

## FUND OVERVIEW



Fund Manager(s)	Shalin Shah
Fund Size	£266.79m
Fund Type	OEIC
Domicile	United Kingdom
ISA	Eligible
Duration	0.9 years
Benchmark Index	Bank Of England Sterling Overnight Index Average
Investment Association Sector	IA Targeted Absolute Return
Currency	GBP
Initial Charge	0.0%
Fund Management Fee (FMF):	Z Acc: 0.425% Z Inc: 0.425%

### Share Class Z (Accumulation)

Unit Launch Date	24.09.12
Minimum Investment	£3,000,000
SEDOL	B4K6P77
Mid Price	150.70p
Distribution Yield	4.89%
Underlying Yield	4.89%

### Share Class Z (Income)

Unit Launch Date	14.12.21
Minimum Investment	£3,000,000
SEDOL	BP49KM9
Mid Price	102.20p
Distribution Yield	4.89%
Underlying Yield	4.89%

# ROYAL LONDON DIVERSIFIED ASSET-BACKED SECURITIES

29.02.24

## Overview

The Fund's investment objective is to achieve a positive absolute return in all market conditions over rolling 3-year periods, by predominantly investing 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. The benchmark is considered suitable as it is consistent with how the Fund is managed in seeking to provide a "cash plus" performance outcome.

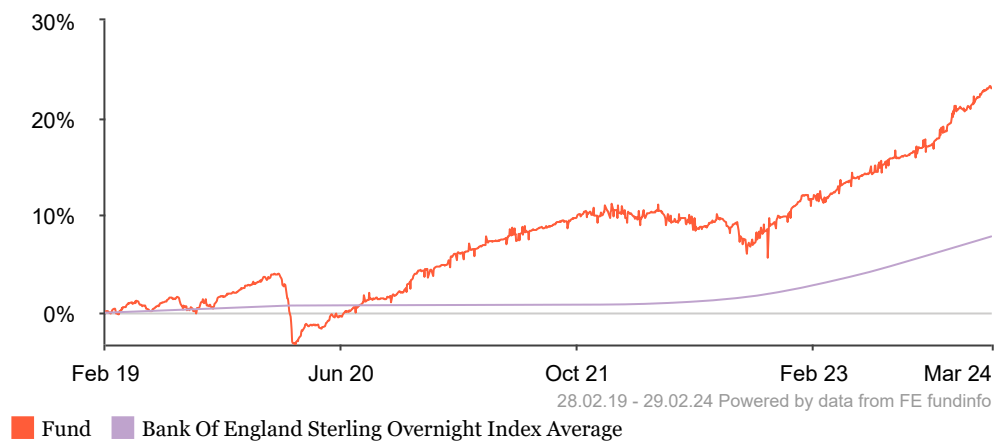
## Year-on-year performance

	31.12.22 to 31.12.23	31.12.21 to 31.12.22	31.12.20 to 31.12.21	31.12.19 to 31.12.20	31.12.18 to 31.12.19
Share Class Z (Accumulation)	10.1%	-0.4%	5.6%	1.4%	4.9%
Share Class Z (Income)	10.0%	-0.5%	-	-	-

## Cumulative Performance (as at 29.02.24)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class Z (Accumulation)	3.3%	6.1%	9.8%	15.9%	23.0%
Share Class Z (Income)	3.3%	5.9%	9.6%	-	-
Bank Of England Sterling Overnight Index Average	1.3%	2.5%	4.9%	7.0%	7.8%

## Performance Chart



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

Source: RLAM and FE fundinfo as at 29.02.24. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

## Distribution History (Net)

	28/03/2024	29/12/2023	29/09/2023	30/06/2023
Share Class Z (Income)	1.0209p	1.5768p	1.4745p	1.0411p

Table above shows figures as at payment date.

## Fund Manager(s)



### Shalin Shah

Lead Manager

Fund Manager tenure:

01.06.15



## Yield Definitions

The distribution yield reflects the amounts that may be expected to be distributed over the next 12 months. The underlying yield reflects the annualised income net of expenses of the Fund as a percentage (calculated in accordance with the relevant accounting standards). Both these yields are calculated as a percentage of the mid-price of the Fund as at the date shown and are month end snap shots of the portfolio on that day and do not include any preliminary charges. Investors may be subject to tax on distributions. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows.

## Unrated Bonds

Unrated bonds are not rated by a credit rating agency. RLAM ascribes internal ratings for these bonds which will vary for each asset.

## Important Information

This is a financial promotion and is not investment advice.

The Fund is a sub-fund of Royal London Bond Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC000797. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037. For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

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Please note that the impact of Futures is not considered as part of the overall fund Duration calculation; Fund level Duration is based on long only physical assets (incl cash).

Source: RLAM, FE fundinfo and HSBC as at 29.02.24, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0121

Breakdowns exclude cash and futures.

## Credit Breakdown

	Fund	Index
AAA	7.7%	-
AA	10.9%	-
A	19.5%	-
BBB	34.1%	-
Unrated	11.5%	-
Derivatives	16.2%	-

## Maturity Profile

	Fund	Index
0 - 5 years	46.6%	-
5 - 10 years	24.8%	-
10 - 15 years	14.9%	-
15+ years	13.7%	-

Maturity classifications reflect issue maturity date, not market interpretation of redemptions. Totals may not equal 100% as they do not include the impact of cash and foreign exchange.

## Top 10 Holdings as at 29.02.24

	Fund
ENTINN_02-1 5.659% 30/06/2027	2.2%
BRITISH LAND CO PLC 5.264% 24/09/2035	1.4%
LEGAL & GENERAL GROUP PLC 5.5% 27/06/2064	1.3%
HSBC BANK FUNDING STERLING LP 5.844% 31/12/2079	1.2%
TELEREAL SECURITISATION PLC 5.1877% 10/12/2033	1.1%
BLNDLN_05 4.999% 05/10/2033	1.0%
TRAFFORD CENTRE FINANCE LTD 5.1877% 28/07/2038	1.0%
PROGRESS HEALTH 5.581% 02/10/2042	1.0%
DERB_03 5.564% 30/06/2041	0.9%
FLEMING MERCANTILE INV 6.125% 25/02/2030	0.9%
<b>Total</b>	<b>12.0%</b>
<b>No of Holdings</b>	<b>305</b>

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

## CONTACT DETAILS

### Private Investors

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

## Key Concepts to Understand

**Bonds:** are defined as fixed-income investments issued as debt by companies and public bodies to raise finance. Investors in bonds receive a previously agreed, non-variable interest payment until the investment matures. Corporate bonds are those issued by companies to raise finance.

**Positive absolute return:** The gain in an asset's value in absolute terms, rather than in relative terms.

**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.

## 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.

**Credit Risk:** Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

**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.

**Exchange Rate Risk:** Investing in assets denominated in a currency other than the base currency of the Fund means the value of the investment can be affected by changes in exchange rates.

**Interest Rate Risk:** Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

**Liquidity Risk:** In difficult market conditions the value of certain fund investments may be difficult to value and harder to sell, or sell at a fair price, resulting in unpredictable falls in the value of your holding.

**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.

**Government and Public Securities Risk:** The Fund can invest more than 35% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EEA State, its local authorities, a third country or public international bodies of which one or more EEA States are members.

**Leverage Risk:** The Fund employs leverage with the aim of increasing the Fund's returns or yield, however it also increases costs and its risk to capital. In adverse market conditions the Fund's losses can be magnified significantly.