

## FUND OVERVIEW

Fund Manager(s)	Niko de Walden, Richard Marwood
Fund Size	£1,052.68m
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):	A Acc: 1.15% M Acc: 0.71% M Inc 0.71%

### Share Class M (Accumulation)

Unit Launch Date	17.05.12
Minimum Investment	£100,000
SEDOL	B63DTG6
Mid Price	227.20p
Historic Yield	3.17%

### Share Class A (Accumulation)

Unit Launch Date	18.06.81
Minimum Investment	£1,000
SEDOL	B63H3D3
Mid Price	423.20p
Historic Yield	3.31%

### Share Class M (Income)

Unit Launch Date	15.05.18
Minimum Investment	£100,000
SEDOL	BFYTY72
Mid Price	107.10p
Historic Yield	3.23%

### Share Class Z (Accumulation)

Unit Launch Date	10.02.22
Minimum Investment	-
SEDOL	BPR9Y57
Mid Price	98.03p
Historic Yield	1.11%

## Overview

The Fund's investment objective is to achieve a growing income with some capital growth over the medium term (3-5 years) by investing at least 80% in the shares of medium-sized and larger 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 Index is regarded as a good measure of the share-price performance of the approximately 600 largest 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 is considered an appropriate benchmark for performance comparison.

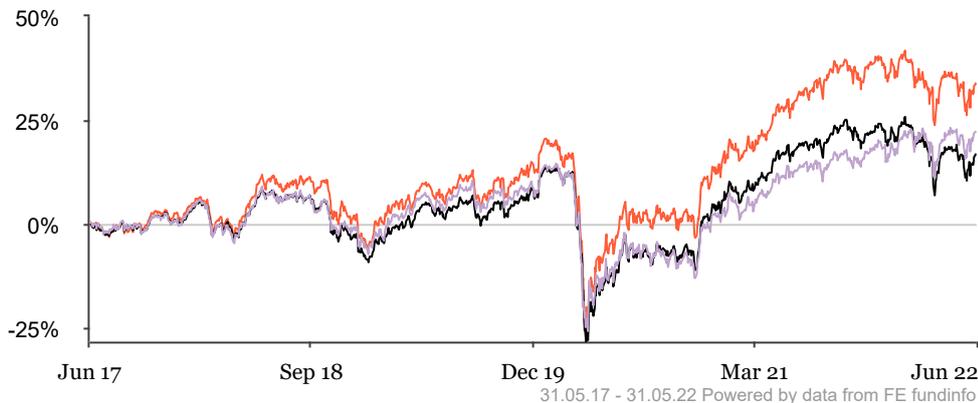
## Year-on-year performance

	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)	11.2%	40.4%	-16.8%	5.7%	4.9%
Share Class A (Accumulation)	10.7%	39.6%	-17.4%	5.0%	4.2%
Share Class M (Income)	11.2%	40.6%	-16.9%	-	-

## Cumulative Performance (as at 31.05.22)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Accumulation)	1.5%	-0.3%	2.7%	26.7%	33.9%
Share Class A (Accumulation)	1.4%	-0.5%	2.2%	24.7%	30.1%
Share Class M (Income)	1.4%	-0.3%	2.6%	26.6%	-
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	2	3	2	1	1

## 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 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.

## Distribution History (Net)

	30/04/2022	31/01/2022	31/10/2021	31/07/2021
Share Class M (Income)	0.6061p	0.5611p	1.1035p	0.9627p
Share Class Z (Accumulation)	0.0000p	-	-	-

Table above shows figures as at payment date.

## Fund Manager(s)



### Richard Marwood

Co-manager  
Fund Manager tenure:  
12.04.16



### Niko de Walden

Co-manager  
Fund Manager tenure:  
30.06.17

## 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 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 fund returned +0.18% in the month, behind both the benchmark and peer group median, with the fund placed 54th percentile in the month.

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 from Russia's invasion of Ukraine. However, 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 part funded by a windfall levy on oil and gas firm profits and there was also suggestion that this could be extended to include electricity generation companies.

Two notable hits to performance in the month were the holdings in IG group and Hikma. In the case of IG, investors are perhaps worried that the recent market sell-off and volatility may reduce the number and trading activity of their retail investment customers. This may be the case, but historically trading activity has tended to increase when markets are volatile. Hikma shares were weak due to announcing that one of its generic products would be delayed. While the delay means a downgrade to this year's results, the contribution from the product will still occur, just later than originally hoped.

The most significant trading in the month was to increase the holding in the retailer B&M, whose shares were weak after announcing results that showed declining sales. Investors are nervous about almost all consumer stocks currently, due to the clear squeeze on household finances, but B&M should be better placed relatively, due to its competitive value offering. In our view the valuation of the shares is now attractive, compared to the company's cash generation.

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. In this tricky background we feel that our approach of investing in a broad range of companies from different sectors and stages of their lifecycle is very 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
Industrials	16.4%
Financials	15.8%
Basic Materials	14.9%
Health Care	12.8%
Consumer Discretionary	11.7%
Energy	11.3%
Consumer Staples	9.2%
Technology	5.1%
Utilities	2.9%

## Top 10 Holdings as at 31.05.22

	Fund
Shell Plc	7.2%
Glencore Plc Usdo.01	4.9%
Astrazeneca Usdo.25	4.5%
Bp Plc Ord Usdo.25	4.1%
Anglo American Usdo.549	3.6%
Barclays Ord Gbp0.25	3.4%
Relx Plc Ord Gbp0.1444	3.3%
Ashtead Group Ord Gbp0.10	3.0%
Hikma Pharmaceuticals Ord Gbp0.10	2.7%
Cranswick Ord Gbp0.10	2.5%
<b>Total</b>	<b>39.2%</b>
<b>No of Holdings</b>	<b>53</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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information please see the privacy policy at  
<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.

**Medium-sized and larger companies:** Those worth between £250 million and £2 billion, and those worth more than £2 billion respectively.

## 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.