

FUND OVERVIEW

Fund Manager(s)	Craig Yeaman
Fund Size	£828.58m
Domicile	United Kingdom
ISA	Eligible
Benchmark Index	FTSE All Share
Investment Association Sector	IA UK All Companies
Currency	GBP
Initial Charge	0.0%
Fund Management Fee (FMF):	M Acc: 0.77%

Share Class M (Accumulation)

Unit Launch Date	16.04.10
Minimum Investment	£100,000
SEDOL	B5BRWCo
Mid Price	207.90p
Historic Yield	1.97%

Overview

The Fund's investment objective is to achieve capital growth over the medium term (3-5 years) by investing at least 80% in the shares of UK 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 5-year periods. The FTSE All-Share Index is regarded as a good measure of the share-price performance of the approximately 600 largest UK companies 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. In addition to the benchmark for the Fund's performance as noted above (the "Index"), the IA UK All Companies sector (6) is considered an appropriate benchmark for performance comparison.

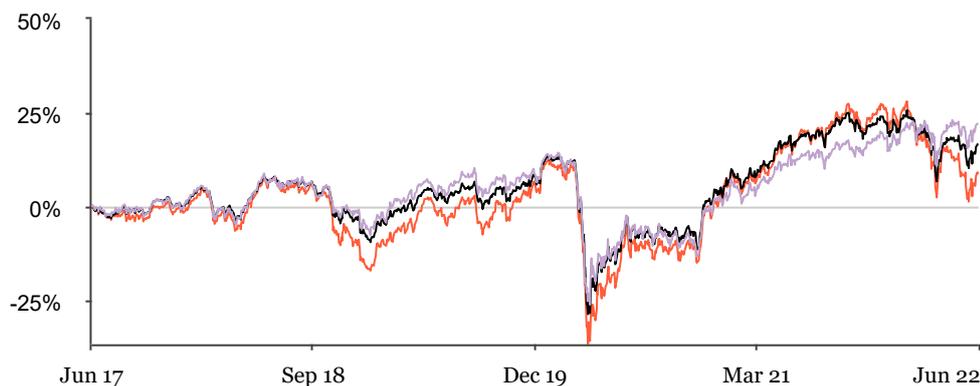
Year-on-year performance

	31.03.21 to 31.03.22	31.03.20 to 31.03.21	31.03.19 to 31.03.20	31.03.18 to 31.03.19	31.03.17 to 31.03.18
Share Class M (Accumulation)	4.3%	48.9%	-22.3%	0.2%	-1.4%

Cumulative Performance (as at 31.05.22)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Accumulation)	-2.7%	-9.7%	-8.8%	13.5%	9.0%
IA Sector Average	0.5%	-1.7%	-1.5%	14.9%	16.8%
FTSE All Share	2.3%	6.2%	8.3%	18.4%	22.2%
Quartile Ranking	4	4	4	3	4

Performance Chart



■ Fund ■ IA Sector Average ■ 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 31.05.22. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

Fund Manager(s)



Craig Yeaman

Lead Manager

Fund Manager tenure:

02.01.18

Yield Definitions

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

Important Information

This is a financial promotion and is not investment advice. The Fund is a sub-fund of Royal London Equity Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC000807. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

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Source: RLAM, FE fundinfo and HSBC as at 31.05.22, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0041

For more information concerning the risks of investing, please refer to the Prospectus and Key Investor Information Document (KIID).

Breakdowns exclude cash and futures.

Fund Commentary

The UK Opportunities Fund returned 0.19% over the month, behind both the benchmark and peer group median, with the fund placed 54th percentile.

Domestically the key theme remains high inflation and the cost-of-living squeeze that UK households are facing. At the heart of this issue is the much higher cost of energy, driven by the severe disruption to the energy markets caused by Russia's invasion of Ukraine. That said, the pressures are by no means confined to energy. Other inflationary factors are also at play, such as supply chain disruption from COVID lockdowns in China, tight labour markets and sharp rises in many agricultural products feeding through into food prices. To try to counter the severe pressure on household budgets, the UK government announced a series of support measures to tackle fuel affordability. These measures will be partly funded by a windfall levy on Oil and Gas companies and there is also the suggestion that this could be extended to include electricity generation companies.

This month's strongest performer was Melrose Industries, up 15% from what appeared an oversold position. Worries over tightening supply chains and the implications these would have on the automotive and aerospace arenas have weighed heavily on the share price in recent months. BP and Shell continued their relentless march and added 12% and 10% respectively. Imperial Brands surprised the market by announcing in-line results and were rewarded with a 9% move in its share price and Synthomer bounced 7% following a period of underperformance.

On the downside, B&M European Value announced strong results but unfortunately this was accompanied by a cautionary outlook. The market is unforgiving, and the shares fell heavily to finish the month off 21%. Integrafina was another company to disappoint, this time on the outlook for higher costs which saw the price decline 16%. Spirax-Sarco continued to be caught in the crosshairs of a quality growth de-rating with a move downwards of 13% and Marshalls, following its recently announced acquisition of Marley, also lost 13%.

The fund had a relatively quiet month in terms of trading with one stock, TI Fluid Systems, exiting the portfolio following a hugely disappointing trading update which left more questions than answers. We recycled some of the proceeds into topping up positions where we felt recent share price drops had been unwarranted such as JD Sports and Watches of Switzerland Group or where we feel the prospects deserve a higher weighting in the cases of Shell and Imperial Brands.

Consumers are facing a significant cost of living squeeze, as inflation is currently at its highest level for decades. Likewise, companies are battling to defend margins, as their own input costs increase significantly. We believe our approach of investing in a broad range of companies who are in control of their own fates, irrespective of market conditions is the right one. As well as looking for durable businesses, a willingness to look through short-term extremes of sentiment and buy stocks when they are out of favour, or take profits when sentiment becomes exuberant should drive longer-term performance. We remain excited about the outlook for our portfolio companies and believe that over the medium to long-term, they can outperform the wider market.

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
Industrials	25.5%
Financials	18.7%
Consumer Discretionary	17.5%
Basic Materials	15.4%
Energy	10.6%
Consumer Staples	5.2%
Health Care	3.9%
Technology	3.3%

Top 10 Holdings as at 31.05.22

	Fund
Shell Plc	7.0%
Glencore Plc Usdo.01	5.6%
Ashtead Group Ord Gbpo.10	5.3%
Rio Tinto Ord Gbpo.10	4.4%
Intermediate Capital Group Plc Ord Gbpo.2625	4.3%
Melrose Indust Plc Ord Gbpo.076190476	4.1%
Astrazeneca Usdo.25	3.9%
Watches Of Switzerland Group Plc Ord Gbpo.0125	3.9%
Osb Group Plc Ord Gbp3.04	3.6%
Bp Plc Ord Usdo.25	3.6%

Total **45.7%**

No of Holdings **34**

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.

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<http://www.rlam.co.uk>.

Key Concepts to Understand

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

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

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

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.

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.