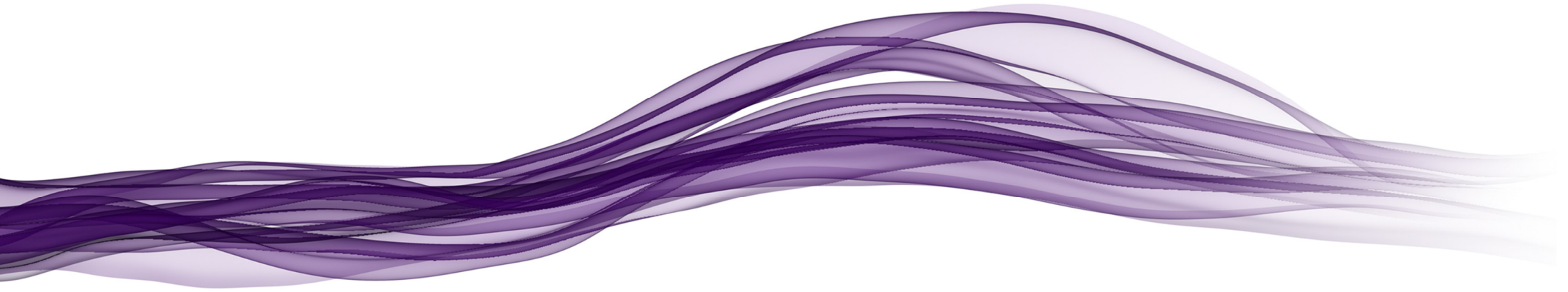


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Royal London US Growth Trust

Quarterly Investment Report

30 June 2024

Quarterly Report

The fund as at 30 June 2024

The purpose of this report is to provide an update on the Royal London US Growth Trust. The report has been produced by Royal London Asset Management. The report starts with a summary dashboard showing key information about the fund. A glossary is located at the end of the report covering the description of some of the more technical terms used within the report. All data is as at the report date unless otherwise stated.

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The fund

Fund performance objective and benchmark

The Fund's investment objective is to achieve capital growth over the medium-to-long term (5-7 years) by investing at least 80% in the shares of US companies listed on the New York Stock Exchange. The Fund's performance target is to outperform, after the deduction of charges, the MSCI USA £ Net Total Return Index (the "Index") over a rolling 7-year period. The Index is regarded as a good measure of the share-price performance of the largest listed on the New York Stock Exchange. The Index is considered an appropriate benchmark for the Scheme's performance, as the Scheme's potential investments will predominantly be included in the Index. In addition to the benchmark for the Scheme's performance as noted above (the "Index"), the IA North America sector is considered an appropriate benchmark for performance comparison.

Benchmark: MSCI USA £ Net Total Return Index

Fund value

	Total £m
30 June 2024	364.21

Fund analytics

	Fund
Fund launch date	19 February 2001
Base currency	GBP
Number of holdings	110
Active share (%)	51.1
Tracking error (%)	1.7

Ex-post tracking error calculated 3 years to 30 June 2024. Please refer to the glossary for a description of the tracking error used.

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	4.72	3.87	0.85
YTD	18.64	15.61	3.02
1 Year	30.08	24.82	5.26
3 Years (p.a.)	16.10	11.89	4.21
5 Years (p.a.)	17.44	14.55	2.88
10 Years (p.a.)	16.41	15.58	0.84
Since inception (p.a.)	9.11	8.39	0.72

Past performance is not a guide to future performance. Please refer to the Glossary for the basis of calculation and impact of fees. Performance and since inception date based on Royal London US Growth Trust (A Inc). Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 19 February 2001.

Performance commentary

The portfolio outperformed the index during the quarter. The largest contributor to returns during the quarter was NVIDIA. The semiconductor design company in the Accelerating segment of the life cycle positively contributed to performance in Q2 as the shares continued an incredible run that started in early 2023. The shares are up 845% from December 31, 2022, to June 30, 2024. During this period, NVIDIA announced its latest series of GPUs, the Blackwell series, which will dramatically enhance AI computing power relative to the already superior Hopper H100. NVIDIA mania could be approaching its peak, or we could be at the base of an AI-powered revolution. The range of outcomes remains wide, and our position sizing continues reflects this.

Apple, the world's pre-eminent ecosystem of consumer electronics hardware and software with the iPhone constituting over 50% of company-wide sales. Other hardware includes the iPad, computers, laptops and peripherals. These devices are united by the customer focused iOS operating system which creates a 'walled garden' around Apple products as well as a network effect for existing customers when adding devices and sharing content/apps/settings/password etc. across those devices. An overweight position in Apple was a positive contributor to relative performance in Q2 as Apple shares performed well in anticipation of their announcement on AI and how it will integrate into the next iterations of the iPhone, ultimately with the potential of sparking a new upgrade cycle.

Sprouts Farmers Market is a US-based grocery chain that offers fresh, natural, and organic food products. Sprouts leverages its scale to deliver a 'Farmers Market' experience to all consumers, focusing on providing fresh foods at good value. Sprouts reported Q1 2024 earnings at the beginning of May which were extremely well received by the market as these beat analyst expectations and raise guidance for FY 2024. Management appears to be executing on sensible strategy for a Compounding business whilst the market values the company as if it were Slowing & Maturing, presenting a valuation opportunity.

Detractors included Thor Industries, the largest recreational vehicle (RV) manufacturer in the world, currently in the Slowing & Maturing Life Cycle segment. Thor's share price has consistently underperformed the market this year, perhaps through no fault of its own, other than the fact that it operates in a deeply cyclical industry where there is currently nowhere to hide. A combination of high inflation and high interest rates applies pressure to demand and margins, which the market appears not to tolerate well. We remain confident in Thor's ability to generate wealth for shareholders in the long run and continue to observe an attractive valuation pay-off opportunity.

Performance and activity

Performance commentary (continued)

Old Dominion Freight Line (ODFL) is a pure play 'less than truck load' (LTL) US trucking company in the Slowing & Maturing stage of the Life Cycle. ODFL reported quarterly results in April which were not so well received by the market. The results reflect a weaker macroeconomic environment as opposed to a stock specific issue. We remain confident in the company's combination of Wealth Creation characteristics and valuation pay-off.

Kinsale Capital Group is an Accelerating US insurance business focused on Excess & Surplus (E&S) lines, also known as non-admitted insurance. This type of insurance does not fit within the regulated insurance market due to market regulations or the cost of providing coverage. Kinsale shares sold off in Q2 following the release of quarterly results at the end of April. Despite positive results overall, the market is increasingly concerned about Kinsale's ability to replicate the premium growth numbers it has seen over the past several years. However, we believe that Kinsale is uniquely positioned to continue growing its market share in the E&S market and to continue disrupting this market.

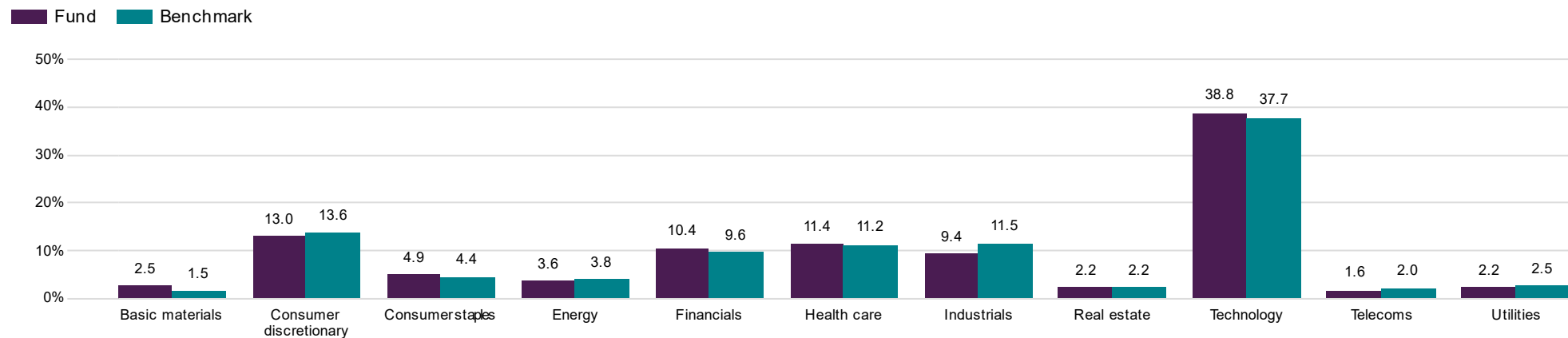
Performance and activity

Top 10 holdings

	Weighting (%)
Microsoft Corporation	8.39
Apple Inc.	7.31
NVIDIA Corporation	6.69
Alphabet Inc. Class A	4.77
Amazon.com, Inc.	4.35
Meta Platforms Inc Class A	2.41
JPMorgan Chase & Co.	2.27
Eli Lilly and Company	2.01
UnitedHealth Group Incorporated	2.01
Berkshire Hathaway Inc. Class B	1.71
Total	41.92

Fund breakdown

Sector weights



Market commentary

Market overview

Global equities continued to rally over Q2, with stronger than expected earnings growth fuelled by artificial intelligence (AI) demand. Some of the same trends that were driving markets during the first quarter continued into the second quarter of 2024. The technology sector has remained the best performing sector driven by AI which is triggering significant investments in technology infrastructure particularly semiconductors.

The macroeconomic backdrop remain uncertain and political factors have added another element of volatility this quarter. However, broadly speaking, the scene has been set with steady but slowing growth, sticky inflation and slow easing by central banks.

2024 started with expectations that central banks would cut early and cut several times. However, as the year has progressed, those expectations have changed. Inflation data having generally been stronger than expected has left central banks particularly the Federal Reserve to push back against rate cuts. While the European Central Banks cut rates in June, the Federal Reserve and the Bank of England have held off so far.

Ahead of the US Presidential elections in November, snap parliamentary elections were called in the UK and France, providing reminders that voter dissatisfaction with the seeming consensus on economic policy and a demand for change from citizens.

The price of WTI crude oil lost 2.0% over the quarter to \$82 a barrel, stagnating after the strong gains made in the prior quarter. Copper futures meanwhile gained 8.3% in US dollar terms.

The US dollar appreciated by 6.3% against the yen, by 0.7% against the euro, and was flat against sterling.

Outlook

Whilst there remains significant geopolitical and macroeconomic risk, we remain focused on using our established investment process to generate alpha through bottom-up stock picking. With this volatile background, we believe that our approach of diversifying the strategies across broad range of companies from different sectors and stages of their Life Cycle will allow performance to continue to be driven more by the success of our hunting for superior shareholder wealth creating companies with undervalued long-term cash flows than by the prevailing winds of the macroeconomy, or factors such as growth or value styles being in vogue.

Further Information

Please click on the links below for further information:



Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of www.rlam.com, including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

Disclaimers

Important information

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The Trust is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032.

For more information on the Trust or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on www.rlam.com.

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Risks and Warnings

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 risk

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.

Exchange rate risk

Changes in currency exchange rates may affect the value of your investment.

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.

Performance to 30 June 2024

Cumulative (%)

Annualised (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	4.72	18.64	30.08	56.58	123.58	16.10	17.44
Fund (net)	4.46	18.00	28.64	51.03	109.59	14.72	15.93

Year on year performance (%)

	30/06/2023 - 30/06/2024	30/06/2022 - 30/06/2023	30/06/2021 - 30/06/2022	30/06/2020 - 30/06/2021	30/06/2019 - 30/06/2020
Fund (gross)	30.08	19.26	0.93	28.32	11.28
Fund (net)	28.64	17.79	(0.32)	26.57	9.64

Past performance is not a guide to future performance. The impact of fees or other charges including tax, where applicable, can be material on the performance of your investment.

Source: RLAM as at 30 June 2024. All figures are mid-price to mid-price in GBP for the Royal London US Growth Trust (A Inc).

Glossary

Active share

Active share is a measure used to assess the degree of difference between the portfolio's holdings and its benchmark.

Fund value

Total value of the fund as of the last business day of the calendar month. The fund value is as at close of business and on a mid-price basis.

Number of holdings

Total number of unique holdings of the Fund excluding cash, currency and derivatives.

Performance

Official Fund performance is shown on a mid-to-mid price basis, gross of fees and taxes, with gross income reinvested unless otherwise stated. Supplementary end of day performance has also been provided at fund level in order to show a comparison vs the benchmark which is also priced at end of day.

Sector weights

Breakdown of holdings by GICS (Global Industry Classification Standard) sector relative to the benchmark index.

Top 10 holdings

Top 10 assets held by market value, excluding derivatives and cash.

Tracking error

Tracking error indicates how closely a fund follows its benchmark index. It is a measure of the risk in the fund that is due to active management decisions made by the fund manager. It is calculated on an ex-post basis (actual basis, post period end).