

ROYAL LONDON GMAP DYNAMIC FUND

30 November 2018



ASSET MANAGEMENT

FUND OVERVIEW

General Information

Fund size (mid basis)	£44.7m
Fund type	OEIC
Fund domicile	GBR
Fund manager	Trevor Greetham
Base currency	GBP
ISA eligible	Yes
IA Sector	Global

Share Class M Accumulation

Inception date	14/03/2016
Ongoing charges figure (OCF)	0.60%
Minimum investment	£10,000
Sedol number	BD8RSLO
ISIN	GB00BD8RSLO7
Distribution yield	2.34%
Underlying yield	1.74%

Share Class M Income

Inception date	14/03/2016
Ongoing charges figure (OCF)	0.60%
Minimum investment	£10,000
Sedol number	BD8RSK9
ISIN	GB00BD8RSK99
Distribution yield	2.34%
Underlying yield	1.74%

OCF

The OCF reflects costs that the fund incurs as a result of the expenses in the underlying funds.

Yield definitions

The distribution yield reflects the amounts that maybe 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 (%) of the mid-price of the fund and are month end snap shots and do not include any preliminary charges and investors may be subject to tax on distributions.

Fund Overview

The Fund is part of a range of six multi asset funds known as the Royal London GMAPs or 'Global Multi Asset Portfolios'. The Fund aims to deliver capital growth, over an investment cycle of approximately 6 to 7 years, by investing in a diversified portfolio of UK and global equities. The Fund seeks to provide the highest level of return with the highest level of risk when compared to other funds within the range.

Fund benchmark

The benchmark for the Fund has been designed with the aim of providing the highest long run return in excess of inflation at a relatively high level of risk compared to the other funds within the range. The Fund invests across a broadly diversified selection of UK and overseas equity markets, as indicated below.

Asset type	Benchmark weight (%)	Fund current weight (%)	Relative (%)
UK Equities	50.0	47.5	-2.5
Overseas Equities	50.0	51.6	1.6
Cash	0.0	0.9	0.9

Source: RLAM as at 30.11.18. Totals may not equal 100% due to rounding.

Year on year performance

	30.11.17 to 30.11.18	30.11.16 to 30.11.17	30.11.15 to 30.11.16	30.11.14 to 30.11.15	30.11.13 to 30.11.14
Class M (Acc)	-0.07%	13.88%	-	-	-
Class M (Inc)	0.13%	13.92%	-	-	-
Benchmark	2.31%	14.69%	-	-	-
Sector average	2.71%	15.71%	-	-	-

Cumulative performance (as at 30.11.18)

	3 months	6 months	1 year	3 years	5 years
Class M (Acc)	-5.52%	-3.68%	-0.07%	-	-
Class M (Inc)	-5.60%	-3.73%	0.13%	-	-
Benchmark	-4.87%	-2.77%	2.31%	-	-
Sector average	-5.39%	-1.25%	2.71%	-	-
Quartile ranking	3	3	3	-	-

Source: RLAM and FE as at 30.11.18. Mid to mid, net of fees and taxes, net income reinvested unless otherwise stated. Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and investors may not get back part, or all, of the amount they originally invested. The views expressed are the manager's own and do not constitute investment advice. Please refer to the Key Investor Information Document (KIID) and full prospectus for a list of the relevant risks.

Details of changes to the Fund

Global equities bounced back modestly in November, following October's sharp falls; stocks outperformed bonds. Financial markets remained extremely volatile, however, with sharp swings in sentiment towards, inter alia, the position of the Federal Reserve (Fed) on interest rate rises, trade tensions between the US and China, Brexit, and the Italian government's budget dispute with the EU. However, US economic data mostly remained strong, supporting the case for further interest rate rises by the Fed. Regional equity market returns for sterling investors were mixed: Asia Pacific (excluding Japan), the US and Japan were the best performers, followed by continental Europe and the UK. Our proprietary sentiment index started November deep in fear territory, which is a strong buy signal, so we took advantage of market weakness to add further to our overweight position in equities. Looking into the next 12 months, we remain constructive on stocks as global growth remains positive, but are watching the US housing market closely as it suggests rate rises are starting to slow the economy. In our regional equity allocation, we maintained our overweight position in the US, given the relative strength of the economy there. Japan, being a leading exporter, benefits from positive global growth and we remained overweight, albeit at a lower level. We maintained underweight positions in the UK and continental Europe, which are dealing with weaker growth and Brexit uncertainty, and in Asia Pacific (excluding Japan), which suffers from trade war concerns. We started underweight, but moved to a neutral position in emerging markets, which have more difficulty in servicing dollar-denominated debts when the US currency strengthens: they had suffered significant falls, were beginning to show signs of relative outperformance and the peak of US dollar strength could be behind us. Sterling was largely unchanged on the month, but this disguised significant Brexit-related volatility: mid-month it recorded its steepest one-day fall since 2016. The apparent softening in the Fed's stance on interest rate rises subdued the dollar; likewise, uncertainty about the Italian government's dispute with the EU impacted the euro at times. We kept the overweight in the US and Canadian dollars and underweights in the euro, Swiss franc and yen. As the UK may leave the EU with no deal or it may cancel Brexit – outcomes with dramatically different implications for the currency – we remain underweight sterling.

This is not a recommendation or solicitation to buy or sell any particular security.

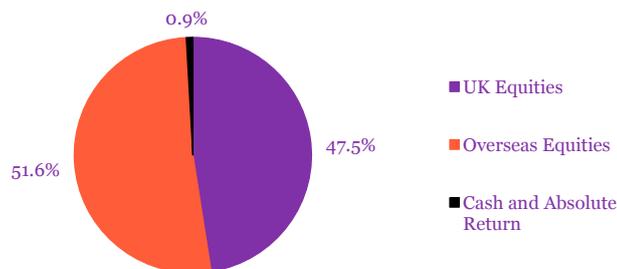
The views and opinions expressed herein are those of the manager at the time and are subject to change without notice.

Top holdings

Holding/ Fund	Asset type	Weight (%)
RL US Index Tracker Fund Z Acc	Overseas Equities	25.8
RL UK All Share Tracker Fund Z Acc	UK Equities	24.6
RL FTSE 350 Tracker Fund Z Acc	UK Equities	19.9
RL Europe Ex UK Tracker Fund Z Acc	Overseas Equities	7.4
RL Japan Tracker Fund Z Acc	Overseas Equities	4.4
VANGUARD FTSE EMG MKT ETF	Overseas Equities	4.1
RL Asia Pacific Ex Japan Tracker Fund Z Acc	Overseas Equities	4.0
RL Short-Term Money Market Fund Y Acc	Cash	2.0
ISHARES MSCI UCITS ETF	Overseas Equities	1.4
Total		93.6

Source: RLAM as at 30.11.18. Total weight reflects rounding.

Asset split



Source: RLAM as at 30.11.18

Geographic breakdown



Source: RLAM as at 30.11.18. 'Other' region includes global fixed income exposures, which are sterling hedged and commodity exposures.

RISK WARNINGS

The issuers of certain bonds could become unable to make income or capital payments on their bonds.

Liquidity conditions in markets may change, potentially reducing the degree of confidence with which assets are valued, and reducing the likelihood that assets can be bought or sold in a timely manner at or close to valuation prices.

Investing in assets denominated in a currency other than the investors' home currency means the value of the investment can be affected by changes in exchange rates to the extent that such currency risk is not hedged.

For funds that use derivatives, their use may be beneficial, however, they also involve specific risks. Derivatives may alter the economic exposure of a fund over time, causing it to deviate from the performance of the broader market.

Sub-investment grade bonds have characteristics which may result in a higher probability of default than investment grade bonds and therefore a higher risk.

CONTACT DETAILS

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

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Source: RLAM as at 30.11.18, unless otherwise stated.

Our reference: FF RLAM PD 0208