

## FUND OVERVIEW



Fund Manager(s)	Richard Marwood
Fund Size	£212.51m
Domicile	United Kingdom
ISA	Eligible
Benchmark Index	FTSE All Share
Investment Association Sector	IA Unclassified
Currency	GBP
Initial Charge	0.0%
<b>Share Class A (Income)</b>	
Unit Launch Date	25.09.89
Minimum Investment	£1,000
Ongoing Charges Figure (OCF)	1.18%
SEDOL	0159805
Mid Price	202.30p
Historic Yield	4.86%

## Overview

The Fund's investment objective is to achieve an above-average income with some capital growth over the medium-to-long term (5-7 years) by primarily investing in the shares and sterling-denominated bonds of UK companies listed on the London Stock Exchange. The Fund's income target is to produce an annual income that exceeds the income of the FTSE All-Share Index (the "Index") by at least 20% over a rolling 7-year period. The Index is considered an appropriate benchmark for the Scheme's performance, as the Scheme's potential investments will predominantly be included in the Index.

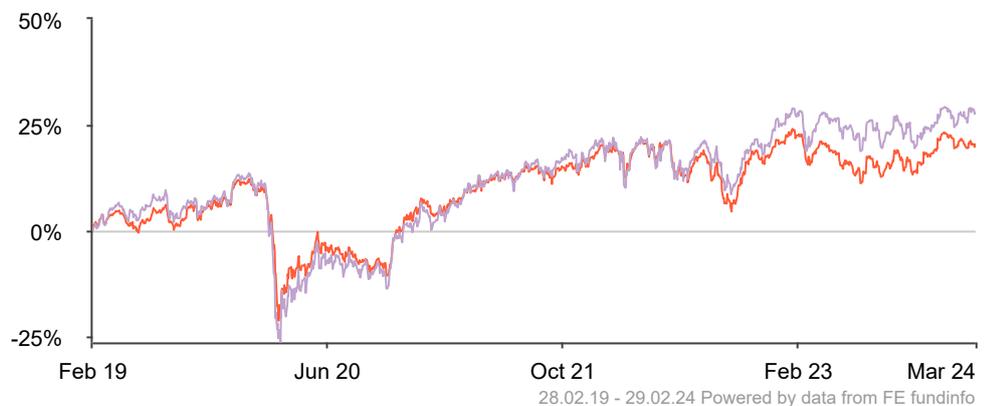
## Year-on-year performance

	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 A (Income)	5.0%	0.3%	12.6%	-6.2%	18.1%

## Cumulative Performance (as at 29.02.24)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class A (Income)	1.9%	4.1%	-1.7%	15.6%	20.3%
FTSE All Share	3.3%	3.9%	0.6%	25.2%	27.7%

## Performance Chart



Trust FTSE All Share

**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)

	28/02/2024	30/11/2023	31/08/2023	31/05/2023
Share Class A (Income)	2.3004p	2.6386p	2.4957p	2.3884p

Table above shows figures as at payment date.

## Fund Manager(s)



### Richard Marwood

Lead Manager  
Fund Manager tenure:  
31.12.17



## Yield Definitions

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

## Important Information

This is a financial promotion and is not investment advice.

The Trust is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032. For more information on the Trust or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

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

Our ref: FS RLAM PD 0121

Breakdowns exclude cash and futures.

## Fund Commentary

The fund returned -0.83% in February, a month that saw both higher yielding UK equities and corporate bonds down in value.

Globally, February was a good month for risk assets with the Nasdaq in the US and the Nikkei in Japan both hitting all-time highs. The expectation for interest rate cuts, which was high at the start of the year, has now been pushed out as the rate of inflation remains sticky, with reductions now expected towards the end of the year. In the UK, the FTSE All-Share Index recovered during the month to record a small gain, whilst the FTSE-250 Index was weaker reflecting caution on the rate of growth in the UK economy. At present we are in the midst of the corporate reporting season and despite the UK entering a recession, the general evidence is that corporates are healthy with a range of quality companies reporting attractive growth in profits and cash generation.

Results in the banking sector were generally well received, and the holding in Nat West helped performance. Close Brothers shares continued to be weak after suspending their dividend while they await further clarity on the motor financing regulatory review. Drax shares were also weak, although the shares have since rallied sharply, having reported good results at the end of the month.

During the month the fund sold its holding in Croda; trimmed holdings in Clarkson, DS Smith and Hikma; and added to holdings in Tesco and Astra Zeneca.

The primary aim of the fund remains to deliver a yield for investors higher than that of the equity market. In order to achieve this we seek to invest in a portfolio of shares which offer an attractive dividend yield plus some capital growth, alongside a fixed interest portfolio which can generate steady income.

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

## Sector Breakdown

	Fund
Fixed Income	32.1%
Financials	13.8%
Consumer Staples	9.2%
Energy	8.5%
Health Care	7.5%
Consumer Discretionary	6.5%
Utilities	5.8%
Basic Materials	5.8%
Industrials	5.5%
Real Estate	3.6%
Telecommunications	1.8%

## Asset Split

	Fund
International Equities	67.8%
UK Corporate Fixed Interest	28.7%
Global Corporate Fixed Interest	3.3%
Money Market	0.1%

## Top 10 Holdings as at 29.02.24

	Fund (%)
SHELL PLC	5.6%
ASTRAZENECA PLC	4.3%
Glaxosmithkline	3.2%
HSBC HOLDINGS PLC	2.9%
BP PLC	2.9%
BRITISH AMERICAN TOBACCO	2.9%
UNILEVER PLC	2.8%
RELX PLC	2.5%
IMPERIAL BRANDS PLC	2.4%
LEGAL AND GENERAL GROUP PLC	2.3%
<b>Total</b>	<b>31.8%</b>
<b>No of Holdings</b>	<b>222</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

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<http://www.rlam.com>.

## Key Concepts to Understand

**Income and Capital Growth:** Income is defined as the payment an investment generates, such as dividends, bond coupons or rental income, and capital growth as the rise in an investment's value over time.

**7-Year Rolling Period:** Any period of seven years, no matter which day you start on.

**Bonds:** 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.

**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.

**Concentration risk:** The price of Funds that invest in a reduced number of holdings, sectors, or geographical areas may be more heavily affected by events that influence the stockmarket and therefore more volatile.

**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.

**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.

**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.