

31.08.19

## FUND OVERVIEW

Fund Manager(s)	Richard Nelson
Fund Size	£269.30m
Fund Type	Unit Trust
Domicile	United Kingdom
ISA	Available and Eligible
Duration	7.4 years
Benchmark Duration	7.9 years
Benchmark Index	Markit iBoxx GBP Non Gilts
Investment Association Sector	IA Sterling Corporate Bond
Currency	GBP
<b>Share Class A (Income)</b>	
Unit Launch Date	29.09.03
Initial Charge	0.00%
Annual Charge	1.00%
Minimum Investment	£1,000
Ongoing Charges Figure (OCF)	1.03%
SEDOL	3358342
Mid Price	94.89p
Distribution Yield	3.41%
Underlying Yield	2.60%

## Overview

The investment objective of the fund is to produce a regular income from a portfolio of fixed interest securities.

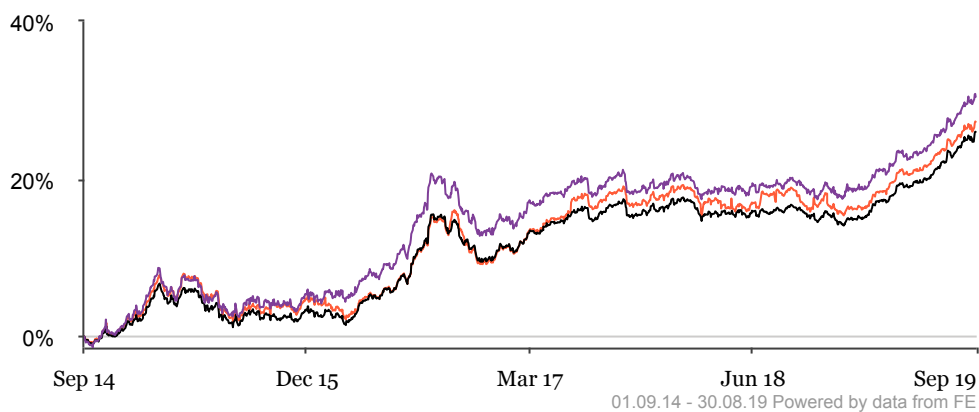
## Year-on-year performance

	31.08.18 to 31.08.19	31.08.17 to 31.08.18	31.08.16 to 31.08.17	31.08.15 to 31.08.16	31.08.14 to 31.08.15
Share Class A (Income)	7.9%	-0.5%	3.0%	11.6%	3.1%
Sector Average	8.4%	-0.7%	1.3%	12.8%	2.4%
Benchmark Index	9.0%	-0.8%	0.3%	15.9%	3.7%

## Cumulative Performance (as at 31.08.19)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class A (Income)	4.1%	7.8%	7.9%	10.6%	27.3%
Sector Average	4.6%	7.7%	8.4%	9.1%	26.0%
Benchmark Index	4.8%	8.2%	9.0%	8.5%	30.4%
Quartile Ranking	3	3	3	2	3

## Performance Chart



■ Fund ■ Sector Average ■ Benchmark Index

Source: RLAM and FE as at 31.08.19. 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. 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)

	Aug 19	Jul 19	Jun 19	May 19
Share Class A (Income)	0.26p	0.26p	0.26p	0.26p

Table above shows figures as at payment date.

## Fund Manager(s)



### Richard Nelson

Lead Manager  
Fund Manager tenure:  
01.02.14

## 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 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 and do not include any preliminary charges. Investors may be subject to tax on distributions.

## 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.

## CONTACT DETAILS

### Private Investors

For enquiries and dealing: Tel: 03456 04 04 04

### Intermediaries

For enquiries: Tel: 0203 272 5950  
Email: BDSupport@rlam.co.uk

### Institutional Investors

For enquiries: Tel: 020 7506 6500  
Email: Institutional@rlam.co.uk

### Risk Warning

Royal London Asset Management Limited, registered in England and Wales number 2244297; Royal London Unit Trust Managers Limited, registered in England and Wales number 2372439. RLUM Limited, registered in England and Wales number 2369965. All of these companies are authorised and regulated by the Financial Conduct Authority. All of these companies are subsidiaries of The Royal London Mutual Insurance Society Limited, registered in England and Wales number 99064. Registered Office: 55 Gracechurch Street, London, EC3V 0RL. The marketing brand also includes Royal London Asset Management Bond Funds Plc, an umbrella company with segregated liability between sub-funds, authorised and regulated by the Central Bank of Ireland, registered in Ireland number 364259. Registered office: 70 Sir John Rogerson's Quay, Dublin 2, Ireland.

Source: RLAM, Financial Express and HSBC as at 31.08.19, unless otherwise stated. Yield definitions are shown above.

Our ref: FF RLAM PD 0245

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Breakdowns exclude cash and futures.

## Sector Breakdown

	Fund
Banks and financial services	17.3%
Consumer services	3.4%
Insurance	10.8%
Investment trusts	5.6%
Real estate	6.5%
Social housing	15.4%
Structured	30.6%
Telecommunications	1.4%
Utilities	7.4%
Other	1.6%

Sector breakdown is based on internal classifications, reflecting what is in our view the primary characteristics of each bond.

## Credit Breakdown

	Fund	Index
AAA	1.6%	19.6%
AA	9.0%	14.3%
A	32.8%	27.6%
BBB	37.8%	36.8%
BB and below	3.7%	1.5%
Unrated	15.1%	0.1%

## Maturity Profile

	Fund	Index
0 - 5 years	25.2%	33.1%
5 - 10 years	34.5%	28.9%
10 - 15 years	18.9%	13.8%
15+ years	21.4%	24.2%

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 30.08.19

	Fund
LLOYDS BANK PLC 9.625% SUBORD BDS 06/04/23 GBP(VAR)(BR)	2.0%
TELEREAL SEC 4.0902% 10/12/2031 VRN	1.9%
FRESH 1997 8.368% 04/10/58 (1-A1)	1.8%
PLACES FOR PEOPLE HOMES 5.09% 31/07/2043	1.5%
STBL CMTY LEEDS FINANCE 5.069% 30/09/2032	1.5%
HSBC BANK PLC 5.375% 04/11/2030	1.5%
EVERSHOLT FUNDING PLC 6.697% BDS 22/02/35 GBP1000	1.3%
RMPA SERVICES 5.337% GTD SEC BDS 30/9/38 GBP(VAR)REG`S	1.3%
GENESIS FINANCE 6.064 2039	1.2%
EQUITY RELEASE 5.7% 26/02/2031	1.2%

**Total** **15.2%**

**No of Holdings** **197**

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.