisses Desjardins FRN 12/10/2028	9,474
Barclays 6.369% variable 31/1/2031	9,360
<b>Subtotal</b>	<b>168,891</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>621,264</b>

### Significant Sales

	Proceeds £'000
UK Treasury 2.75% 7/9/2024	49,526
Land Securities Capital Markets 1.974% 8/2/2026	28,898
AXA 6.6862% variable perpetual	28,164
Places for People Homes 5.09% 31/7/2043	22,904
Annington Funding 2.646% 12/7/2025	14,824
Fonterra Co-operative 9.375% 4/12/2023	14,687
Credit Suisse 7.75% 10/3/2026	12,941
PGH Capital 6.625% 18/12/2025	11,542
Fidelity International 7.125% 13/2/2024	11,083
New York Life Global Funding 1.25% 17/12/2026	9,682
<b>Subtotal</b>	<b>204,251</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>412,389</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	60,300	39,764
Revenue	55,548	31,670
Expenses	(851)	(757)
Interest payable and similar charges	(18)	(23)
Net revenue before taxation	54,679	30,890
Taxation	–	–
Net revenue after taxation	54,679	30,890
Total return before distributions	114,979	70,654
Distributions	(55,530)	(31,647)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>59,449</b>	<b>39,007</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	2,426,706	2,158,252
Current assets:		
Debtors	48,131	36,636
Cash and bank balances	3,981	6,221
<b>Total assets</b>	<b>2,478,818</b>	<b>2,201,109</b>
<b>Liabilities</b>		
Investment liabilities	45	62
Creditors:		
Other creditors	9,306	14,251
Distribution payable	4,298	4,006
<b>Total liabilities</b>	<b>13,649</b>	<b>18,319</b>
<b>Net assets attributable to shareholders</b>	<b>2,465,169</b>	<b>2,182,790</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>2,182,790</b>	<b>1,639,958</b>
Amounts receivable on creation of shares	272,254	405,685
Amounts payable on cancellation of shares	(97,710)	(111,100)
	174,544	294,585
Dilution adjustment charged	581	1,368
Change in net assets attributable to shareholders from investment activities	59,449	39,007
Retained distributions on accumulation shares	47,805	25,632
<b>Closing net assets attributable to shareholders</b>	<b>2,465,169</b>	<b>2,000,550</b>

## Distribution Tables

For the six month period ended 30 April 2024

### Distribution in pence per share

#### First Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 31 January 2024

	Net income	Equalisation	Distribution paid 29/03/24	Distribution paid 31/03/23
<b>Class N Accumulation</b>				
Group 1	1.2955	–	1.2955	0.9262
Group 2	0.5968	0.6987	1.2955	0.9262
<b>Class R Accumulation</b>				
Group 1	1.2490	–	1.2490	0.8930
Group 2	0.3706	0.8784	1.2490	0.8930
<b>Class S Accumulation</b>				
Group 1	1.2295	–	1.2295	0.8790
Group 2	1.2295	0.0000	1.2295	0.8790
<b>Class S Income</b>				
Group 1	1.0852	–	1.0852	0.8077
Group 2	0.5008	0.5844	1.0852	0.8077
<b>Class Z Accumulation</b>				
Group 1	1.1427	–	1.1427	0.8186
Group 2	0.8766	0.2661	1.1427	0.8186
<b>Class Z Income</b>				
Group 1	1.0687	–	1.0687	0.7970
Group 2	0.4321	0.6366	1.0687	0.7970

## Distribution Tables (continued)

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Second Interim

Group 1: Shares purchased prior to 1 February 2024

Group 2: Shares purchased between 1 February 2024 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class N Accumulation</b>				
Group 1	1.3393	–	1.3393	0.9815
Group 2	0.7908	0.5485	1.3393	0.9815
<b>Class R Accumulation</b>				
Group 1	1.2911	–	1.2911	0.9463
Group 2	0.7699	0.5212	1.2911	0.9463
<b>Class S Accumulation</b>				
Group 1	1.2710	–	1.2710	0.9315
Group 2	1.2710	0.0000	1.2710	0.9315
<b>Class S Income</b>				
Group 1	1.1089	–	1.1089	0.8484
Group 2	0.7304	0.3785	1.1089	0.8484
<b>Class Z Accumulation</b>				
Group 1	1.1806	–	1.1806	0.8670
Group 2	1.1806	0.0000	1.1806	0.8670
<b>Class Z Income</b>				
Group 1	1.0915	–	1.0915	0.8367
Group 2	0.8397	0.2518	1.0915	0.8367

# Royal London Short Duration Global Index Linked Fund

## Manager's Investment Report

### Fund performance

6 months to 30 April 2024

	6 month total return %	1 year total return %	3 year total return %	5 year total return %
Short Duration Global Index Linked Fund, Class M Income	3.13	1.91	2.88	11.03
Short Duration Global Index Linked Fund, Class R Accumulation	3.24	2.14	3.61	12.23
Short Duration Global Index Linked Fund, Class Z Income	3.11	1.91	3.04	11.25
30% Barclays UKG Inflation Linked Bond 1-10yr Index 70% Barclays WG Inflation Linked Bond (ex UK) 1-10yr Index (GBP Hedged)	3.00	1.87	3.05	10.60
IA Global Inflation Linked Bond TR	2.84	-0.62	-4.64	3.84

**Past performance is not necessarily a reliable indicator of 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: Royal London Asset Management Limited and Lipper, as at 30 April 2024. Returns are net of management fees. Investors should note that the total return is calculated on the Fund's official midday price whereas the Fund has been valued as at close of business for the Net Asset Value quoted within the Comparative Table. For further information, including ongoing performance and Fund breakdown information, please refer to the latest factsheet at [www.rlam.com](http://www.rlam.com).

### Performance overview

The Fund performed well over the review period, producing a positive return and outperforming both its benchmark index and the average fund in the sector.

### Market overview

After eighteen months of concerns regarding rising inflation and upward moves in global interest rates, the six months under review saw a decline in inflation, but it proved to be stickier than hoped, with a growing expectation that the next move in interest rates will be downwards.

The environment over the past two years has been difficult. Yields have been rising much of this time, reflecting the background of high inflation and rising interest rates. This creates a headwind for bonds, as prices go down when yields go up (and vice versa).

During the review period, there were signs of a turnaround towards the end of 2023 as investors started to anticipate that interest rates would soon be falling. As a result, bond markets rallied into year end. However, this was quickly reversed on the expectations that while rates would be cut in 2024, it was unlikely that this would start early in the year. Returns for index linked bonds (UK government bonds) were therefore positive for the period.

### Portfolio commentary

Our interest rate positioning was the main positive for the Fund during the review period. Sometimes referred to as 'duration' positioning, the Fund can go long duration, which will help performance when bond yields are falling, or short duration, if the manager thinks yields will rise. At the start of the review period, we felt that yields were too high and that expectations of the number of interest rate falls were too conservative. This helped performance in the final months of 2023. With the market overshooting and becoming very positive about the prospects for multiple rate cuts by January, we reversed this position and benefited as the market corrected to more conservative expectation levels.

Our cross-market positioning also produced modest positive results for performance, primarily due to a position in Australia, which offers higher yields than the UK, and we feel that this is attractive given it has a more favourable supply outlook due to its strong fiscal position, with a budget in near balance compared to many other developed countries. Our underweight in Japan also helped following the easing of the Bank of Japan's yield curve control, which saw Japanese yields rise to their highest levels in a decade.

## Manager's Investment Report (continued)

### Investment outlook

We expect markets to remain volatile around economic data points and envisage to continue adjusting our interest rate positioning tactically. However we feel that yields in certain markets have now reached levels that look attractive enough to hold a long duration.

We have moved from peak optimism at the end of 2023 where economists were calling for five or even six rate cuts in the US in 2024. We have now almost reached peak pessimism as the same economists are calling for only one cut. We still expect the Federal Reserve, European Central Bank and Bank of England to cut rates in 2024 and rates to fall more aggressively in 2025. We believe this will lead to lower yields particularly in the UK and dollar markets.

**Paul Rayner**  
**Fund Manager**  
**Royal London Asset Management Limited**  
**30 April 2024**

Please note that this commentary is written as at end of the review period. For insights into market events or positioning since then, please go to [www.rlam.com](http://www.rlam.com).

This report covers investment performance, activity and outlook. For a wider look at the Fund, our Annual Assessment of Value report is available at [www.rlam.com](http://www.rlam.com).

The Task Force on Climate-related Financial Disclosures (TCFD) Report can be found under the relevant Fund name at <https://www.rlam.com/uk/individual-investors/funds>.

This report has been prepared in accordance with the recommendations of the TCFD, which aims to help the investment community build a more in-depth and consistent picture of the impact of climate change. A copy of Royal London Asset Management Limited's annual TCFD Report can also be found on our website.

The views expressed are the author's own and do not constitute investment advice and are not an indication of future Fund performance. Portfolio holdings are subject to change, for information only and are not investment recommendations.

Source: Royal London Asset Management Limited, unless otherwise stated.



## Comparative Tables

### Class M Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	101.44	103.40	112.28	108.81
Return before operating charges*	3.42	1.55	(4.79)	5.40
Operating charges	(0.14)	(0.28)	(0.30)	(0.30)
Return after operating charges*	3.28	1.27	(5.09)	5.10
Distributions on income shares	(0.55)	(3.23)	(3.79)	(1.63)
<b>Closing net asset value per share</b>	<b>104.17</b>	<b>101.44</b>	<b>103.40</b>	<b>112.28</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.23%	1.23%	(4.53)%	4.69%
<b>Other information</b>				
Closing net asset value (£'000)	171,639	222,002	284,545	251,757
Closing number of shares	164,769,717	218,861,186	275,182,536	224,218,814
Operating charges	0.27%	0.27%	0.27%	0.27%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	106.10	107.20	116.00	115.00
Lowest share price	101.50	102.40	103.10	108.60

### Class R Accumulation

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	110.65	109.12	114.10	108.76
Return before operating charges*	3.75	1.61	(4.90)	5.42
Operating charges	(0.04)	(0.08)	(0.08)	(0.08)
Return after operating charges*	3.71	1.53	(4.98)	5.34
Distributions on accumulation shares	(0.60)	(3.41)	(3.88)	(1.62)
Retained distributions on accumulation shares	0.60	3.41	3.88	1.62
<b>Closing net asset value per share</b>	<b>114.36</b>	<b>110.65</b>	<b>109.12</b>	<b>114.10</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.35%	1.40%	(4.36)%	4.91%
<b>Other information</b>				
Closing net asset value (£'000)	118,152	114,908	222,657	199,603
Closing number of shares	103,316,614	103,844,033	204,052,175	174,935,926
Operating charges	0.07%	0.07%	0.07%	0.07%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	115.70	113.20	118.00	115.20
Lowest share price	110.70	108.70	106.00	108.60

### Class Z Income

Change in net assets per share	30/04/24 (p)	31/10/23 (p)	31/10/22 (p)	31/10/21 (p)
Opening net asset value per share	102.11	104.02	112.89	109.24
Return before operating charges*	3.46	1.56	(4.87)	5.44
Operating charges	(0.12)	(0.23)	(0.24)	(0.25)
Return after operating charges*	3.34	1.33	(5.11)	5.19
Distributions on income shares	(0.56)	(3.24)	(3.76)	(1.54)
<b>Closing net asset value per share</b>	<b>104.89</b>	<b>102.11</b>	<b>104.02</b>	<b>112.89</b>
* after direct transaction costs of:	–	–	–	–
<b>Performance</b>				
Return after charges	3.27%	1.28%	(4.53)%	4.75%
<b>Other information</b>				
Closing net asset value (£'000)	211,003	229,837	294,372	249,307
Closing number of shares	201,158,073	225,084,082	282,982,245	220,832,200
Operating charges	0.22%	0.22%	0.22%	0.22%
Direct transaction costs	–	–	–	–
<b>Prices*</b>				
Highest share price	106.80	107.90	116.70	115.50
Lowest share price	102.20	103.00	103.60	109.00

\* The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year. The net asset value per share price is based on the net asset value in the published financial statements and may be different due to the prior year end accounting adjustments.

It should be remembered that past performance is not a reliable indicator of future performance and that the value of shares, and the income derived from them, can vary.

## Portfolio Statement

As at 30 April 2024

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Government Bonds – 2.19% (31/10/23 – 0.00%)</b>			
£15,126,000	UK Treasury 1.75% 7/9/2037	10,943	2.19
<b>Total Government Bonds</b>		<b>10,943</b>	<b>2.19</b>
<b>Government Index-Linked Bonds – 98.35% (31/10/23 – 100.49%)</b>			
€8,736,000	Federal Republic of Germany 0.1% IL 15/4/2026	9,106	1.82
€2,946,000	Federal Republic of Germany 0.1% IL 15/4/2033	2,902	0.58
€10,929,953	Federal Republic of Germany 0.5% IL 15/4/2030	11,673	2.33
AUD17,076,000	Government of Australia 0.25% IL 21/11/2032	8,948	1.79
AUD7,256,000	Government of Australia 2% IL 21/8/2035	5,042	1.01
CAD1,234,000	Government of Canada 4.25% IL 1/12/2026	1,371	0.27
€9,343,000	Government of France 0.1% IL 1/3/2028	9,103	1.82
€8,064,000	Government of France 0.1% IL 25/7/2031	7,849	1.57
€15,261,000	Government of France 0.1% IL 1/3/2032	14,051	2.81
€2,355,724	Government of France 0.7% IL 25/7/2030	2,517	0.50
€764,911	Government of France 1.85% IL 25/7/2027	899	0.18
JPY1,176,400,000	Government of Japan 0.1% IL 10/9/2024	6,516	1.30
JPY335,000,000	Government of Japan 0.1% IL 10/3/2025	1,873	0.37
JPY316,400,000	Government of Japan 0.1% IL 10/3/2026	1,794	0.36
JPY577,000,000	Government of Japan 0.1% IL 10/3/2028	3,304	0.66
JPY729,100,000	Government of Japan 0.2% IL 10/3/2030	4,297	0.86
NZ\$333,000	Government of New Zealand 2% IL 20/9/2025	207	0.04
€4,799,000	Government of Spain 0.65% IL 30/11/2027	5,025	1.00
€7,698,000	Government of Spain 0.7% IL 30/11/2033	7,707	1.54
SEK21,440,000	Government of Sweden 0.125% IL 1/6/2032	1,956	0.39
SEK33,100,000	Government of Sweden 1% IL 1/6/2025	3,119	0.62
€9,287,000	Republic of Italy 0.4% IL 15/5/2030	8,910	1.78
€7,000,000	Republic of Italy 0.65% IL 15/5/2026	6,945	1.39
€3,208,000	Republic of Italy 1.25% IL 15/9/2032	3,312	0.66
€5,456,000	Republic of Italy 1.8% IL 15/5/2036	4,600	0.92
£302,000	UK Treasury 0.75% IL 22/3/2034	500	0.10
£260,562	UK Treasury 0.125% IL 22/3/2026	382	0.08
£25,597,000	UK Treasury 0.125% IL 10/8/2028	34,759	6.94
£15,513,843	UK Treasury 0.125% IL 22/3/2029	24,598	4.91
£26,685	UK Treasury 0.125% IL 22/11/2036	36	0.01
£41,362,838	UK Treasury 0.75% IL 22/11/2033	42,970	8.58
£278,296	UK Treasury 1.25% IL 22/11/2032	520	0.10
£3,623,000	UK Treasury 4.125% IL 22/7/2030	12,353	2.47
\$800	US Treasury 0.125% IL 15/10/2025	1	–
\$6,411,900	US Treasury 0.125% IL 15/4/2026	5,774	1.15
\$25,546,900	US Treasury 0.125% IL 15/7/2026	25,165	5.03
\$6,861,000	US Treasury 0.125% IL 15/1/2030	5,861	1.17
\$28,985,300	US Treasury 0.125% IL 15/7/2030	24,692	4.93
\$3,360,000	US Treasury 0.125% IL 15/1/2031	2,779	0.55
\$1,469,300	US Treasury 0.125% IL 15/7/2031	1,172	0.23
\$14,806,000	US Treasury 0.125% IL 15/1/2032	11,252	2.25
\$28,604,500	US Treasury 0.25% IL 15/7/2029	25,108	5.01
\$43,860,900	US Treasury 0.375% IL 15/1/2027	42,554	8.50
\$14,885,000	US Treasury 0.5% IL 15/1/2028	13,966	2.79
\$18,389,400	US Treasury 0.875% IL 15/1/2029	16,921	3.38
\$46,715,100	US Treasury 1.125% IL 15/1/2033	35,338	7.06
\$23,688,000	US Treasury 1.375% IL 15/7/2033	17,941	3.58
\$3,629,000	US Treasury 1.75% IL 15/1/2028	4,199	0.84
\$3,706,000	US Treasury 2.375% IL 15/1/2027	4,543	0.91
\$3,782,000	US Treasury 3.625% IL 15/4/2028	6,064	1.21
<b>Total Government Index-Linked Bonds</b>		<b>492,474</b>	<b>98.35</b>

Holding	Investment	Bid-market value (£'000)	Total net assets (%)
<b>Forward Currency Contracts – (0.52)% (31/10/23 – (0.69)%)</b>			
	Buy €4,373,152 & Sell £3,747,794†	(5)	–
	Buy £14,279,267 & Sell AUD27,279,830†	112	0.02
	Buy £1,402,542 & Sell CAD2,415,000†	(2)	–
	Buy £99,274,817 & Sell €115,581,641†	365	0.07
	Buy £18,557,108 & Sell JPY3,537,196,295†	453	0.09
	Buy £206,690 & Sell NZ\$432,815†	2	–
	Buy £5,246,076 & Sell SEK69,802,849†	155	0.03
	Buy £246,070,139 & Sell \$312,749,487†	(3,624)	(0.72)
	Buy \$5,516,809 & Sell £4,459,695†	(55)	(0.01)
<b>Total Forward Currency Contracts</b>		<b>(2,599)</b>	<b>(0.52)</b>
<b>Total value of investments^</b>		<b>500,818</b>	<b>100.02</b>
<b>Net other liabilities</b>		<b>(24)</b>	<b>(0.02)</b>
<b>Total net assets</b>		<b>500,794</b>	<b>100.00</b>

† Unlisted

^ Including investment liabilities

Other than forward currency contracts, all investments are listed on recognised stock exchanges and are “approved securities” within the meaning of the FCA rules unless otherwise stated.

## Summary of Portfolio Investments

As at 30 April 2024

Credit breakdown*	30 Apr 2024		31 Oct 2023	
	Bid-Market value £'000	Total net assets %	Bid-Market value £'000	Total net assets %
Investments of investment grade	503,417	100.54	569,527	100.49
<b>Total bonds</b>	<b>503,417</b>	<b>100.54</b>	<b>569,527</b>	<b>100.49</b>
Forward currency contracts – assets	1,087	0.21	433	0.07
<b>Investments as shown in the balance sheet</b>	<b>504,504</b>	<b>100.75</b>	<b>569,960</b>	<b>100.56</b>
Forward currency contracts – liabilities	(3,686)	(0.73)	(4,353)	(0.76)
<b>Total value of investments</b>	<b>500,818</b>	<b>100.02</b>	<b>565,607</b>	<b>99.80</b>

\* Ratings supplied by S&P, followed by Moody's.

## Summary of Material Portfolio Changes

For the six month period ended 30 April 2024

### Significant Purchases

	Cost £'000
UK Treasury 0.75% IL 22/11/2033	148,729
UK Treasury 0.125% IL 22/3/2029	85,370
UK Treasury 0.125% IL 22/3/2026	66,779
UK Treasury 0.125% IL 22/3/2024	43,392
UK Treasury 1.25% IL 22/11/2032	40,724
US Treasury 1.375% IL 15/7/2033	33,290
UK Treasury 1.75% 7/9/2037	29,122
UK Treasury 0.125% IL 10/8/2028	25,617
US Treasury 1.125% IL 15/1/2033	17,271
UK Treasury 1.25% IL 22/11/2027	16,142
<b>Subtotal</b>	<b>506,436</b>
<b>Total cost of purchases, including the above, for the period</b>	<b>648,165</b>

### Significant Sales

	Proceeds £'000
UK Treasury 0.75% IL 22/11/2033	138,687
UK Treasury 0.125% IL 22/3/2029	90,426
UK Treasury 0.125% IL 22/3/2026	70,810
UK Treasury 1.25% IL 22/11/2032	52,175
UK Treasury 0.125% IL 22/3/2024	50,425
UK Treasury 1.25% IL 22/11/2027	49,003
UK Treasury 0.125% IL 10/8/2028	19,740
UK Treasury 1.75% 7/9/2037	18,079
Government of Australia 0.25% IL 21/11/2032	16,545
US Treasury 1.375% IL 15/7/2033	15,116
<b>Subtotal</b>	<b>521,006</b>
<b>Total proceeds from sales, including the above, for the period</b>	<b>719,419</b>

## Financial Statements

### Statement of Total Return

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
Income		
Net capital gains	13,009	5,058
Revenue	5,822	18,114
Expenses	(546)	(793)
Interest payable and similar charges	(3)	–
Net revenue before taxation	5,273	17,321
Taxation	–	–
Net revenue after taxation	5,273	17,321
Total return before distributions	18,282	22,379
Distributions	(2,822)	(8,034)
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>15,460</b>	<b>14,345</b>

### Balance Sheet

As at 30 April 2024

	30 Apr 2024 £'000	31 Oct 2023 £'000
<b>Assets</b>		
Investments	504,504	569,960
Current assets:		
Debtors	1,309	21,145
Cash and bank balances	3,131	42
<b>Total assets</b>	<b>508,944</b>	<b>591,147</b>
<b>Liabilities</b>		
Investment liabilities	3,686	4,353
Creditors:		
Other creditors	2,429	10,359
Distribution payable	2,035	9,688
<b>Total liabilities</b>	<b>8,150</b>	<b>24,400</b>
<b>Net assets attributable to shareholders</b>	<b>500,794</b>	<b>566,747</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the six month period ended 30 April 2024

	30 Apr 2024 £'000	30 Apr 2023 £'000
<b>Opening net assets attributable to shareholders</b>	<b>566,747</b>	<b>801,574</b>
Amounts receivable on creation of shares	29,106	58,132
Amounts payable on cancellation of shares	(111,182)	(189,640)
	(82,076)	(131,508)
Dilution adjustment charged	39	8
<b>Change in net assets attributable to shareholders from investment activities</b>	<b>15,460</b>	<b>14,345</b>
Retained distributions on accumulation shares	624	1,082
<b>Closing net assets attributable to shareholders</b>	<b>500,794</b>	<b>685,501</b>

## Distribution Table

For the six month period ended 30 April 2024

### Distribution in pence per share

#### Interim

Group 1: Shares purchased prior to 1 November 2023

Group 2: Shares purchased between 1 November 2023 and 30 April 2024

	Net income	Equalisation	Distribution payable 28/06/24	Distribution paid 30/06/23
<b>Class M Income</b>				
Group 1	0.5540	–	0.5540	1.0521
Group 2	0.3577	0.1963	0.5540	1.0521
<b>Class R Accumulation</b>				
Group 1	0.6044	–	0.6044	1.1142
Group 2	0.3947	0.2097	0.6044	1.1142
<b>Class Z Income</b>				
Group 1	0.5578	–	0.5578	1.0587
Group 2	0.3762	0.1816	0.5578	1.0587

## Fact File

### Constitution

#### Royal London Sterling Credit Fund

Launch date	30 October 2009		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class S	nil
		Class Z	nil
	Annual	Class M	0.53%
		Class R	0.06%
		Class S	0.05%
		Class Z	0.35%

#### Royal London Short Term Money Market Fund

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class R	n/a	
	Class S	n/a	
	Class Y	£1,000,000 (thereafter £100)	
Management charges:	Initial	Class R	nil
		Class S	nil
		Class Y	nil
	Annual	Class R	0.03%
		Class S	0.03%
		Class Y	0.10%

#### Royal London Global Index Linked Fund

Launch date	27 January 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class Z	nil
	Annual	Class M	0.50%
		Class R	0.11%
		Class Z	0.36%

**Fact File** (continued)**Constitution** (continued)**Royal London Corporate Bond Fund**

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
Minimum investment	Class A	£1,000 (thereafter £100)	
	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class Y	£150,000,000 (thereafter £500,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class A	nil
		Class M	nil
		Class R	nil
		Class S	nil
		Class Y	nil
		Class Z	nil
	Annual	Class A	0.69%
		Class M	0.56%
		Class R	0.09%
		Class S	0.11%
		Class Y	0.37%
		Class Z	0.35%

**Royal London Index Linked Fund**

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
Management charges:	Initial	Class M	nil
		Class R	nil
	Annual	Class M	0.30%
		Class R	0.08%

**Royal London UK Government Bond Fund**

Launch date	30 April 2010		
Accounting end dates	31 October (final)		
	30 April (interim)		
Distribution dates	31 December (final)		
	30 June (interim)		
Minimum investment	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
	Class X	£25,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
Management charges:	Initial	Class M	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Z	nil
	Annual	Class M	0.30%
		Class R	0.09%
		Class S	0.10%
		Class X	0.25%
		Class Z	0.25%



**Fact File** (continued)**Constitution** (continued)**Royal London Short Term Fixed Income Fund**

<b>Launch date</b>	15 June 2011		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
<b>Minimum investment</b>	Class M	£100,000 (thereafter £50,000)	
	Class R	n/a	
	Class S	n/a	
	Class X	£200,000,000 (thereafter £1,000,000)	
	Class Y	£1,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class M	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Y	nil
		Class Z	nil
	<b>Annual</b>	Class M	0.25%
		Class R	0.03%
		Class S	0.03%
		Class X	0.11%
		Class Y	0.15%
		Class Z	0.03%

**Royal London International Government Bond Fund**

<b>Launch date</b>	4 November 2011		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	30 June (interim)		
<b>Minimum investment</b>	Class A	£1,000 (thereafter £100)	
	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class S	n/a	
<b>Management charges:</b>	<b>Initial</b>	Class A	nil
		Class M	nil
		Class R	nil
		Class S	nil
		Class Z	nil
	<b>Annual</b>	Class A	0.95%
		Class M	0.30%
		Class R	0.05%
		Class S	0.05%
		Class Z	0.05%

**Royal London Diversified Asset-Backed Securities Fund**

<b>Launch date</b>	24 September 2012		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
<b>Minimum investment</b>	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class R	nil
		Class S	nil
		Class Z	nil
	<b>Annual</b>	Class R	0.06%
		Class S	0.06%
		Class Z	0.425%

**Fact File** (continued)**Constitution** (continued)**Royal London Short Duration Gilts Fund**

<b>Launch date</b>	7 November 2013		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	30 June (interim)		
<b>Minimum investment</b>	Class M	£100,000 (thereafter £1,000)	
	Class N	n/a	
	Class R	n/a	
	Class S	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class M	nil
		Class N	nil
		Class R	nil
		Class S	nil
		Class Z	nil
	<b>Annual</b>	Class M	0.29%
		Class N	0.04%
		Class R	0.09%
		Class S	0.07%
		Class Z	0.22%

**Royal London Short Term Fixed Income Enhanced Fund**

<b>Launch date</b>	18 May 2015		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
<b>Minimum investment</b>	Class R	n/a	
	Class S	n/a	
	Class Y	£1,000,000 (thereafter £50,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class R	nil
		Class S	nil
		Class Y	nil
		Class Z	nil
	<b>Annual</b>	Class R	0.03%
		Class S	0.03%
		Class Y	0.18%
		Class Z	0.03%

**Royal London Cautious Managed Fund**

<b>Launch date</b>	8 June 2015		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
<b>Minimum investment</b>	Class A	£5,000 (thereafter £500)	
	Class R	n/a	
<b>Management charges:</b>	<b>Initial</b>	Class A	nil
		Class R	nil
	<b>Annual</b>	Class A	0.70%
		Class R	0.10%

**Fact File** (continued)**Constitution** (continued)**Royal London Investment Grade Short Dated Credit Fund**

<b>Launch date</b>	7 December 2015		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	31 March (interim)		
	30 June (interim)		
	30 September (interim)		
<b>Minimum investment</b>	Class M	£100,000 (thereafter £1,000)	
	Class N	n/a	
	Class R	n/a	
	Class S	n/a	
	Class X	£150,000,000 (thereafter £500,000)	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class M	nil
		Class N	nil
		Class R	nil
		Class S	nil
		Class X	nil
		Class Z	nil
	<b>Annual</b>	Class M	0.29%
		Class N	0.03%
		Class R	0.04%
		Class S	0.04%
		Class X	0.175%
		Class Z	0.24%

**Royal London Short Duration Global Index Linked Fund**

<b>Launch date</b>	23 February 2016		
<b>Accounting end dates</b>	31 October (final)		
	30 April (interim)		
<b>Distribution dates</b>	31 December (final)		
	30 June (interim)		
<b>Minimum investment</b>	Class M	£100,000 (thereafter £1,000)	
	Class R	n/a	
	Class Z	£3,000,000 (thereafter £50,000)	
<b>Management charges:</b>	<b>Initial</b>	Class M	nil
		Class R	nil
		Class Z	nil
	<b>Annual</b>	Class M	0.27%
		Class R	0.07%
		Class Z	0.22%

## Fact File (continued)

### Investment Objective and Policies

Please note that Synthetic Risk and Reward Indicators (SRRIs) are calculated on a share class basis. For SRI information in relation to a specific share class, please always refer to the relevant Key Investor Information Document (KIID) available on our website.

#### Royal London Sterling Credit Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing at least 80% in sterling-denominated corporate bond.

The Fund's performance target is to outperform, after the deduction of charges, the Markit iBoxx Sterling Non-Gilts Total Return GBP Index (the Index) over a rolling 5-year period.

At least 80% of the Fund will be invested in investment grade corporate bonds and in index linked corporate bonds, securitisations, supranational bonds, agency bonds, floating-rate notes and asset-backed securities each denominated in sterling or hedged back to sterling. These Investments will generally be fixed-rate issues.

Up to 10% of the Fund may be invested in collective investment schemes.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by corporations are more volatile than bonds issued by governments.

#### Royal London Global Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing at least 80% in index-linked bonds issued by governments globally.

The Fund's performance target is to outperform, after the deduction of charges, the Bloomberg World Government Inflation Linked Bond Total Return Index (GBP Hedged) (the Index) over a rolling 5-year period. The Index is regarded as a good measure of the performance of global index-linked government bonds.

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.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Short Term Money Market Fund

The Fund's investment objective is to preserve capital and provide an income over rolling 12-month periods by predominantly investing at least 80% in cash and cash equivalents.

The Fund's performance target is to outperform, after the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) over rolling 12-month periods.

At least 80% of the Fund will be invested in eligible instruments as permitted by the Money Market Funds Regulation. These will include cash, time deposits, certificates of deposit, commercial paper, floating-rate notes, and short-dated government bonds.

The Fund may also hold a small amount of the portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

Money market instruments will have a minimum rating of A-1, P-1 or F1 or long-term equivalent.

#### Risk and reward profile



The Fund is ranked in risk category 1 because its share price has shown a very low level of volatility historically. As an investment, money market instruments are less volatile than bonds and shares.

#### Royal London Corporate Bond Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing at least 80% in sterling-denominated corporate bonds.

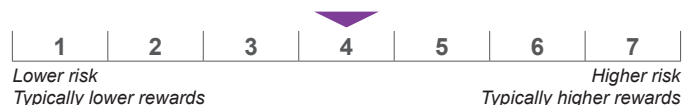
The Fund's performance target is to outperform, after the deduction of charges, the Markit iBoxx Sterling Non-Gilt Total Return GBP Index (the Index) over a rolling 5-year period.

At least 80% of the Fund will be invested in Policy investment grade corporate bonds and in index linked corporate bonds, securitisations, supranational bonds, agency bonds, floating-rate notes and asset backed securities each denominated in sterling or hedged back to sterling. These investments will generally be fixed-rate issues

Up to 10% of the Fund may be invested in collective investment schemes.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3-5 years, by investing mainly in index-linked bonds issued by the UK government, known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Index Linked Gilts All Stock Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of index-linked UK government bonds.

The Index is considered an appropriate benchmark for the Fund's performance, as many of the Fund's potential investments will be included in the Index.

At least 80% of the Fund will be invested in index-linked gilts.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 6 because its share price has shown a high level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

#### Royal London UK Government Bond Fund

The Fund's investment objective is to achieve a total return over (combination of capital growth and income) the medium term, which should be considered as a period of 3–5 years, by predominantly investing in UK government bonds, also known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Conventional Gilts All Stocks Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of every UK government bond quoted on the London Stock Exchange.

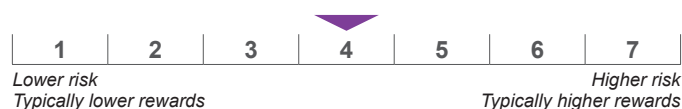
The Index is considered an appropriate benchmark for the Fund's performance, as the Fund's potential investments will predominantly be included in the Index.

At least 80% of the Fund will be invested in UK Government bonds, which are fixed-income securities issued by the UK Government, also known as gilts.

A limited amount of the Fund's assets may be invested in other transferable securities, money market instruments and exchange-traded funds.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 4 because its share price has shown a medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Short Term Fixed Income Fund

The Fund's investment objective is to achieve a total return over rolling 12-month periods by mainly investing in Short Term Fixed Income Securities.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) by 0.50% per annum over rolling 12-month periods.

To achieve this objective a minimum of 50% of the Fund will be invested in a combination of money market instruments, including cash, time deposits, certificates of deposit and commercial paper, floating rate notes and Government bonds.

Government bonds are also included in this segment of the Fund. In exceptional circumstances the Fund may invest up to 100% in money market instruments.

The Fund will also invest in a range of securities, including corporate bonds and supranational & agency bonds, asset backed securities and/or transferable securities.

The Fund may also make use of reverse repurchase agreements.

The Fund may also hold derivatives for the purposes of Efficient Portfolio Management only.

#### Risk and reward profile



The Fund is ranked in risk category 1 because its share price has shown a very low level of volatility historically. As an investment, money market instruments and bonds are less volatile than shares.

#### Royal London International Government Bond Fund

The Fund's investment objective is to achieve a total return over the medium term, which should be considered as a period of 3-5 years, by primarily investing in government bonds globally.

The Fund's performance target is to outperform, after the deduction of charges, the JP Morgan Traded World ex UK Government Bond Index (GBP hedged) (the Index) over a rolling 5-year period. The Index is regarded as a good measure of the performance of government bonds across the developed markets.

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.

At least 80% of the Fund will be invested in bonds issued by governments across the developed markets, not including the UK. The remainder of the Fund's assets may be invested in a range of other securities, including UK government bonds, supranational bonds and agency bonds. Index-linked bonds, floating-rate notes and corporate bonds, both UK and non-UK, may also be held.

A limited amount of the Fund's assets may be invested in other transferable securities and money market instruments.

It may also hold derivatives for the purpose of Efficient Portfolio Management only.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Diversified Asset-Backed Securities Fund

The Fund's investment objective is to achieve a positive absolute return in all market conditions over rolling 3-year periods, by predominantly investing at least 80% in asset-backed securities and other sterling-denominated corporate bonds.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) plus 2% per annum over rolling 3-year periods.

At least 80% of the Fund's assets will be invested in asset backed securities and other sterling corporate bonds, which will generally be fixed and floating-rate issues.

The remainder of the Fund's assets may be invested in a range of securities, including government bonds, index-linked bonds and bonds denominated in currencies other than sterling.

Up to 10% may be invested in collective investment schemes. A limited amount may also be invested in money market instruments and other transferable securities.

The Fund may also hold derivatives for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

#### Royal London Short Duration Gilts Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3–5 years, by predominantly investing in short-duration (1-5 years) UK government bonds, which are also known as gilts.

The Fund's performance target is to outperform, after the deduction of charges, the FTSE® Actuaries UK Conventional Gilts up to 5 Years Index (the Index) over a rolling 5-year period.

The Index is regarded as a good measure of the performance of short duration UK government bonds quoted on the London Stock Exchange.

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.

At least 80% of the Fund will be invested in UK government bonds, of which at least 70% will be short duration.

The Fund may also invest in a range of other securities including UK Government bonds with a longer duration, non-UK government bonds, supranational bonds and agency bonds, Index-linked bonds and corporate bonds, both UK and non-UK, may also be held. Up to 10% of the Fund's assets may be invested in other funds, known as collective investment schemes.

It may also hold derivatives for the purpose of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.



## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Short Term Fixed Income Enhanced Fund

The Fund's investment objective is to achieve a total return over rolling 12-month periods by mainly investing in short term fixed income securities.

The Fund's performance target is to outperform, before the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) by 1.00% over rolling 12-month periods.

To achieve this objective the Fund will invest at least 60% in short term fixed income securities using in a combination of money market instruments, including cash, time deposits, certificates of deposit, commercial paper and floating rate notes. Short term corporate bonds, covered bonds and asset backed securities will also be included.

In exceptional circumstances the Fund may invest up to 100% in money market instruments.

The Fund may also invest in a range of other securities including the use of reverse repurchase agreements. The Fund will not invest in other funds, known as CIS. The Fund may also hold derivatives for the purposes of Efficient Portfolio Management only.

#### Risk and reward profile



The Fund is ranked in risk category 2 because its simulated share price has shown a low level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

#### Royal London Cautious Managed Fund

The Fund's investment objective is to achieve a total return over the course of a market cycle, which should be considered as a period of 6–7 years, by predominantly investing in other funds, known as collective investment schemes.

At least 80% of the Fund will be invested in collective investment schemes (CIS) which can invest in investment and sub-investment grade bonds, and the shares of UK and overseas companies (UK companies are those domiciled in the UK, or which have significant UK business operations). The Fund's CIS holdings will for the most part be managed by Royal London Unit Trust Managers Limited or another Royal London Group company. The Fund's manager can, however, invest a limited amount of assets in other CIS where they feel it is appropriate. And where the manager believes it is in the best interests of the Fund.

The Fund may also hold a small amount of its portfolio in derivatives (investments that derive their value from another closely related underlying investment) for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

## Fact File (continued)

### Investment Objective and Policies (continued)

#### Royal London Investment Grade Short Dated Credit Fund

The Fund's investment objective is to achieve a total return over the medium term (3–5 years) by investing at least 80% in investment-grade bonds.

The Fund will seek to outperform its benchmark, after the deduction of charges, ICE Bank of America 1-5 Year Sterling Non-Gilt Index, by 0.25% per annum over rolling three year periods. The Index is regarded as a good measure of the performance of short-dated sterling denominated bonds, not including those issued by the UK government.

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.

At least 80% of the Fund will be invested in investment grade bonds of companies and other organisations (known as corporate bonds) that are listed in sterling. Of these, at least 70% will have a maturity of less than five years. Floating rate notes, asset-backed securities, supranational bonds and agency bonds are included in this segment of the Fund. The remainder of the Fund may be invested in a range of securities, including UK Government bonds and the bonds of companies and other organisations that are listed in a currency other than sterling. Bonds with a maturity greater than five years are also allowed. The Fund's bond holdings will typically be investment-grade bonds. The Fund may also invest in preference shares. A limited amount of the Fund's assets may be invested in other transferable securities.

Up to 10% of the Fund's assets may be invested in other funds, known as collective investment schemes.

The Fund may hold derivatives for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its simulated share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

#### Royal London Short Duration Global Index Linked Fund

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term, which should be considered as a period of 3–5 years, by predominantly investing in short-duration (1-10 years) index-linked bonds issued by governments globally.

The Fund's performance target is to outperform a composite benchmark of the 30% Bloomberg Total Return GBP UK Government Inflation Linked Bond 1-10 year Index, 70% Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year GBP Index (the Index) over a rolling 5-year period.

The Index is a good measure of the performance of index-linked UK government bonds and government bonds globally.

The Index is considered an appropriate benchmark for the Fund's performance, as many of the Fund's potential investments will be included in either the Bloomberg UK Government Inflation Linked Bond 1-10 year Index or the Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Total Return GBP Index.

At least 80% of the Fund will be invested in global index-linked government bonds.

The Fund may also invest in other debt securities such as government and corporate bonds, floating rate notes and money market instruments, and also in other transferable securities, cash, near cash and collective investment schemes as the Investment Manager deems appropriate. The debt securities in which the Fund invests may be investment grade or non-investment grade.

It may hold derivatives for the purposes of Efficient Portfolio Management.

#### Risk and reward profile



The Fund is ranked in risk category 3 because its simulated share price has shown a low to medium level of volatility historically. As an investment, bonds are more volatile than money market instruments but are less volatile than shares. Bonds issued by governments are less volatile than bonds issued by corporations.

**Fact File** (continued)**Investment Objective and Policies** (continued)

The indicators have been calculated using historical data and may not be a reliable indication of the future risk profile of the Funds. The indicators are calculated using a standard methodology that is used by all companies offering such Funds in Europe.

The risk/reward indicators are an estimate and not a guarantee. Going forward, the Funds' actual volatility could be higher or lower, and their rated risk/reward profile could change. The lowest risk category does not mean the investment is risk free.

The Risk and Reward Profiles are published in each Fund's most recent Key Investor Information Document.

## **Appendix – Additional Information**

### **Securities Financing Transactions**

The Funds engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Funds' involvement in and exposures related to securities lending for the period ended 30 April 2024 are detailed on the following pages.

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Sterling Credit Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

#### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	4.97%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£120,580,633	4.89%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

#### Concentration data

##### Top Ten collateral issuers (across all SFT )

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 3.75% 29/1/2038	21,132,328	19,689
Government of Japan 0% 27/5/2024	1,696,300,000	8,609
Government of France 5.5% 25/4/2029	8,437,500	8,082
Government of France 2% 25/5/2048	11,086,300	7,543
Government of France 2.5% 24/9/2027	7,833,036	6,601
Government of Belgium 2.7% 22/10/2029	6,626,602	5,636
Government of Australia 0.5% 21/9/2026	11,724,000	5,586
Government of Germany 2.6% 15/5/2041	6,431,534	5,418
Government of Belgium 2.25% 22/6/2057	7,373,000	4,952
UK Treasury 0.75% 22/11/2047	2,919,965	4,763

#### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Deutsche Bank	28,255
JP Morgan Securities	19,375
Barclays Bank	19,013
Goldman Sachs International	18,296
HSBC Bank	9,808
BNP Paribas London	7,911
Morgan Stanley & Co International	6,006
Citigroup Global Markets	4,818
UBS AG	4,132
RBC Europe limited	2,711
Lloyds Bank Corporate Markets	256
	<b>120,581</b>

#### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	130,802
		<b>130,802</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

#### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	130,802
	<b>130,802</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Sterling Credit Fund – continued

##### Aggregate transaction data – continued

##### Currency of collateral

Currency	Fair value £'000
Sterling	34,979
Australian dollar	5,824
Canadian dollar	141
Euro	61,466
Japanese yen	16,983
Norwegian krone	640
Singapore dollar	11
US dollar	10,758
	<b>130,802</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	120,581
	<b>120,581</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	111	
Agents fee	(22)	20.00%
<b>Fund net return</b>	<b>89</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Global Index Linked Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	6.20%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£19,234,808	6.24%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### All collateral issuers (across all SFT )

Issuer	Collateral	
	Holding	Fair value £'000
Government of Japan 0.5% 20/3/2038	4,393,950,000	20,259

##### All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
HSBC Bank	19,235
	<b>19,235</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	20,259
		<b>20,259</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	20,259
	<b>20,259</b>

##### Currency of collateral

Currency	Fair value £'000
Japanese yen	20,259
	<b>20,259</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	19,235
	<b>19,235</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	26	
Agents fee	(5)	20.00%
<b>Fund net return</b>	<b>21</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Corporate Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	3.72%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£48,039,056	3.66%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of Germany 6.5% 7/4/2027	5,137,681	5,120
Government of Belgium 3.45% 22/6/2043	5,006,020	4,444
UK Treasury 0.125% 22/3/2046	4,497,047	4,440
Republic of Finland 3% 15/9/2034	5,163,000	4,401
Government of Japan 0.70% 20/9/2038	925,200,000	4,349
Government of Austria 20/2/2031	5,143,000	3,619
Government of Japan 27/5/2024	473,000,000	2,400
Government of Germany 2.5% 19/3/2026	2,447,851	2,084
Government of France 5.5% 25/4/2029	1,592,000	1,525
Government of Belgium 2.7% 22/10/2029	1,492,660	1,270

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Barclays bank	20,736
Deutsche bank	6,161
HSBC Bank	5,420
Morgan Stanley & Co International	4,742
UBS	4,132
JP Morgan Securities	3,354
BNP Paribas	2,219
Royal Bank of Canada	1,275
	<b>48,039</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	52,107
		<b>52,107</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	52,107
	<b>52,107</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	11,279
Australian dollar	1,762
Canadian dollar	14
Euro	30,979
Japanese yen	6,816
Norwegian krone	719
Singapore dollar	212
US dollar	326
	<b>52,107</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	48,039
	<b>48,039</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	53	
Agents fee	(11)	20.00%
<b>Fund net return</b>	<b>42</b>	<b>80.00%</b>



## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Index Linked Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

#### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	0.93%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£4,114,432	0.92%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

#### Concentration data

##### All collateral issuers (across all SFT )

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 0.125% 10/8/2028	640,788	868
UK Treasury 4.625% 31/1/2034	836,248	868
UK Treasury 4.75% 22/10/2043	862,782	868
UK Treasury 3.75% 29/1/2038	798,971	743
UK Treasury 0.125% 22/3/2029	404,226	641
UK Treasury 3.75% 22/10/2053	245,791	208
UK Treasury 1.125% 31/1/2039	195,399	124
UK Treasury 1.25% 22/11/2055	10,765	21

#### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
HSBC Bank	4,114
	<b>4,114</b>

#### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	4,342
		<b>4,342</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	4,342
	<b>4,342</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	4,342
	<b>4,342</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	4,114
	<b>4,114</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

#### Return and cost

	£'000	% of overall returns
Fund gross return	4	
Agents fee	(1)	20.00%
<b>Fund net return</b>	<b>3</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London UK Government Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	12.58%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£112,911,929	12.57%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 4.75% 22/10/2043	16,726,331	16,833
US Treasury 0.125% 15/7/2031	21,014,700	16,822
US Treasury 0.875% 30/9/2026	23,146,500	16,822
US Treasury 0.125% 15/4/2026	18,676,800	16,821
US Treasury 0.125% 15/10/2026	9,533,600	8,181
UK Treasury 0.125% 22/3/2058	7,462,874	7,460
UK Treasury 4.25% 7/12/2040	7,499,516	7,318
UK Treasury 3.75% 22/10/2053	8,228,183	6,952
UK Treasury 0% 30/9/2024	6,542,319	6,404
UK Treasury 0.625% 22/11/2042	2,200,455	3,607

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
HSBC Bank	79,770
Lloyds Bank Corporate Markets	18,053
Bank of Nova Scotia	6,097
Banco Santander	4,215
BNP Paribas London	2,534
Merrill Lynch	976
Nomura International	856
Morgan Stanley & Co International	411
	<b>112,912</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	115,884
		<b>115,884</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	115,884
	<b>115,884</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	52,112
Euro	1,830
Japanese yen	3,297
US dollar	58,645
	<b>115,884</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	112,912
	<b>112,912</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	51	
Agents fee	(10)	20.00%
<b>Fund net return</b>	<b>41</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Short Term Fixed Income Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	0.25%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£9,478,720	0.24%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of France 5.5% 25/4/2029	4,694,000	4,496
Government of Netherlands 2.5% 15/1/2030	913,709	776
Government of France 3% 25/5/2054	963,895	776
UK Treasury 4% 22/10/2063	874,772	772
Government of Norway 1.75% 13/3/2025	10,914,000	772
Government of Germany 2.9% 18/6/2026	892,065	761
Government of France 2% 25/5/2048	552,000	376
UK Treasury 0.125% 22/3/2058	259,911	257
Government of France 1.75% 25/6/2039	356,736	256
Government of Germany 2.3% 15/2/2033	303,378	256

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
JP Morgan Securities	4,619
Royal Bank of Canada	3,652
Barclays Bank	706
Deutsche Bank	502
	<b>9,479</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	10,779
		<b>10,779</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	10,779
	<b>10,779</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	1,034
Canadian dollar	1
Euro	8,674
Japanese yen	3
Norwegian krone	966
US dollar	101
	<b>10,779</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	9,479
	<b>9,479</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	9	
Agents fee	(2)	20.00%
<b>Fund net return</b>	<b>7</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London International Government Bond Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	14.87%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£163,424,396	14.91%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT )

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 0.625% 22/11/2042	23,639,772	38,750
Monetary Authority of Singapore 17/5/2024	46,067,000	26,928
Monetary Authority of Singapore 12/7/2024	39,095,000	22,714
Monetary Authority of Singapore 10/5/2024	34,001,000	19,890
Monetary Authority of Singapore 5/7/2024	23,440,000	13,629
Government of Japan 27/5/2024	2,090,400,000	10,609
Government of Australia 6.25% 15/7/2027	9,859,708	9,690
DBV Unstripped BGS Bond Participant	7,082,572	7,083
UK Treasury 4.25% 7/12/2027	5,071,477	5,030
UK Treasury 3.75% 29/1/2038	4,371,985	4,068

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Goldman Sachs	78,766
Banco Santander	45,792
HSBC Bank	19,333
BNP Paribas London	10,109
Citigroup Global Markets	8,236
Morgan Stanley & Co International	1,188
	<b>163,424</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	180,651
		<b>180,651</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	180,651
	<b>180,651</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	71,563
Euro	15,318
Japanese yen	10,608
Singapore dollar	83,162
	<b>180,651</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	163,424
	<b>163,424</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	118	
Agents fee	(24)	20.00%
<b>Fund net return</b>	<b>94</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Diversified Asset-Backed Securities Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

###### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	2.36%

###### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£6,191,910	2.26%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

###### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of Japan 0% 7/8/2024	164,600,000	962
Government of Japan 0% 13/08/2024	164,550,000	961
Government of Japan 0% 16/07/2024	164,500,000	961
UK Treasury 4% IL Gilt 22/10/2031	845,078	840
UK Treasury 3.12% 31/8/2029	977,800	726
Government of France 0.75% 25/5/2028	855,115	697
Government of Japan 0% 27/5/2024	73,300,000	428
Federal Republic of Germany 2.3% 15/2/2033	372,148	323
Government of Belgium 2.7% 22/10/2029	369,681	323
Government of Finland 2.95% 15/4/2055	379,000	320

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Merrill Lynch	3,750
Barclays Bank	1,457
Morgan Stanley	639
BNP Paribas	346
	<b>6,192</b>

##### Aggregate transaction data

###### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	6,809
		<b>6,809</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

###### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	6,809
	<b>6,809</b>

###### Currency of collateral

Currency	Fair value £'000
Sterling	1,156
Euro	1,979
Japanese yen	2,939
US dollar	735
	<b>6,809</b>

###### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	6,192
	<b>6,192</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	4	
Agents fee	(1)	20.00%
Fund net return	<b>3</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Short Duration Gilts Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	10.30%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£134,645,778	10.33%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
Government of Japan 27/5/2024	4,505,750,000	22,866
UK Treasury 10.75% 22/10/2043	18,434,271	18,552
UK Treasury 5.625% 31/1/2034	17,866,191	18,552
UK Treasury 0.75% 22/11/2033	17,750,592	18,552
UK Treasury 3.75% 29/1/2038	16,482,604	15,335
UK Treasury 4% 22/10/2063	17,250,106	15,229
UK Treasury 1.125% 31/1/2039	20,052,738	12,781
Government of Belgium 1.45% 22/6/2037	4,982,365	3,529
UK Treasury 0.125% 10/8/2028	1,992,935	2,701
Government of Belgium 3.3% 22/6/2054	1,109,445	944

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
HSBC Bank	87,915
BNP Paribas London	21,751
Lloyds Bank Corporate Markets	20,152
Merrill Lynch	4,025
Barclays Bank	803
	<b>134,646</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	134,018
		<b>134,018</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	134,018
	<b>134,018</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	102,947
Euro	5,384
Japanese yen	25,686
US dollar	1
	<b>134,018</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	134,646
	<b>134,646</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	115	
Agents fee	(23)	20.00%
Fund net return	<b>92</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Short Term Fixed Income Enhanced Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	5.21%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£58,549,882	5.15%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 0.75% 31/5/2026	16,725,300	12,293
UK Treasury 4.25% 7/6/2032	9,307,477	9,524
Government of Japan 13/8/2024	596,700,000	3,028
Government of Japan 16/7/2024	596,100,000	3,025
Government of Japan 8/7/2024	417,200,000	2,117
UK Treasury 0.375% 22/3/2062	1,821,969	2,103
Government of Germany 2.3% 15/2/2033	2,486,614	2,101
Government of Belgium 2.7% 22/10/2029	2,470,135	2,101
Government of Finland 2.95% 15/4/2055	2,540,000	2,084
Government of Netherlands 15/7/2031	2,369,219	1,673

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Merrill Lynch	13,803
Goldman Sachs	11,370
JP Morgan Securities	10,627
Barclays Bank	9,807
HSBC Bank	6,493
Deutsche Bank	3,538
Morgan Stanley & Co International	1,407
Royal Bank of Canada	1,087
BNP Paribas London	418
	<b>58,550</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	62,998
		<b>62,998</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	62,998
	<b>62,998</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	19,584
Australian dollar	716
Canadian dollar	508
Euro	16,768
Japanese yen	11,064
Norwegian krone	229
Swiss franc	2
US dollar	14,127
	<b>62,998</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	58,550
	<b>58,550</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	44	
Agents fee	(9)	20.00%
<b>Fund net return</b>	<b>35</b>	<b>80.00%</b>

## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Investment Grade Short Dated Credit Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in note 12.

##### Global data

##### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	6.73%

##### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£163,395,812	6.63%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

##### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
US Treasury 3.875% 15/2/2043	51,465,600	36,472
Government of France 5.5% 25/4/2029	23,262,000	22,282
Government of Japan 0% 27/5/2024	2,059,050,000	10,449
Government of France 0.1% 1/3/2028	9,106,577	8,880
US Treasury 1.5% 15/2/2030	12,571,400	8,477
Government of Finland 2.875% 15/4/2029	9,875,000	8,458
Government of Canada 0.75% 19/5/2026	9,625,000	7,079
Government of Australia 1% 21/11/2031	16,824,000	6,899
Government of Germany 1% 15/5/2038	8,486,099	5,926
Government of France 1.75% 25/6/2039	8,247,550	5,926

##### All counterparties

Counterparty	Gross volume of outstanding transactions Fair value £'000
Deutsche Bank	41,489
Goldman Sachs	38,521
JP Morgan Securities	29,915
Barclays Bank	27,902
BNP Paribas London	9,812
Morgan Stanley & Co International	8,284
Citigroup Global Markets	5,475
Royal Bank of Canada	1,998
	<b>163,396</b>

##### Aggregate transaction data

##### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	175,823
		<b>175,823</b>

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

##### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	175,823
	<b>175,823</b>

##### Currency of collateral

Currency	Fair value £'000
Sterling	13,216
Australian dollar	7,133
Canadian dollar	32
Euro	79,631
Japanese yen	10,668
Norwegian krone	4,637
US dollar	60,506
	<b>175,823</b>

##### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	163,396
	<b>163,396</b>

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	98	
Agents fee	(20)	20.00%
<b>Fund net return</b>	<b>78</b>	<b>80.00%</b>



## Appendix – Additional Information (continued)

### Securities Financing Transactions (continued)

#### Royal London Short Duration Global Index Linked Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

##### Global data

###### Amount of securities and commodities on loan

	% of total lendable assets*
Securities	8.63%

###### Amount of assets engaged in each type of SFT

Amount of assets	% of AUM
£43,442,246	8.67%

\* Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

##### Concentration data

###### Top Ten collateral issuers (across all SFT)

Issuer	Collateral	
	Holding	Fair value £'000
UK Treasury 1% 31/1/2032	26,708,288	21,187
Government of Japan 1.9% 20/9/2042	1,839,700,000	9,875
Government of Austria 6.25% 15/7/2027	5,390,982	5,298
Government of Austria 0.5% 20/2/2029	2,450,000	1,877
Government of Japan 13/8/2024	366,900,000	1,862
Government of Canada 1.5% 1/6/2031	2,956,000	1,489
Government of France 0.1% 25/7/2031	892,903	871
Government of Belgium 3.75 22/6/2045	904,248	840
Government of France 0.1% 25/7/2036	715,683	686
Government of Netherlands 4% 15/1/2037	686,000	662

##### All counterparties

Counterparty	Gross volume of outstanding transactions
	Fair value £'000
Banco Santander	25,163
Natixis	18,279
	43,442

##### Aggregate transaction data

###### Type and quality of collateral

Type	Quality*	Fair value £'000
Bonds	Investment grade	45,742
		45,742

\* Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

###### Maturity tenor of collateral

Maturity	Fair value £'000
Rolling Maturity	45,742
	45,742

###### Currency of collateral

Currency	Fair value £'000
Sterling	21,187
Canadian dollar	1,872
Euro	10,937
Japanese yen	11,746
<b>Total</b>	<b>45,742</b>

###### Maturity tenor of SFTs

Maturity	Fair value £'000
Rolling Maturity	43,442
	43,442

##### Country in which counterparties are established

Counterparty
All counterparties are UK based

##### Return and cost

	£'000	% of overall returns
Fund gross return	(27)	
Agents fee	5	20.00%
<b>Fund net return</b>	<b>22</b>	<b>80.00%</b>

## General Information

### Pricing and dealing

The prices of shares are determined by reference to the underlying market value of the net assets of each sub-fund at the relevant valuation point.

Share prices are normally calculated daily however, if the markets are exceptionally volatile the ACD may conduct more frequent valuations to reflect any significant changes in the value of a sub-fund's underlying assets.

Dealing prices, yields and details of risks and charges are published on our website, [www.rlam.com](http://www.rlam.com).

Dealing in shares is conducted between 9.00am and 5.00pm on a forward pricing basis.

### Buying shares

Shares may be bought on any business day via an authorised intermediary or from the ACD by telephoning the Dealing desk on 03456 04 04 04\*. Alternatively, an application form should be completed and sent to the ACD. Shares will be allocated at the price ruling at the next valuation point and a contract note confirming the purchase will be issued immediately thereafter.

### Selling shares

Shares may be sold back to the ACD on any business day. Shares can be sold by telephone by calling the Dealing desk on 03456 04 04 04\* or alternatively by putting your request in writing. The ACD will allocate the price calculated from the next valuation point and issue a contract note as evidence of the sale.

\* In the interest of investors' protection all telephone calls to the Dealing desk are recorded.

### Cancellation rights

Where a person purchases shares the Conduct of Business Sourcebook (as amended from time to time) may give the investor the right to cancel the relevant purchase within 14 days of receipt of the requisite notice of a right to cancel. The right to cancel does not arise if (a) the investor is not a private customer, (b) the investor is not an execution-only customer, (c) the agreement to purchase is entered into through a direct offer financial promotion, or (d) the agreement is entered into under a customer agreement or during negotiations (which are not ISA or PEP related) intended to lead to a client agreement.

### UK taxation

The Company is not subject to Capital Gains Tax.

Capital gains established when shares are sold are subject to tax, but at the present time investors are not liable unless their total gains in any tax year from all disposals of assets exceed the Capital Gains Tax annual exemption.

Investors receive a distribution of net revenue with tax credit equivalent to the lower rate of income tax. Where the distribution is retained within a sub-fund and not paid out it should be included in investors' Income Tax Return. No further liability exists if they pay at the lower or basic rate, but higher rate tax will be payable as appropriate. If investors are not liable to tax they are unable to claim repayment of the tax credit from HM Revenue & Customs. The treatment of distributions as received by corporate shareholders is detailed on the reverse of dividend warrants.

The first distribution received after purchasing shares includes an amount described as 'equalisation'. This is a repayment of capital and is therefore not liable to Income Tax. It should, however, be deducted from the initial cost of shares for Capital Gains Tax purposes.

### Authorisation

The Company was authorised by the Financial Conduct Authority on 9 October 2009. The Company is a UCITS umbrella scheme.

### Company Reports and Prospectus

Copies of the latest yearly and half yearly financial statements and copies of the Prospectus may be obtained from Royal London Unit Trust Managers Limited upon request.

## Contact Us

For further information  
please contact:

**Royal London  
Asset Management Limited**

80 Fenchurch Street  
London EC3M 4BY

020 3272 5950

bdsupport@rlam.co.uk

www.rlam.com

This report is issued by Royal London Asset Management Limited on behalf of Royal London Unit Trust Managers Limited.

Bloomberg® and 30% Bloomberg UK Government Inflation Linked Bond 1-10 year Total Return and 70% Bloomberg World Government Inflation Linked Bond (ex UK) 1-10 year Total Return, GBP Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited (BISL), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Royal London Asset Management Limited. Bloomberg is not affiliated with Royal London Asset Management Limited, and Bloomberg does not approve, endorse, review, or recommend Royal London Bond Funds ICVC. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Royal London Bond Funds ICVC.

Information has been obtained from sources believed to be reliable but JPMorgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without JPMorgan's prior written approval. Copyright 2020, JPMorgan Chase & Co. All rights reserved.

Royal London Asset Management is a marketing brand which includes Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority and which manages collective investment schemes, registered in England and Wales number 2372439.

This company is a subsidiary of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064.

Registered office: 80 Fenchurch Street, London EC3M 4BY.

Ref: SREP RLAM PD 0326

