



## FUND OVERVIEW

Fund Manager(s)	Niko de Walden, Richard Marwood
Fund Size	£1,333.12m
Domicile	United Kingdom
ISA	Available and Eligible
Benchmark Index	FTSE All Share
Investment Association Sector	IA UK Equity Income
Currency	GBP
Fund Management Fee (FMF):	M Inc: 0.72% A Inc: 1.13% M Acc 0.72% Z Inc 0.64%

### Share Class M (Accumulation)

Unit Launch Date	26.11.12
Initial Charge	0.00%
Minimum Investment	£100,000
SEDOL	B8Y4ZB9
Mid Price	217.60p
Historic Yield	3.63%

### Share Class M (Income)

Unit Launch Date	05.11.10
Initial Charge	0.00%
Minimum Investment	£100,000
SEDOL	B3M9JJ7
Mid Price	790.80p
Historic Yield	3.69%

### Share Class A (Income)

Unit Launch Date	11.04.84
Initial Charge	0.00%
Minimum Investment	£1,000
SEDOL	B67N865
Mid Price	739.30p
Historic Yield	3.68%

### Share Class Z (Income)

Unit Launch Date	02.12.13
Initial Charge	0.00%
Minimum Investment	£25,000,000
SEDOL	BG48LT7
Mid Price	118.80p
Historic Yield	3.80%

## Overview

The Fund's investment objective is to achieve a total return (combination of capital growth and income) over the medium term (3-5 years) by investing at least 80% in the shares of UK companies listed on the London Stock Exchange. The Fund's performance target is to outperform, after the deduction of charges, the FTSE All-Share Total Return GBP Index (the "Index") over rolling 3-year periods. The Fund also aims to produce an income in excess of the Index's income over rolling 3-year periods. For further information on the Fund's index, please refer to the Prospectus.

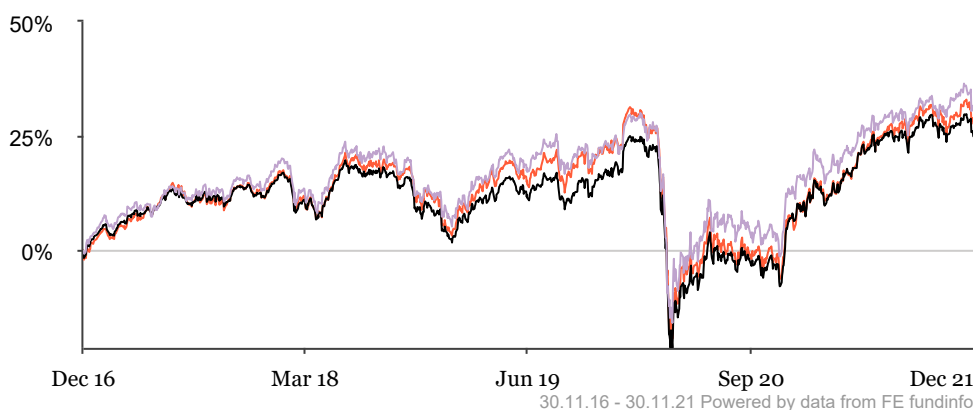
## Year-on-year performance

	30.11.20 to 30.11.21	30.11.19 to 30.11.20	30.11.18 to 30.11.19	30.11.17 to 30.11.18	30.11.16 to 30.11.17
Share Class M (Accumulation)	21.2%	-15.4%	13.6%	-2.7%	12.6%
Share Class M (Income)	21.2%	-15.3%	13.6%	-2.6%	12.6%
Share Class A (Income)	20.7%	-15.8%	12.8%	-3.2%	11.9%
Share Class Z (Income)	21.1%	-15.3%	13.7%	-2.6%	12.7%
Sector Average	17.1%	-10.5%	10.5%	-4.2%	12.6%
FTSE All Share	17.4%	-10.3%	11.0%	-1.5%	13.4%

## Cumulative Performance (as at 30.11.21)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Accumulation)	-2.4%	2.2%	21.2%	16.5%	27.7%
Share Class M (Income)	-2.4%	2.2%	21.2%	16.5%	27.8%
Share Class A (Income)	-2.5%	2.0%	20.7%	14.6%	24.1%
Share Class Z (Income)	-2.6%	2.1%	21.1%	16.6%	28.0%
Sector Average	-2.8%	0.2%	17.1%	15.8%	24.9%
FTSE All Share	-1.4%	1.9%	17.4%	16.9%	30.6%
Quartile Ranking	2	1	1	2	2

## Performance Chart



■ Fund ■ Sector Average ■ FTSE All Share

Source: RLAM and FE fundinfo as at 30.11.21. Fund performance is shown on a mid to mid price basis, net of fees and taxes, with net income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes. Past performance is not a guide to future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

## Distribution History (Net)

	Oct 21	Jul 21	Apr 21	Jan 21
Share Class M (Income)	8.56p	7.18p	6.14p	5.45p
Share Class A (Income)	8.02p	6.73p	5.76p	5.12p
Share Class Z (Income)	1.29p	1.08p	0.92p	0.82p

Table above shows figures as at payment date.

## Fund Manager(s)



### Richard Marwood

Lead Manager  
Fund Manager tenure:  
21.05.21



### Niko de Walden

Deputy Manager  
Fund Manager tenure:  
21.05.21

## Yield Definitions

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

## Risk Warning

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Source: RLAM, FE fundinfo and HSBC as at 30.11.21, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0008

Breakdowns exclude cash and futures.

## Fund Commentary

During November the fund returned -1.22% which was ahead of the FTSE All-Share's fall of -2.29%. The fund performed better than its peer group median, placing it in the 27th percentile for the month. Year to date, the fund has returned +15.68% (versus 12.52% for the FTSE All-Share) and ranks in the 25th percentile.

Equities were weak on concerns about the new omicron variant of Covid. Unsurprisingly travel related stocks were weak and the oil price fell sharply. The fund's outperformance was driven by a number of factors. Financial company Investec reacted well to strong results and upgraded expectations for future profits – it performed well over the month despite some Covid-related concerns about the firm's exposure to South Africa. In the property sector Segro and Land Securities performed well, the latter on a resilient set of half year results that included an uplift in the company's property asset value and increased dividend payments. The holding in the accounting software business Sage was also strong on good results.

The positioning of the fund was not changed much over the month. Holdings in GlaxoSmithKline and DMGT were trimmed and the fund's recently established holding in Unilever increased. In the short term at least, investor focus has shifted back to Covid and what the emergence of the omicron variant means for markets. It is currently too early to have any certainty about how serious this will be and how effective existing vaccines will be in preventing its spread. The debate about inflation remains in the background and will no doubt be revisited. Higher inflation is not necessarily bad news for equities, but it will be a test of companies' cost control and pricing power as they seek to mitigate or pass on higher costs.

Given the general uncertainty, we feel that our approach of investing in a broad range of companies from different sectors and stages of their lifecycle has never been more appropriate and will allow performance to continue to be driven more by the success of our hunting for undervalued long term cashflows than by the prevailing winds of the macroeconomy, or factors such as growth or value styles being in vogue.

This is not a recommendation or solicitation to buy or sell any particular security.

The views and opinions expressed herein are those of the manager at the time and are subject to change without notice.

## Sector Breakdown

	Fund
Financials	20.8%
Industrials	20.3%
Consumer Discretionary	12.9%
Utilities	8.9%
Consumer Staples	8.4%
Health Care	7.5%
Energy	7.3%
Basic Materials	6.6%
Real Estate	5.0%
Technology	2.3%

## Top 10 Holdings as at 30.11.21

	Fund
ROYAL DUTCH SHELL PLC	4.5%
ASTRAZENECA PLC	4.4%
BRITISH AMERICAN TOBACCO	3.9%
RIO TINTO	3.2%
3I GROUP PLC	3.2%
RELX NV	3.1%
GLAXOSMITHKLINE	3.0%
DUNELM GROUP PLC	3.0%
IMI CO	2.9%
IG GROUP HLDGS	2.8%
<b>Total</b>	<b>34.0%</b>
<b>No of Holdings</b>	<b>51</b>

## CONTACT DETAILS

### Private Investors

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### Intermediaries

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### Institutional Investors

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55 Gracechurch Street  
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\*Telephone calls may be recorded\*

## Key Concepts to Understand

**Total Return:** A total return is a combination of capital growth and income. Capital growth is defined as the rise in an investment's value over time and income as the payment an investment generates, such as dividends or bond coupons.

**Rolling 3 Year Period:** A rolling 3-year period is any period of three years, no matter which day you start on.

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

## Fund Risks

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

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

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

**Charges from Capital Risk:** Charges are taken from the capital of the Fund. Whilst this increases the yield, it also has the effect of reducing the potential for capital growth.