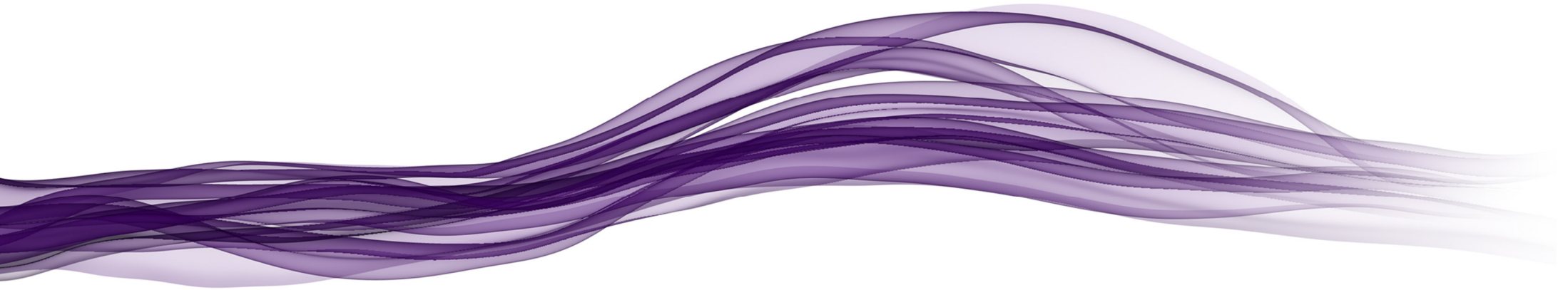


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Royal London GMAP Adventurous Fund

Quarterly Investment Report

30 September 2024



Quarterly Report

The fund as at 30 September 2024

The purpose of this report is to provide an update on the Royal London GMAP Adventurous Fund. 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

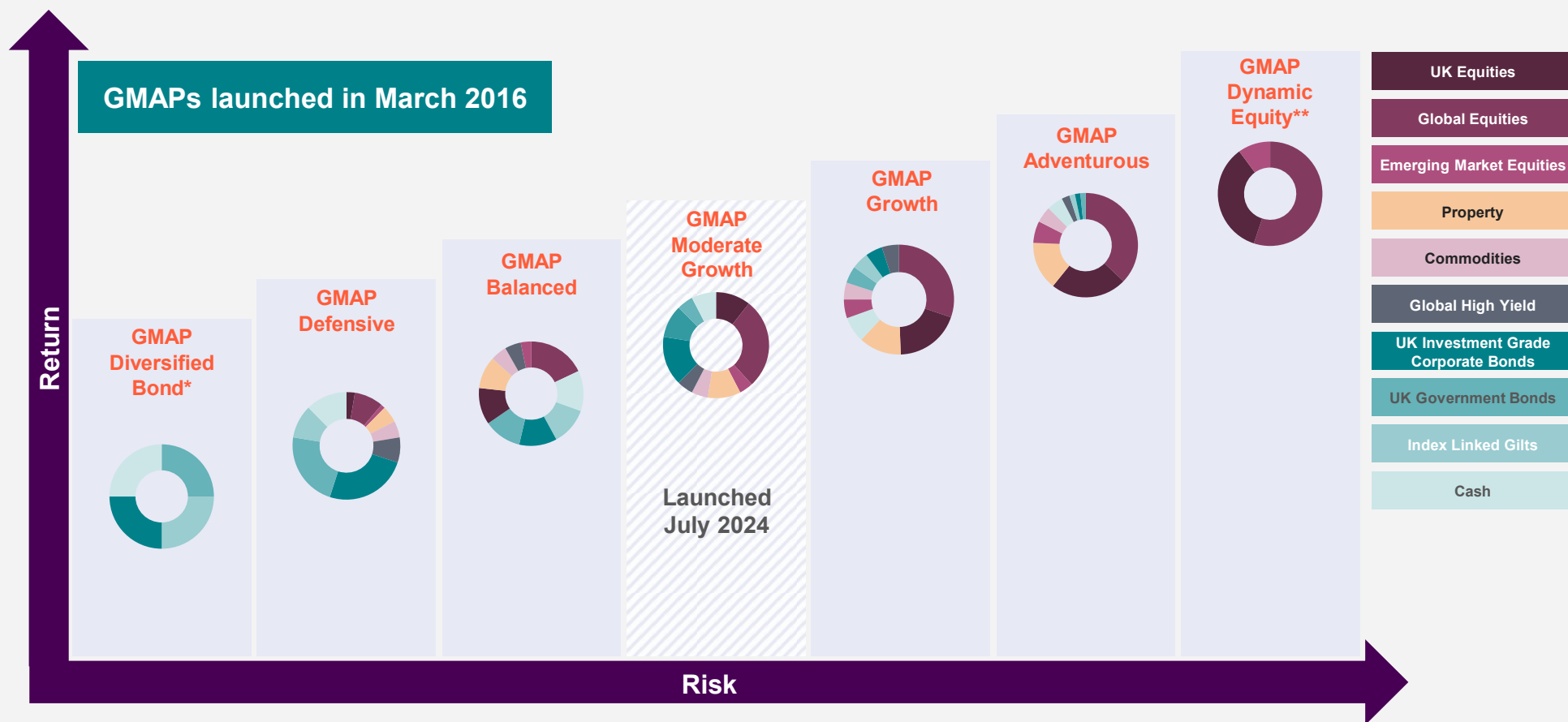
Fund performance objective and benchmark

The Fund's investment objective is to achieve capital growth over the medium term, which should be considered as a period of 3-5 years, by predominantly (ie at least 80%) investing in a range of different asset classes including (but not limited to) shares and bonds through investment in Collective Investment Schemes (CIS). The Fund forms part of the Royal London Global Multi-Asset Portfolio (GMAP) range. Each Fund in the range is assigned a level of potential risk and return relative to the other funds in the range. Within this range, this Fund aims to achieve a high level of risk and return. The Fund is actively managed, meaning that the manager will use their expertise to select investments to meet the objective. The Fund is classified under the Investment Association (IA)'s Mixed Investment 40-85% Shares sector, a peer group of funds with similar characteristics. Funds in the IA Mixed Investment 40-85% Shares sector can invest between 40% and 85% in shares, which broadly aligns to the Fund's own investment policy. The IA Mixed Investment 40-85% Shares sector is considered appropriate benchmark for performance comparison purposes. Management of the Fund is not restricted by the use of the sector as a comparator benchmark.

Fund value

	Total £m
30 September 2024	490.96
Fund launch date	14 March 2016

RL GMAP range



For illustrative purposes – reflects Strategic Asset Allocation weightings, may vary in accordance with tactical asset allocation. Our fund range is designed to span the risk return spectrum, with each fund aiming to maximise the long-term real return for its given level of risk through a broadly diversified portfolio of investments

* Fund name changed from Conservative to Diversified Bond on 15 March 2024.

** Fund name changed from Dynamic to Dynamic Equity on 15 March 2024.

Performance and activity

Performance

	Fund (%)	IA Sector (%)	Relative (%)
Quarter	0.04	1.61	(1.57)
YTD	9.28	7.62	1.66
1 Year	13.70	13.83	(0.12)
3 Years (p.a.)	6.36	2.45	3.92
5 Years (p.a.)	6.54	4.64	1.90
Since inception (p.a.)	7.91	6.26	1.65

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 RL GMAP Adventurous Fund (M Acc). Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 14 March 2016.

Performance commentary

Equities

Global stocks continued higher over the quarter, recovering swiftly from the declines made in early August when equity market volatility rose to the highest level since the Covid sell-off in March 2020. Having taken profits into the summer period where volatility tends to be higher and equity market performance relatively soft, we are now turning more positive again. Investment Clock remains in Reflation for now, but we expect the central bank rate cuts to have a positive impact on economic activity, which could see us move into the equity-friendly Recovery quadrant. Our equity positioning had a neutral impact on performance.

Bonds

Bond yields fell and US treasuries recorded their fifth consecutive monthly gain – the longest streak since 2010, as both the Fed and BoE started their easing cycle. We entered the period underweight bonds but changed our positioning as focus shifted to firmer US employment data. This reversal was a small negative for performance.

Equity regions & sectors

Emerging market shares outperformed, driven by a sharp rally of Chinese equities into month-end. Japan struggled as BoJ hiked interest rates by 0.15% and signalled more to come.

The information technology sector underperformed, as the market rally broadened to wider sectors. This helped performance through our preference to value cyclical sectors such as materials and industrials. We also gained from an underweight position in the energy sector which in relative terms as oil prices fell to year-to-date lows amid soft physical demand and expectations of large supply increases as we move into 2025.

Property

We remain positive on the long-term prospects for property within a diversified multi asset portfolio. We remained tactically underweight property over the period but started to cover this position towards neutral. Commercial property rose slightly but underperformed equities. With UK inflation rates returning back towards target levels and the outlook for GDP growth being for a steady recovery through the remainder of 2024 and into 2025, a stable and predictable political environment should give investors more confidence and serve as a tailwind.

Performance and activity

Top 10 holdings

	Weighting (%)
Royal London Equity Funds ICVC - Royal London UK Broad Equity	15.40
Royal London US Equity Tilt R Acc	13.39
RL Global Equity Enhanced Fund	8.80
Royal London Equity Funds ICVC - Royal London Global Equity	8.78
RL Property Feeder Fund (PAIF)	8.20
RL Emerging Markets ESG Leaders Eq Tracker R Acc	7.67
RL Sterling Liquidity Money Market Fund	5.97
RL Short Term Money Market Fund	5.50
RL Europe Ex UK Equity Tilt Fund	3.91
iShares Bloomberg En.Roll Yld Cdy Swap UCITS ETF	2.51
Total	80.13

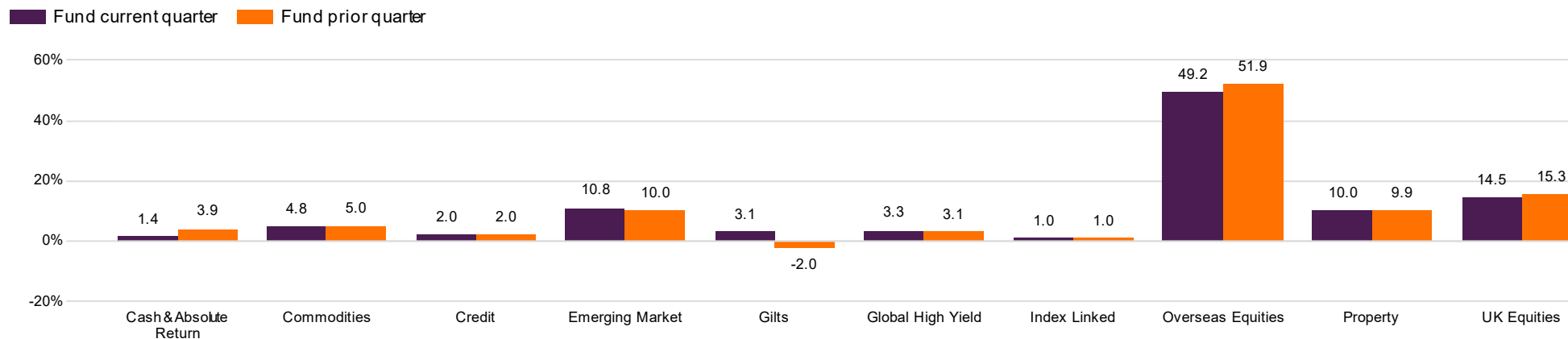
Fund activity

Tactical asset allocation

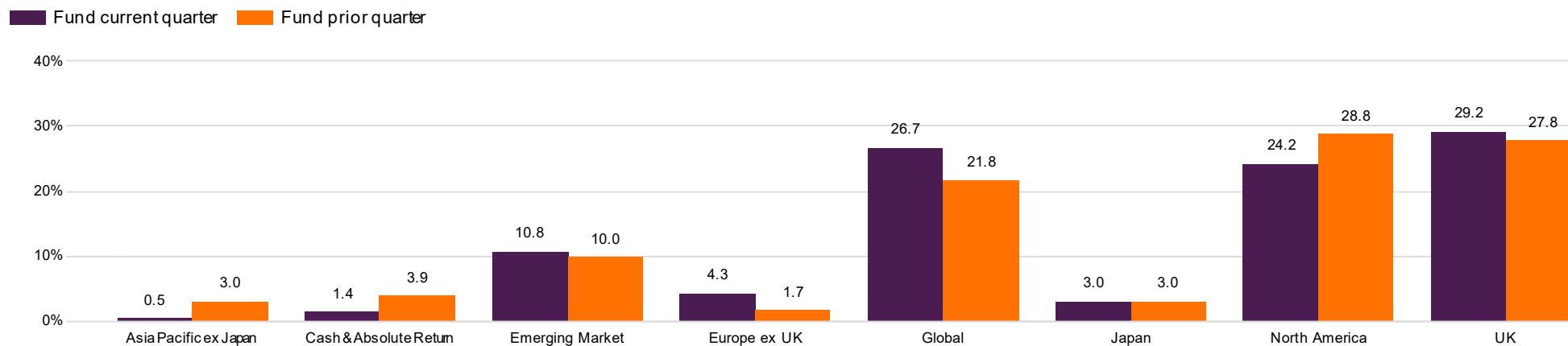
At the tactical asset allocation level, we took profits on our overweight position in equities which had benefitted us since the end of 2022. The Investment Clock moved into the Reflation quadrant, which historically has been the phase of the business cycle where bonds offer their best performance. As we transition out of the volatile summer period and with central bank rate cuts which expected to boost economic activity globally, we are starting to turn more positive on risk assets once again. At the sector level, we added value from our preference towards cyclical sectors like materials and industrials, funded from the energy sector which struggled amid falling oil prices. With much uncertainty around the macroeconomic environment, we continue to see great benefits in a well-diversified multi asset approach which aims to deliver positive risk-adjusted returns over the medium to long term.

Fund breakdown

Asset split



Geographical breakdown



Market commentary

Market overview

Markets continued to focus on central bank actions during the quarter, as both the Federal Reserve (Fed) and Bank of England (BoE) followed the European Central Bank in making the first rate cuts this cycle. This follows the significant rises through 2022 and 2023 as part of efforts to reduce inflation. Along with a significant stimulus package in China, this policy shift generally helped fixed income markets to perform positively over the quarter as yields fell to reflect lower central bank interest rates. After initial weakness, equity markets started to rise once more, reflecting the hope that the policy easing would result in a soft landing for the economy with the US S&P 500 index hitting an all-time high. Despite guidance from central banks that further cuts will be measured, markets are still pricing in material rate cuts over the next year or so.

After elections in the UK and France grabbed headlines in the second quarter, attention moved firmly to the forthcoming US elections. Markets believe that a Trump presidency would see looser fiscal policy and higher tariffs and protectionism. Sentiment has swung on the fortunes of the early days of the race, first following the Trump assassination attempt and debate against President Biden, which appeared to favour Trump, but then swung back as Kamala Harris emerged as a credible candidate and performed strongly in her debate with the former president. Somewhat remarkably, markets have remained sanguine about rising geopolitical tensions in the Middle East.

Global equities were volatile during the third quarter amid heightened geopolitical tensions in the Middle East and ongoing inflationary pressures on the global economy. However, global equities have still posted gains on a year-to-date basis.

During the third quarter, the MSCI All Country World Index posted gains of 4.89% in local currency terms.

The price of WTI crude oil lost 8.6% over the quarter to \$68.2 a barrel, while copper futures meanwhile gained 3.2% in US dollar terms.

Outlook

The pandemic ushered in a new era of 'spikeflation' characterised by periodic spikes in inflation and shorter boom-bust cycles. Stronger than expected US growth and trouble in the middle east could challenge the consensus view that inflation will drop quickly to target levels, creating two-way risk for bonds. We've been overweight equities most of the time since 2022. We neutralised ahead of the summer and added back amid recent market volatility with our Investment Clock moving into Reflation and the Fed starting to ease policy. We see a soft landing in the world economy, which should benefit stocks, but geopolitical risk could create volatility along the way, and we've moved commodities back to overweight as a hedge.

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

For professional clients only, not suitable for retail clients.

This is a financial promotion and is not investment advice.

Telephone calls may be recorded. For further information please see the Privacy Policy at www.rlam.com.

Issued in October 2024 by Royal London Asset Management Limited, 80 Fenchurch Street, London EC3M 4BY. Authorised and regulated by the Financial Conduct Authority, firm reference number 141665. A subsidiary of The Royal London Mutual Insurance Society Limited.

The Fund is a sub-fund of Royal London Multi-Asset Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC001058.

The Company is a non-UCITS retail scheme. 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.

For more information on the fund or the risks of investing, please refer to the Prospectus or Non-UCITS retail scheme Key Investor Information Document (NURS KII Document), available via the relevant Fund Information page on www.rlam.com.

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.

Credit risk

Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

Derivative risk

This fund may undertake transactions in derivatives and forward transactions (both on exchange and over the counter (OTC)). These may include interest rate swaps and interest rate futures for the purposes of meeting the investment objective, protecting the risk to capital, duration and credit management, as well as for hedging. While the discerning use of derivatives can be beneficial, derivatives also involve specific risks. These risks relate specifically to market risk, management risk, credit risk, liquidity risk, the risk of mispricing or improper valuation of derivatives and the risk that derivatives may not correlate perfectly with underlying assets, interest rates and indices. The use of derivative instruments may from time to time alter the economic exposure of the fund causing it to deviate significantly from the performance of the market as a whole. The use of these derivatives will be within the parameters allowed for linked funds by the Financial Conduct Authority and Prudential Regulation Authority.

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.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital. Unlike the income from a single fixed interest security, the level of income (yield) from a fund is not fixed and may go up and down. Bond yields (and as a consequence bond prices) are determined by market perception as to the appropriate level of yields given the economic background.

Liquidity risk

In difficult market conditions the value of certain fund investments may be difficult to value and harder to sell, or sell at a fair price, resulting in unpredictable falls in the value of your holding.

Emerging markets risk

Investing in Emerging Markets may provide the potential for greater rewards but carries greater risk due to the possibility of high volatility, low liquidity, currency fluctuations, the adverse effect of social, political and economic instability, weak supervisory structures and accounting standards.

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.

Fund investing in funds risk

The Fund is valued using the latest available price for each underlying investment, however it may not fully reflect changing stockmarket conditions and the Fund may apply a 'fair value price' to all or part of its portfolio to mitigate this risk. In extreme liquidity conditions, redemptions in the underlying investments, and/or the Fund itself, may be deferred or suspended.

Liquidity and dealing risk

The Fund invests indirectly in assets that may at times be difficult to value, harder to sell, or sell at a fair price. This means that there may be occasions when you experience a delay in being able to deal in the Fund, or receive less than may otherwise be expected when selling your investment.

Performance to 30 September 2024

Cumulative (%)

Annualised (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	0.04	2.83	13.70	20.35	37.31	6.36	6.54
Fund (net)	(0.11)	2.52	13.02	18.21	33.26	5.73	5.90

Year on year performance (%)

	30/09/2023 - 30/09/2024	30/09/2022 - 30/09/2023	30/09/2021 - 30/09/2022	30/09/2020 - 30/09/2021	30/09/2019 - 30/09/2020
Fund (gross)	13.70	6.59	(0.70)	22.31	(6.72)
Fund (net)	13.02	5.95	(1.29)	21.59	(7.28)

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 September 2024. All figures are mid-price to mid-price in GBP for the RL GMAP Adventurous Fund (M Acc).

Glossary

Asset allocation

Based on RLAM's holistic approach to fixed income management and fund weights relative to their respective benchmarks. May not reflect tactical exposures.

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.

Geographical breakdown

Breakdown of assets by geographical regions. 'Global' region includes global fixed income and overseas securities exposures, which are sterling hedged and commodity exposures.

Performance

Performance is calculated using the signed off NAV per share. The impact of fees or other charges including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces the return.

Top 10 holdings

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