

## FUND OVERVIEW

Fund Manager(s)	Tony Cole, Craig Inches
Fund Size	£5,486.68m
Fund Type	OEIC
Domicile	United Kingdom
ISA	Available and Eligible
Duration	0.2 years
Benchmark Index	Bank Of England Sterling Overnight Index Average
Investment Association Sector	IA Unclassified
Currency	GBP
Fund Management Fee (FMF)*:	M Inc: 0.25% X Inc: 0.11% Y Acc: 0.15% Y Inc: 0.15% Z Acc: 0.03% Z Inc: 0.03%

### Share Class M (Income)

Unit Launch Date	13.12.12
SEDOL	B545JR5
Mid Price	102.18p
Distribution Yield	0.19%
Underlying Yield	0.19%

### Share Class X (Income)

Unit Launch Date	12.10.16
SEDOL	BYQQoM1
Mid Price	100.38p
Distribution Yield	0.33%
Underlying Yield	0.33%

### Share Class Y (Accumulation)

Unit Launch Date	12.06.14
SEDOL	BMNR1H5
Mid Price	104.40p
Distribution Yield	0.29%
Underlying Yield	0.29%

### Share Class Y (Income)

Unit Launch Date	12.06.14
SEDOL	BMNR1F3
Mid Price	100.47p
Distribution Yield	0.29%
Underlying Yield	0.29%

### Share Class Z (Accumulation)

Unit Launch Date	20.06.11
SEDOL	B4VPT26
Mid Price	108.07p
Distribution Yield	0.41%
Underlying Yield	0.41%

### Share Class Z (Income)

Unit Launch Date	21.05.12
SEDOL	B4X2895
Mid Price	101.13p
Distribution Yield	0.41%
Underlying Yield	0.41%

## Overview

The Fund's investment objective is to produce capital growth and income in excess of its benchmark, SONIA, over rolling 12 month periods. The Fund's performance target is to outperform, after the deduction of charges, the Bank of England Sterling Overnight Interbank Average (SONIA) over rolling 12-month periods. For further information please refer to the Prospectus.

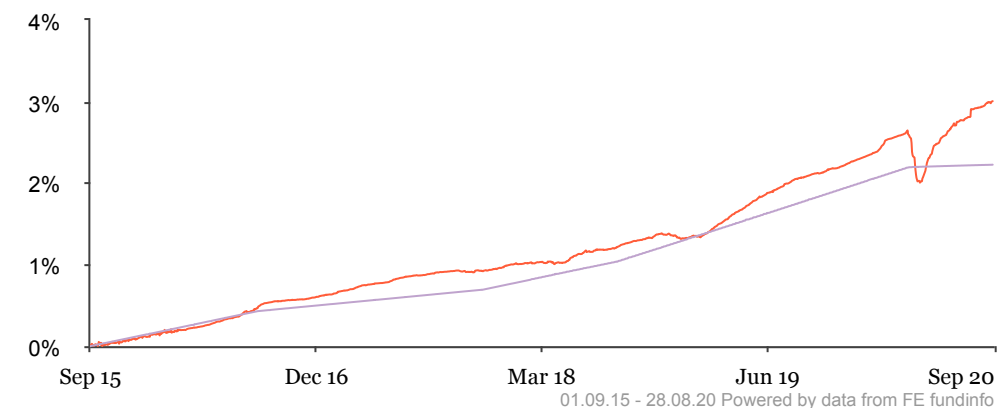
## Year-on-year performance

	31.08.19 to 31.08.20	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
Share Class M (Income)	0.9%	0.8%	0.4%	0.4%	0.5%
Share Class X (Income)	1.0%	1.0%	0.5%	-	-
Share Class Y (Accumulation)	1.0%	0.9%	0.5%	0.5%	0.6%
Share Class Y (Income)	1.0%	0.9%	0.5%	0.5%	0.6%
Share Class Z (Accumulation)	1.1%	1.1%	0.6%	0.6%	0.7%
Share Class Z (Income)	1.1%	1.1%	0.6%	0.6%	0.7%
Bank Of England Sterling Overnight Index Average	0.4%	0.7%	0.4%	0.2%	0.4%

## Cumulative Performance (as at 31.08.20)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class M (Income)	0.4%	0.4%	0.9%	2.1%	3.0%
Share Class X (Income)	0.4%	0.5%	1.0%	2.5%	-
Share Class Y (Accumulation)	0.4%	0.5%	1.0%	2.4%	3.6%
Share Class Y (Income)	0.4%	0.5%	1.0%	2.4%	3.6%
Share Class Z (Accumulation)	0.4%	0.5%	1.1%	2.8%	4.2%
Share Class Z (Income)	0.4%	0.5%	1.1%	2.8%	4.2%
Bank Of England Sterling Overnight Index Average	0.0%	0.1%	0.4%	1.6%	2.2%

## Performance Chart



■ Fund ■ Bank Of England Sterling Overnight Index Average

Source: RLAM and FE fundinfo as at 31.08.20. 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)

	Jun 20	Mar 20	Dec 19	Sep 19
Share Class M (Income)	0.16p	0.22p	0.22p	0.17p
Share Class X (Income)	0.20p	0.25p	0.26p	0.21p
Share Class Y (Income)	0.19p	0.24p	0.25p	0.20p
Share Class Z (Income)	0.22p	0.27p	0.28p	0.23p

Table above shows figures as at payment date.

## Fund Manager(s)



### Craig Inches

Co-manager  
Fund Manager tenure:  
22.06.11



### Tony Cole

Co-manager  
Fund Manager tenure:  
18.05.15

## 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 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. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows. Heightened uncertainty due to the COVID 19 crisis may impact these timings for bonds with callable feature.

## 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

### Head Office

Royal London Asset Management Limited  
55 Gracechurch Street  
London, EC3V 0RL  
Tel: 020 7506 6500\*  
\*Telephone calls may be recorded\*

## Risk Warning

This fund can invest more than 35% of its value in government securities.  
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, FE fundinfo and HSBC as at 31.08.20, unless otherwise stated. Yield definitions are shown above.

Our ref: FF RLAM PD 0440

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 global pandemic remained the main factor driving markets in August. In the UK, the emergence of a second wave of infections in mainland Europe led to quarantine restrictions on travellers from a number of countries.

Data suggest that the UK recovery is well underway and relatively robust, helped by government and central bank economic support. But, second waves threaten and localised lockdowns have been imposed. Challenges for the UK's recovery – beyond those faced by others – include the early planned removal of the furlough scheme and the potential failure of UK-EU talks around their future relationship. SONIA was unchanged at 0.06%, while ICE three-month LIBOR decreased from 0.08% to 0.06%, one-year LIBOR fell from 0.30% to 0.23% and two-year gilt yields were virtually unchanged at -0.05%.

Activity was relatively muted over the month – we focused on rolling maturities and adding to selective 12 month CDs such as Wells Fargo and Standard Chartered. In addition, we picked up a five-year floating rate note from UK Municipal Bonds Agency which offers an attractive premium over SONIA and an implicit government guarantee.

The fund has returned 0.78% in 2020\* compared to 0.17% for SONIA, with respective yields of 0.31% p.a. and 0.06% p.a.

\*Based on Z Acc share class, gross of fees and tax

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.

## Unit Charges

	Initial Charge	Minimum Investment
Share Class M (Income)	0.00%	£100,000
Share Class X (Income)	0.00%	£200,000,000
Share Class Y (Accumulation)	0.00%	£1,000,000
Share Class Y (Income)	0.00%	£1,000,000
Share Class Z (Accumulation)	0.00%	£1,000,000
Share Class Z (Income)	0.00%	£1,000,000

## Credit Breakdown

	Fund	Index
AAA	51.4%	-
AA	20.3%	-
A	28.2%	-

## Sector Breakdown

	Fund	Fund	Index
Corporate Bonds	0.6%	0 - 5 years	100.0%
Covered Bonds	49.3%		-
Gilts	0.9%	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.	
Supranationals & Agencies	0.4%		
Money Market Instruments	48.8%		

## Top 10 Holdings as at 28.08.20

	Fund
CANADIAN IMPERIAL BANK OF COMMERCE FR COV BDS 10/01/22	2.3%
GBP100000 CBL15	
SPAREBANK COVERED FRN	2.2%
TORONTO DOMINION BANK FRN 24/06/2022	2.0%
STADSHYPOTHEK AB 0% 01/11/2023	2.0%
ING BANK NV 0.98% CT OF DEP 06/01/21 GBP1	1.9%
BNP PARIBAS SA 0.57% CT OF DEP 12/03/21 GBP1	1.9%
BARCLAYS BANK UK PLC FR CVD BDS 09/01/23 GBP100000 REG 18-1	1.9%
TORONTO-DOMINION BANK FR CVD BDS 07/06/21 GBP100000 CBL21	1.8%
QNB 0.00% CD 16/06/2020 - 16/10/2020	1.7%
AUSTRALIA (COMMONWEALTH BANK OF) FLTGT RT CVD BDS 16/01/25	1.6%
GBP100000	
<b>Total</b>	<b>19.3%</b>

## No of Holdings

115

\*As at 3 June 2019, RLAM moved to a single, fixed fund management fee (FMF). This change currently applies to Royal London Unit Trust Managers (RLUTM) multi-asset, equity and bond funds.

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.