

RIVER AND MERCANTILE

**ES River and Mercantile Funds ICVC
Interim Long Report for the Period Ended
30 September 2020 (unaudited)**

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*Collectively these comprise the Authorised Corporate Director's Report.

The Authorised Corporate Director's Report

Equity Trustees Fund Services Limited ("ETFS"), the Authorised Corporate Director ("ACD") of the ES River and Mercantile Funds ICVC ("the Company"), is pleased to present the interim report and financial statements of the Company for the period ended 30 September 2020.

Constitution and Authorised Status

The ES River and Mercantile Funds ICVC is an open-ended investment Company ("OEIC") with variable share capital ("ICVC"). The Company is authorised in the United Kingdom by the FCA pursuant to Regulation 14 of the OEIC Regulations with number IC000489. The effective date of the Authorisation Order made by the FCA was 2 October 2006. From 13 January 2020 the head office of the Company is 4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL.

The minimum Share capital of the Company shall be £1 and the maximum share capital shall be £100,000,000,000.

The base currency for the Company is pounds sterling. The Share capital of the Company at all times equals the Net Asset Value of the Fund. The Shareholders are not liable for the debts of the Company. There were no Shares in any Fund held by any other Fund of the Company.

The Company is a "UCITS Scheme", as defined in the FCA Rules, and is organised as an umbrella company for the purposes of the OEIC Regulations.

The sub-funds of the company are valued on a mid-market basis, with daily single prices appearing on the ACD's website (www.equitytrustees.com). The sub-funds valuation point is 12 noon.

In line with the Protected Cell Company Regime, the assets of a sub-fund of the Company belong exclusively to that sub-fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the company, or any other sub-fund of the Company, and shall not be available for any such purpose.

The sub-funds in which shares are currently available are as follows:

- ES River and Mercantile UK Equity High Alpha Fund
- ES River and Mercantile UK Equity Smaller Companies Fund
- ES River and Mercantile UK Dynamic Equity Fund
- ES River and Mercantile UK Recovery Fund
- ES River and Mercantile UK Equity Income Fund
- ES River and Mercantile Global Recovery Fund
- ES River and Mercantile Dynamic Asset Allocation Fund
- ES River and Mercantile Global High Alpha Fund
- ES River and Mercantile European Fund (launched 30 September 2020)

Subject to the OEIC Regulations and the provisions set out in the instrument constituting the Scheme, the ACD may establish additional Funds from time to time.

The Company will not have any direct interest in any immovable property or tangible movable property.

The maximum level of management fees that may be charged to the Company, including any management fees levied on any Collective Investment Schemes in which the Company invests, will not exceed 10% per year.

The Authorised Corporate Director's Report continued

COVID-19

Since the start of 2020 global financial markets have experienced significant volatility resulting from COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demands as well as general market uncertainty. The effects of COVID-19 have had an adverse and long lasting impact on global economies as well as financial markets, all of which may impact the performance of ES River and Mercantile Funds ICVC.

The ACD has considered the impact of COVID-19 on the financial resources and operations of the Company, the Investment Manager and key service providers. The ACD is of the opinion that, given COVID-19, adequate financial resources and business continuity plans are in place to continue as a going concern.

Going Concern

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts, accordingly the Company has adequate financial resources to continue in operational existence for at least the next twelve months from the approval of these Financial Statements. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these Financial Statements and applicable accounting standards have been followed.

Company Information

Company	ES River and Mercantile Funds ICVC
Registered Office	4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL
Administrator and Registrar	The Bank of New York Mellon (International) Limited, One Canada Square London, E14 5AL
Authorised Corporate Director ('ACD')	Equity Trustees Fund Services Ltd
Equity Trustees Fund Services Ltd	4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL
Directors of the ACD	Vincent Camerlynck James Gardner Leanne Isaacs Harvey Kalman Kevin Lavery Dallas McGillivray
Investment Manager of all funds other than of the ES River and Mercantile Dynamic Asset Allocation Fund	River and Mercantile Asset Management LLP 30 Coleman Street, London, EC2R 5AL
Investment Manager of ES River and Mercantile Dynamic Asset Allocation Fund	River and Mercantile Investments Limited 30 Coleman Street, London, EC2R 5AL
Depository	The Bank of New York Mellon (International) Limited One Canada Square, London, E14 5AL

Principal Activities

The Company is a UCITS scheme under the OEIC regulations as defined in the Collective Investment Schemes sourcebook (the COLL) and also an umbrella company for the purposes of the OEIC Regulations. The property attributable to each of the sub-funds is managed as if each sub-fund belonged to the "UCITS Scheme" category as specified in the COLL. Holders of shares in a sub-fund are entitled to receive (or, in the case of accumulation shares, to have re-invested) the net revenue derived from the sub-fund and to redeem their shares at a price linked to the value of the property of the sub-fund. Shareholders do not have any proprietary interest in the underlying assets of any sub-fund.

Each sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance. The shareholders of the Company will not be liable for the debts of the Company.

The base currency for the Company is pounds sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1.

The Company was authorised by an order made by FCA with effect from 2 October 2006. The operation of the Company is governed by the Regulations, the Company's Instrument of Incorporation and its Prospectus.

Company Information continued

Holdings in other Sub-Funds of the Company

As at 30 September 2020, no sub-funds held shares in any other sub-fund of the Company.

Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) will be required on all reports & accounts published after 13 January 2017. During the year to 30 September 2020 and at the balance sheet date, the ES River and Mercantile Funds ICVC did not engage in SFTs.

Additional information

With effect from 30 September 2020, ES River & Mercantile ICVC launched a new sub-fund, the ES River & Mercantile European Fund. As the sub-fund is so new, it has not been disclosed within these Interim accounts.

Authorised Corporate Director's Statement

In accordance with COLL 4.5.8BR, the Interim Report and the unaudited statements were approved by the ACD of the Company.



James Gardner
for and on behalf of Equity Trustees Fund Services Ltd
Authorised Corporate Director
17 November 2020

Notes Applicable to the Financial Statements of all sub-funds of the ES River and Mercantile Funds ICVC

Notes applicable to the Financial Statements

Accounting policies

Basis of accounting

The Financial Statements of the Company comprise the Financial Statements of each sub-fund and have been prepared on a going concern basis in accordance with Financial Reporting Standard (“FRS”) 102 and the Statement of Recommended Practice ‘Financial Statements of UK Authorised Funds’ issued by the IMA (now known as the Investment Association) in May 2014, updated in June 2017 (the “SORP”).

All other accounting and distribution policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2020.

ES River and Mercantile UK Equity High Alpha Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the MSCI United Kingdom Investable Market Index Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 60% of its value in shares of UK companies (companies which are domiciled, incorporated, or have significant operations in the UK). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

In addition, up to 20% of the Sub-fund may be invested in shares of companies which are not UK companies but which, at the time of investment, are listed in the UK. Investment can be direct or indirect as noted above. It is expected that at least 80% of the Sub-fund will be invested in UK companies and companies which are listed in the UK.

Up to 20% of the Sub-fund may be invested in shares of overseas companies (companies which are not UK companies and which are not listed in the UK), excluding emerging markets, collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The Sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the Sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The Sub-fund is actively managed, meaning the Investment Manager uses their expertise to pick investments to achieve the Sub-fund’s objectives. The Investment Manager typically defines “high alpha” as, in normal market conditions, a performance of 3% above the Benchmark over a rolling 5 year period. However, this may not always be possible in all market conditions. The Investment Manager does not use this, or any other figure, as a target for performance.

The Investment Manager will select shares for the Sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006. It looks for companies that are considered by the Investment Manager to have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators are supportive of investing at the time of analysis).

The Sub-fund will invest in a broad range of companies by industry sector and size and does not have to hold the same companies that are included in the Benchmark or in the same weights. However, where the Sub-fund invests in companies which are included in the Benchmark the Sub-fund’s exposure to any one company will not be more than 4% above or below the Benchmark’s exposure to that company. Exposure to any industry sector will not be more than 8% above or below the Benchmark’s exposure to that sector, measured at the sector level of GICS (Global Industry Classification Standard).

ES River and Mercantile UK Equity High Alpha Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile UK Equity High Alpha Fund B share class returned 12.2%* over the six months to 30 September 2020, compared with the MSCI United Kingdom Investable Market Index which returned 5.2%*.

Market background

After the lockdown-induced low earlier in the year, economies around the world bottomed out in April, with the recovery starting to come through in May and June, and they have continued that recovery over the summer and into autumn. However, a second wave of Covid-19 cases has hit most countries, stalling re-openings and leading to the recovery in some segments of economies being put on hold and market sentiment becoming more cautious.

Overall global equity markets have rebounded strongly since the dramatic falls early in the year as the economic ramifications of a global pandemic became clear. This recovery started with a robust rally in the second quarter, after it seemed that the threat of Covid-19 peaked, as economies and corporate profits bottomed-out and as very supportive monetary and fiscal policy kicked in.

Although this continued into the third quarter and thus the second half of the period under review, this has faded latterly with the economic uncertainty associated with a second wave of the virus and increased focus on an uncertain US Presidential election. Notwithstanding this, overall in the six months to the end of September global market returns have made up for the losses at the start of the crisis. The UK market has also been positive during the period, but we haven't seen the double digit returns of the global markets. The UK market has been handicapped by an underwhelming management of the Covid crisis and returning Brexit worries.

Our key investment factor, Value has continued to be unloved by the market. It is highly unusual for Value to underperform during economic recovery periods, so this remains a very significant anomaly that needs some explaining. Suffice to say that Growth and Quality have benefitted from falling interest rates, relatively strong corporate fundamentals through the Covid crisis and better positioning regarding sustainability and flows of liquidity. Value has not benefitted from these.

Performance

Despite the Value headwind, performance was good over the period, with strong absolute returns and robust relative returns. As for much of the anti-value period since the Global Financial Crisis (until 2018), we managed to offset value headwinds with robust multi-cap investing and exposure to companies that were clearly going to increase shareholder value, either from a low point for recovery stocks or through ongoing structural growth delivered by the good value growth stocks in the portfolio, including digital economy exposure.

Being underweight oil majors (**Royal Dutch Shell, BP**) and **HSBC** contributed to performance over the period, as did PVT stock picks, smaller companies in particular (**ASOS** and **888 Holdings**). Performance was also supported by some recovery stocks starting to bounce (**William Hill**). The fact that Growth and Quality stocks continued to outperform Value impacted performance negatively (**AstraZeneca, LSE** and **Ocado**). There were some individual stock disappointments which also contributed negatively to performance over the period.

Activity

The portfolio continues to have a very clear value bias, with strong absolute valuation support. There is a robust multi-cap bias, including an overweight position in undiscovered smaller growth stocks. Our activity over the period has focused on adding to stocks with traditional value characteristics (such as banks and specialist financials), stocks that are attractively valued and currently out-of-favour Quality and Growth franchises (**GVC** and **Sage**) and high scoring MoneyPenny stocks (**Card Factory, Indivior, G4S** and **John Wood**). Sales over the period have included taking full profits where our PVT thesis has been delivered (**JD Sports Fashion** and **CMC Markets**), top-slicing into relative strength (**ASOS** and **Reckitt Benckiser**) or re-focusing capital towards higher conviction ideas (**TI Fluid** and **KAZ Minerals**).

ES River and Mercantile UK Equity High Alpha Fund

Investment Manager's Review continued

Outlook

Looking specifically at our key investment factor of Value, we do believe that Value will come back. It almost always does well in an economic recovery, especially if that recovery happens at a time when Value is relatively attractively priced, which it most definitely is today. What is likely to happen at some point over the next few quarters is this: global economies will continue to recover through 2021, especially if there is confidence that we are finally through the worst of the virus, perhaps catalysed by a vaccine or just post 2nd wave maturation of the pandemic; the massive monetary and fiscal stimulus will continue to positively impact; deflation will turn to reflation; bond yields will bottom-out; Growth and Quality stocks' relative fundamentals will peak as more cyclical Value stocks start to see profits recover and brought forward digital spending struggles to preserve the momentum embedded in many growth and quality stock share prices; and finally, liquidity and passive investing may change direction as momentum shifts from deflation to reflation beneficiaries.

Looking at equity markets more generally, we believe that the profit cycle has now moved early cycle, with return on equity around the world quite depressed. This provides a base for attractive levels of profits growth from here as returns normalise. Recovery stocks, in particular, should see strong profits growth. UK returns are at a cycle low.

From a valuation perspective, equities remain attractively valued versus other assets, government bonds, in particular. Within equity markets there are quite a few that look attractively valued from an absolute, as well as relative perspective – this would clearly include the UK, and also much of Europe and Asia. US equities continue to look expensive in absolute terms, and trade at significant premium to other regions but are supported by low government bond yields.

Whilst there are some positive timing indicators including very supportive monetary and fiscal policy, positive cycle indicators such as PMIs, the economic and profit cycles moving into a recovery phase, we still need to be cautious of recovery being disrupted by the 2nd wave of Covid cases and geo-political uncertainties, notably the US Presidential election which is likely to be closer than the polls indicate, which put Biden ahead. A victory for the Democrats is likely to be more inflationary and supportive of value stocks. But Covid is probably key, the market needs a vaccine type event to provide the certainty that we can move to a post-Covid world.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 99.81% (2020 - 99.58%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 93.02% (2020 - 92.75%)			
Oil & Gas Producers - 5.55% (2020 - 8.23%)			
797,949	BP	1,796,981	1.87
269,340	Cairn Energy	387,311	0.40
1,741,132	Enquest	182,122	0.19
933,858	JKX Oil & Gas	154,087	0.16
845,920	Premier Oil	140,211	0.15
256,979	Royal Dutch Shell 'B'	2,415,346	2.52
261,181	Serica Energy*	250,734	0.26
Oil Equipment, Services & Distribution - 0.62% (2020 - 0.51%)			
247,117	Hunting	318,287	0.33
128,280	Wood (John)	272,852	0.29
Chemicals - 1.93% (2020 - 1.12%)			
356,560	Elementis	270,986	0.28
31,803	Johnson Matthey	749,597	0.78
40,416	Scapa*	47,287	0.05
46,000	Synthomer	145,360	0.15
10,800	Victrex	197,748	0.21
96,070	Zotefoams	440,961	0.46
Mining - 6.98% (2020 - 6.41%)			
97,367	Anglo American	1,826,410	1.90
63,010	Antofagasta	644,592	0.67
115,950	BHP	1,917,581	2.00
112,050	Central Asia Metals*	179,280	0.19
23,800	Fresnillo	284,767	0.30
39,670	Rio Tinto (UK Regd.)	1,846,638	1.92
Construction & Materials - 2.90% (2020 - 2.11%)			
103,330	Balfour Beatty	231,046	0.24
112,600	Boot (Henry)	278,122	0.29
397,470	Breedon*	278,229	0.29
130,900	Ibstock	204,073	0.21
31,800	Keller	192,072	0.20
249,777	Kier	120,343	0.13
555,980	Melrose Industries	641,879	0.67
89,436	Norcros	129,682	0.13
46,596	Polypipe	200,829	0.21
829,150	SIG	213,092	0.22
135,638	Tyman	301,116	0.31
Aerospace & Defence - 1.21% (2020 - 1.78%)			
154,470	Chemring	373,045	0.39
86,943	Meggitt	223,878	0.23
65,530	Rolls-Royce	85,156	0.09
481,390	Senior	212,967	0.22
12,963	Ultra Electronics	270,408	0.28
Industrial Transportation - 0.34% (2020 - 0.09%)			
10,840	James Fisher & Sons	122,926	0.13
86,633	Signature Aviation	206,793	0.21

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	General Industrials - 1.56% (2020 - 1.35%)		
560,584	Coats	313,366	0.32
565,653	Gocompare.Com	593,936	0.62
14,560	Smiths	200,200	0.21
99,100	Vesuvius	390,850	0.41
	Electronic & Electrical Equipment - 2.46% (2020 - 2.32%)		
147,342	Morgan Advanced Materials	349,937	0.37
17,088	Oxford Instruments	272,041	0.28
230,538	Strix*	559,055	0.58
178,920	TT Electronics	357,840	0.37
204,204	Volex*	371,651	0.39
476,755	Xaar	448,150	0.47
	Industrial Engineering - 1.64% (2020 - 1.73%)		
38,700	Bodycote	225,234	0.23
264,338	Flowtech Fluidpower*	198,253	0.21
154,758	MPAC*	487,488	0.51
1,575,935	Renold*	162,321	0.17
75,533	Rotork	212,852	0.22
23,500	Weir	293,750	0.30
	Automobiles & Parts - 0.14% (2020 - 0.29%)		
259,740	Aston Martin Lagonda Global	132,208	0.14
	Support Services - 5.43% (2020 - 5.76%)		
43,173	Aggreko	159,654	0.17
140,771	Biffa	305,473	0.32
143,190	Blancco Technology*	294,971	0.31
816,493	Capita	249,602	0.26
196,552	De La Rue	255,518	0.27
41,770	Electrocomponents	297,194	0.31
201,317	Equiniti	229,501	0.24
121,688	Essentra	308,844	0.32
201,280	G4S	403,164	0.42
216,240	Johnson Service*	194,184	0.20
293,680	Learning Technologies*	384,721	0.40
61,040	Menzies (John)	69,464	0.07
134,300	Mind Gym*	137,657	0.14
77,500	PageGroup	290,160	0.30
1,635,400	Renewi	312,361	0.32
67,390	Ricardo	221,713	0.23
212,540	Serco	270,351	0.28
50,717	Smart Metering Systems*	328,646	0.34
545,404	Speedy Hire	274,884	0.29
21,186	Travis Perkins	229,974	0.24
	Beverages - 2.16% (2020 - 1.10%)		
51,110	Diageo	1,354,415	1.41
21,400	Fever-Tree Drinks*	495,624	0.52
103,948	Stock Spirits	224,008	0.23

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Food Producers - 2.95% (2020 - 2.05%)		
18,097	Associated British Foods	337,871	0.35
284,500	Devro	517,221	0.54
462,580	SiS Science in Sport*	166,529	0.17
37,892	Unilever	1,809,722	1.89
	Household Goods & Home Construction - 3.06% (2020 - 3.24%)		
9,440	Berkeley	398,934	0.42
91,960	Crest Nicholson	181,529	0.19
24,240	Persimmon	599,455	0.62
12,900	Reckitt Benckiser	974,982	1.02
302,540	Taylor Wimpey	327,953	0.34
79,826	Vistry	453,412	0.47
	Personal Goods - 1.23% (2020 - 1.20%)		
27,676	Burberry	430,085	0.45
152,729	PZ Cussons	358,150	0.37
142,000	Superdry	217,970	0.23
51,160	Watches of Switzerland	171,642	0.18
	Tobacco - 2.28% (2020 - 3.84%)		
48,900	British American Tobacco	1,357,953	1.41
60,689	Imperial Brands	829,922	0.87
	Health Care Equipment & Services - 0.30% (2020 - 0.37%)		
164,170	ConvaTec	293,372	0.30
	Pharmaceuticals & Biotechnology - 4.32% (2020 - 3.76%)		
269,640	GlaxoSmithKline	3,915,173	4.08
201,950	Indivior	236,080	0.24
	Food & Drug Retailers - 0.80% (2020 - 1.69%)		
20,140	Greggs	236,444	0.24
251,894	Tesco	535,023	0.56
	General Retailers - 5.89% (2020 - 3.39%)		
100,100	AO World	215,715	0.22
15,240	ASOS*	784,555	0.82
83,210	Auto Trader	468,472	0.49
83,800	B&M European Value Retail	414,559	0.43
219,468	Cambria Automobiles*	100,955	0.11
684,000	Card Factory	232,560	0.24
200,124	DFS Furniture	330,205	0.34
374,900	Dixons Carphone	349,594	0.36
185,572	Halfords	336,256	0.35
48,460	Inchcape	213,515	0.22
200,421	Kingfisher	594,449	0.62
147,300	Marks & Spencer	143,647	0.15
56,212	Naked Wine*	244,803	0.26
5,600	Next	333,200	0.35
2,565,070	Pendragon	182,120	0.19
117,778	Pets at Home	497,965	0.52
22,380	WH Smith	213,169	0.22

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Media - 4.14% (2020 - 3.86%)		
9,900	4imprint	184,734	0.19
135,505	Ascential	398,656	0.42
577,990	Centaur Media	115,598	0.12
23,523	Daily Mail & General Trust 'A'	152,664	0.16
667,879	Ebiquity*	140,255	0.15
21,799	Euromoney Institutional Investor	174,828	0.18
24,251	Future	470,954	0.49
314,755	Hyve	203,174	0.21
63,000	Informa	237,195	0.25
491,775	ITV	332,538	0.35
39,400	Next Fifteen Communications*	200,152	0.21
54,550	Pearson	299,589	0.31
191,100	Pebble*	143,325	0.15
490,003	Reach	377,792	0.39
32,300	Rightmove	202,456	0.21
614,660	ULS Technology*	340,522	0.35
	Travel & Leisure - 5.56% (2020 - 3.21%)		
182,200	Cake Box*	296,986	0.31
19,210	Carnival	191,869	0.20
26,830	Compass	313,509	0.33
27,840	Dart	186,389	0.19
70,460	Domino's Pizza	257,038	0.27
44,850	easyJet	224,878	0.23
89,230	GVC	868,922	0.90
234,400	Gym	319,722	0.33
4,400	InterContinental Hotels	180,048	0.19
279,950	International Consolidated Airlines	265,952	0.28
67,230	On the Beach	163,705	0.17
197,905	Playtech	717,801	0.75
885,104	Rangers International Football**	159,319	0.16
161,062	Rank	150,271	0.16
405,538	Restaurant	200,498	0.21
99,035	SSP	178,758	0.19
20,742	Wetherspoon (JD)	173,507	0.18
176,057	William Hill	489,086	0.51
404,413	Fixed Line Telecommunications - 0.41% (2020 - 0.58%) BT	397,862	0.41
241,439	Mobile Telecommunications - 1.82% (2020 - 2.59%) Helios Towers	378,093	0.39
1,337,895	Vodafone	1,373,751	1.43
84,140	Electricity - 0.41% (2020 - 0.34%) Drax	223,981	0.23
1,762,904	OPG Power Ventures*	167,476	0.18
1,436,729	Gas, Water & Multiutilities - 0.60% (2020 - 0.49%) Centrica	575,985	0.60
1,418,319	Banks - 7.83% (2020 - 9.77%) Barclays	1,384,421	1.44
263,100	CYBG	192,010	0.20
761,620	HSBC	2,296,284	2.39

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Banks continued		
6,463,648	Lloyds Banking	1,703,494	1.77
779,299	Royal Bank of Scotland	826,057	0.86
28,600	Secure Trust Bank	177,892	0.19
264,455	Standard Chartered	941,724	0.98
	Non-life Insurance - 0.00% (2020 - 0.35%)		
	Life Insurance - 3.11% (2020 - 3.79%)		
120,997	Aviva	345,688	0.36
255,785	Legal & General	481,771	0.50
194,839	Prudential	2,160,765	2.25
	Real Estate Investment & Services - 1.92% (2020 - 2.42%)		
334,530	Capital & Counties Properties	374,005	0.39
934,370	Foxtons	345,717	0.36
113,987	Grainger Trust	338,769	0.35
586,886	Purplebricks*	426,079	0.44
30,907	Savills	240,766	0.25
229,883	U and I	119,539	0.13
	Real Estate Investment Trusts - 0.68% (2020 - 0.57%)		
68,553	British Land	231,298	0.24
66,080	Shaftesbury	328,418	0.34
5,040	Unite	42,260	0.05
9,380	Workspace	50,183	0.05
	Financial Services - 7.87% (2020 - 7.79%)		
39,120	3i	389,870	0.41
288,270	ADVFN*	40,358	0.04
131,644	Brewin Dolphin	306,731	0.32
347,200	Centos Securities*	159,712	0.17
74,367	Charles Stanley	163,607	0.17
19,823	Close Brothers	202,393	0.21
19,523	Gresham House Strategic*	189,373	0.20
27,760	Hargreaves Lansdown*	433,472	0.45
70,606	IG	558,846	0.58
42,330	IMI	444,042	0.46
73,839	Impax Asset Management*	365,503	0.38
538,734	International Personal Finance	249,973	0.26
277,090	IP	215,853	0.22
28,010	Mortgage Advice Bureau*	196,070	0.20
69,540	Polar Capital*	326,838	0.34
470,154	Premier Asset Management	423,139	0.44
122,530	Provident Financial	237,586	0.25
80,766	Standard Life Aberdeen	182,531	0.19
137,230	TP ICAP	313,159	0.33
80,000	Vanguard FTSE 250 UCITS ETF	2,160,000	2.25
	Equity Investment Instruments - 0.55% (2020 - 1.13%)		
44,470	Gresham House*	331,301	0.34
99,569	Majedie Investment Trust	172,254	0.18
4,000	Temple Bar Investment Trust	26,160	0.03

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Software & Computer Services - 3.73% (2020 - 3.17%)		
77,500	Accesso Technology*	220,875	0.23
43,990	Alfa Financial Software	54,724	0.06
76,000	Avast	400,520	0.42
146,885	Bango*	243,829	0.25
6,410	Blue Prism*	85,317	0.09
102,316	Codemasters*	371,407	0.39
704,450	Eckoh *	479,026	0.50
1,290,440	Mercia Technologies	264,540	0.27
248,221	NCC	435,876	0.45
81,130	Sage	584,623	0.61
64,842	SDL	438,332	0.46
	Technology Hardware & Equipment - 0.64% (2020 - 0.35%)		
1,041,097	IQE*	528,877	0.55
66,400	Telit Communications*	90,304	0.09
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 6.79% (2020 - 6.83%)		
	AUSTRALIA - 0.52% (2020 - 0.48%)		
439,917	South32	502,297	0.52
	BERMUDA - 0.47% (2020 - 0.31%)		
27,210	Hiscox	243,094	0.26
33,451	Ocean Wilsons	204,051	0.21
	CAYMAN ISLANDS - 0.03% (2020 - 0.00%)		
6,877	Hutchison China MediTech*	33,560	0.03
	GIBRALTAR - 0.57% (2020 - 0.46%)		
217,287	888 Holdings	547,563	0.57
	INDIA - 0.50% (2020 - 0.51%)		
18,820	Rhi Magnesita	478,028	0.50
	IRELAND - 1.49% (2020 - 1.11%)		
131,810	Bank of Ireland	194,047	0.20
247,890	Cairn Homes	174,936	0.18
8,700	CRH	243,252	0.25
3,600	Flutter Entertainment	441,000	0.46
25,923	Ryanair	269,235	0.28
14,420	UDG Healthcare	111,106	0.12
	MAURITIUS - 0.34% (2020 - 0.35%)		
450,000	Capital Drilling	328,500	0.34
	NETHERLANDS - 0.21% (2020 - 0.34%)		
524,400	DP Eurasia	199,796	0.21
	SOUTH AFRICA - 0.30% (2020 - 0.40%)		
609,131	Old Mutual	289,094	0.30

ES River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	SWITZERLAND - 0.71% (2020 - 0.65%)		
423,463	Glencore	681,606	0.71
	UNITED STATES OF AMERICA - 1.56% (2020 - 2.12%)		
674,394	Boku*	600,211	0.63
199,832	Somero Enterprises*	509,572	0.53
211,420	Tremor International*	384,784	0.40
	UNITED KINGDOM- 0.09% (2020 - 0.10%)		
4,700	Coca-Cola HBC	89,864	0.09
	Portfolio of investments	95,870,765	99.81
	Net other assets	182,647	0.19
	Net assets	96,053,412	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

99.81% of the sub-fund's assets are listed in the UK.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

* Security listed on AIM.

** Delisted security.

ES River and Mercantile UK Equity High Alpha Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains/(losses)		5,695,016		(777,085)
Revenue	807,161		2,113,262	
Expenses	(207,679)		(215,246)	
Interest payable and similar charges	(1,228)		(48)	
Net revenue before taxation for the period	598,254		1,897,968	
Taxation	(8,183)		(6,998)	
Net revenue after taxation for the period		590,071		1,890,970
Total return before distributions		6,285,087		1,113,885
Distributions		(591,622)		(1,896,436)
Change in net assets attributable to Shareholders from investment activities		5,693,465		(782,551)

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		57,744,948		85,794,901
Amounts received on creation of shares	35,513,874		1,839,668	
Amounts paid on cancellation of shares	(4,018,316)		(4,119,261)	
		31,495,558		(2,279,593)
Dilution adjustment		275,729		—
Change in net assets attributable to Shareholders from investment activities		5,693,465		(782,551)
Retained distributions on accumulation shares		843,712		1,731,943
Closing net assets attributable to Shareholders		96,053,412		84,464,700

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile UK Equity High Alpha Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		95,870,765		57,505,105
Current assets				
Debtors	703,193		989,758	
Cash and bank balances	130,434		223,586	
Total other assets		833,627		1,213,344
Total assets		96,704,392		58,718,449
LIABILITIES				
Creditors				
Bank overdrafts	(133,232)		—	
Distribution payable	(16,993)		(40,625)	
Other creditors	(500,755)		(932,876)	
Total other liabilities		(650,980)		(973,501)
Total liabilities		(650,980)		(973,501)
Net assets attributable to Shareholders		96,053,412		57,744,948

ES River and Mercantile UK Equity High Alpha Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2020 is 0.4299p (2019: 2.9898p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2020 is 5.1841p (2019: 19.0883p) per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2020 is 11.4184p (2019: 31.8588p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
A-Class Distribution shares	7,255,246	178.31	4,068,838
B-Class Accumulation shares	32,199,404	902.22	3,568,918
Z-Class Accumulation shares	215,949,682	1,258.96	17,152,965
31 March 2019			
A-Class Distribution shares	8,400,070	179.50	4,679,634
B-Class Accumulation shares	27,764,123	933.40	2,974,518
Z-Class Accumulation shares	49,630,708	1,312.32	3,781,907
31 March 2020			
A-Class Distribution shares	5,959,612	126.62	4,706,587
B-Class Accumulation shares	25,058,106	679.12	3,689,815
Z-Class Accumulation shares	26,727,230	961.91	2,778,563
30 September 2020			
A-Class Distribution shares	5,573,407	141.01	3,952,626
B-Class Accumulation shares	29,509,919	761.72	3,874,120
Z-Class Accumulation shares	60,970,086	1,082.92	5,630,156

ES River and Mercantile UK Equity High Alpha Fund

Fund Facts continued

Operating Charges

	30 September 2020
A-Class Distribution shares	1.65%
B-Class Accumulation shares	0.90%
Z-Class Accumulation shares	0.15%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.15% above the annual management charge, with any costs above this amount absorbed by the Investment Manager.

Synthetic Risk Reward Indicator (SRRI)



Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

During the period the ranking changed from 5 to 6.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

ES River and Mercantile UK Equity High Alpha Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Vanguard FTSE 250 UCITS ETF	2,979,066	Vanguard FTSE 250 UCITS ETF	736,425
GlaxoSmithKline	2,547,364	British American Tobacco	730,221
Unilever	1,347,020	GlaxoSmithKline	595,353
HSBC	1,264,033	Reckitt Benckiser	430,652
Diageo	1,072,413	Morrison (Wm.) Supermarkets	407,585
Lloyds Banking	949,630	CMC Markets	385,450
Royal Dutch Shell 'B'	877,684	JD Sports Fashion	313,694
BP	803,717	William Hill	298,185
Prudential	693,798	KAZ Minerals	291,199
BHP	667,007	Helios Towers	289,906

ES River and Mercantile UK Equity Smaller Companies Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the Numis Smaller Companies plus AiM (excluding investment companies) Index Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 80% of its value in shares of the smallest 10% of companies in the UK stock market in terms of market capitalisation (total number of shares outstanding multiplied by the current price). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

Up to 20% of the sub-fund may be invested shares of companies of any size and anywhere in the world (including the UK and excluding emerging markets), collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed, meaning the Investment Manager will use their expertise to pick investments to achieve the sub-fund’s objectives.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006 and looks for companies that have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators that are supportive of investing at the time of analysis).

The sub-fund will invest in a range of companies by industry sector. Its investments are not restricted by reference to the Benchmark, but the sub-fund is limited to a maximum investment of 5% of the sub-fund’s assets in any one company.

ES River and Mercantile UK Equity Smaller Companies Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile UK Equity Smaller Companies Fund B (accumulation) share class returned 29.4%* over the six months to 30 September 2020, compared with the Numis Smaller Companies plus AiM (excluding investment companies) Index Net Total Return which returned 28.3%*.

Market Background

Following on from a particularly poor first quarter of the year, despite periods of volatility the middle half of 2020 saw strong returns from global stock markets as a whole. Low bond yields, continuing central bank support and a nascent earnings recovery sustained relatively positive sentiment for global equities and over the six month period to 30 September 2020, the MSCI ACWI (Total Return) index was up by 23.6%.

This positive momentum began in Q2, where markets recovered much of the ground lost during the first quarter as the stock market digested Covid-19 and the resulting economic impact. As fast as the markets fell in Q1, they rebounded just as quickly in Q2. During this period of increased optimism, the best performing assets were generally those with a more pro-cyclical bias, such as German and Japanese equities and commodities, while the US dollar index fell modestly. The recovery continued into the summer, but as we moved into September markets globally started to decline as uncertainty regarding the US elections, fiscal stimulus, Covid-19 and how those factors would feed through to earnings growth and equity valuations became the main focus. Inflation expectations in major economies also continued to soften despite the underpinning from governments and central banks.

Although UK equity markets had a positive six months to 30 September, this didn't match the double digit returns of global indices, as concerns over Brexit negotiations and an underwhelming government response to Covid impacted sentiment. Small and mid-caps significantly outperformed during the period with the Numis Smaller Companies benchmark index up 28.3%. This provided a useful tailwind to our UK Smaller Companies strategy, which returned 29.7%.

Performance

Stock selection was the key driver of performance over the period, with sector allocation also contributing positively. South African gold producer **Pan African Resources**, **Serabi Gold** and **Centamin** were all leading contributors over the period; they performed strongly as precious metals prices rose. High quality small cap stocks such as **Strix** (safety switches and water filtration) and **Gamma Communications** (supplier of unified communications solutions) also contributed positively to performance over the period on the back of positive profit warnings primarily reflecting stronger than expected growth. **Halfords'** share price increased from its unreasonably distressed valuation lows in March as the market became comfortable that its car maintenance and bicycle revenues would be resilient. The largest detractor from performance over the period was **Smart Metering Systems** whose share price fell on no news. Amongst other detractors were Daily Mirror owner **Reach**, which struggled as advertising collapsed earlier in the period, and **Emis**, which gave up some of its previous strong performance.

Activity

A new position was initiated in UK construction supplier **Polypipe**, which has leading market positions in both residential and commercial markets manufacturing plastic pipes that continue to gain share in new projects at the expense of copper. We also added fast-growing **Keystone Law** to the portfolio, a platform business for lawyers which essentially provides a service and flexibility to its lawyers in the same way that St. James' Place does to its financial advisers. We also bought **Drax** over the period, which is a predominantly biomass fuelled, vertically integrated power generator of strategic importance in the UK. It helps meet legally binding carbon reduction targets whilst ensuring security of supply. Our relatively small positions in consumer exposed **Britvic** and industrial heat treatment specialist **Bodycote** were sold to make way for some of the above purchases. We also exited **Greggs** and **lbstock** on account of their deteriorating fundamentals.

ES River and Mercantile UK Equity Smaller Companies Fund

Investment Manager's Review continued

Outlook

The UK market is still looking relatively cheap compared to many overseas markets, especially the US. Value dispersions are high and analyst earnings forecasts revisions are built on a myriad of uncertainties, providing exceptional opportunities for stock pickers today. We continue to identify exciting new trends, sustainable business models and stocks with very depressed valuations in one of the cheapest, most unloved, diverse and international equity markets in the world. During the coming quarter we shall see the US presidential election, further post-Brexit trade deal negotiations, likely news on vaccine progress or perhaps a fade in serious infections as well as more forward guidance on monetary and fiscal support. Our companies continue to expertly negotiate all of these twists and turns and we continue to invest in them and engage with them where appropriate, with our balanced approach to risk, deploying our multi-category, multi-factor small cap strategy.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 96.82% (2020 - 94.21%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 90.66% (2020 - 90.63%)			
Oil & Gas Producers - 3.33% (2020 - 3.63%)			
9,000,000	Diversified Gas & Oil	9,414,000	3.15
3,928,151	SDX Energy*	549,941	0.18
Chemicals - 1.37% (2020 - 0.00%)			
1,300,000	Synthomer	4,108,000	1.37
Mining - 7.00% (2020 - 7.40%)			
3,150,000	Centamin	6,378,750	2.13
1,500,000	Highland Gold Mining*	4,485,000	1.50
975,000	Hochschild Mining	2,127,450	0.71
20,000,000	Pan African Resources*	4,460,000	1.49
3,350,000	Serabi Gold*	3,484,000	1.17
Construction & Materials - 2.38% (2020 - 1.35%)			
900,000	Forterra	1,593,000	0.53
739,503	Polypipe	3,187,258	1.07
1,050,000	Tyman	2,331,000	0.78
Aerospace & Defence - 5.81% (2020 - 6.81%)			
45,000	Avon Rubber	1,912,500	0.64
640,000	Babcock International	1,601,920	0.54
2,000,000	Chemring	4,830,000	1.61
1,150,000	QinetiQ	3,194,700	1.07
280,000	Ultra Electronics	5,840,800	1.95
General Industries - 0.99% (2020 - 1.03%)			
750,000	Vesuvius	2,958,000	0.99
Electronic & Electrical Equipment - 3.24% (2020 - 3.20%)			
4,000,000	Strix*	9,700,000	3.24
Industrial Engineering - 0.00% (2020 - 0.50%)			
Support Services - 12.60% (2020 - 13.12%)			
99,965	Alpha Financial Markets Consulting*	203,929	0.07
1,321,890	Biffa	2,868,501	0.96
1,026,349	Essentra	2,604,874	0.87
275,000	Grafton	1,857,625	0.62
2,095,981	Johnson Service*	1,882,191	0.63
490,000	Keystone Law*	2,352,000	0.79
6,336,917	Learning Technologies*	8,301,361	2.78
2,300,000	Serco	2,925,600	0.98
1,795,000	Smart Metering Systems*	11,631,600	3.89
6,000,000	Speedy Hire	3,024,000	1.01
Beverages - 1.10% (2020 - 2.94%)			
142,500	Fever-Tree Drinks*	3,300,300	1.10
Household Goods & Home Construction - 2.02% (2020 - 1.18%)			
1,225,000	Countryside Properties	4,116,000	1.38
260,000	International Greetings	1,092,000	0.36
600,000	Watkin Jones*	836,400	0.28

ES River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Leisure Goods - 5.42% (2020 - 5.04%)		
4,000,000	Photo-Me	2,036,000	0.68
2,396,763	Sumo*	5,344,782	1.79
1,277,468	Team17*	8,814,529	2.95
	Health Care Equipment & Services - 1.96% (2020 - 1.67%)		
700,000	CareTech*	3,010,000	1.01
2,400,000	Medica	2,856,000	0.95
	Pharmaceuticals & Biotechnology - 2.98% (2020 - 2.81%)		
11,950,000	Allergy Therapeutics*	1,792,500	0.60
6,850,000	Alliance Pharma*	5,055,300	1.69
27,500	GW Pharmaceuticals ADR	2,070,796	0.69
	Food & Drug - 1.93% (2020 - 1.40%)		
825,000	Clinigen*	5,775,000	1.93
	General Retailers - 4.48% (2020 - 2.32%)		
2,749,487	DFS Furniture	4,536,654	1.52
3,450,000	Halfords	6,251,400	2.09
3,500,000	Vivo Energy	2,607,500	0.87
	Media - 4.13% (2020 - 4.78%)		
300,000	Ascential	882,600	0.29
330,484	Future	6,417,999	2.15
917,538	Gocompare.Com	963,415	0.32
2,869,426	Reach	2,212,327	0.74
2,500,000	The Pebble Group*	1,875,000	0.63
	Travel & Leisure - 1.88% (2020 - 2.86%)		
450,000	Domino's Pizza	1,641,600	0.55
1,596,946	Hollywood Bowl	2,155,877	0.72
750,000	On the Beach	1,826,250	0.61
	Fixed Line Telecommunications - 0.78% (2020 - 0.00%)		
175,000	Telecom Plus	2,331,000	0.78
	Mobile Telecommunications - 2.97% (2020 - 2.95%)		
538,200	Gamma Communications*	8,880,300	2.97
	Electricity - 0.98% (2020 - 0.00%)		
1,100,000	Drax	2,928,200	0.98
	Banks - 2.17% (2020 - 2.24%)		
2,326,469	OneSavings Bank	6,486,196	2.17
	Non-Life Insurance - 3.19% (2020 - 4.78%)		
500,000	Lancashire	3,457,500	1.16
2,400,000	Sabre Insurance	6,060,000	2.03
	Real Estate Investment Trusts - 3.45% (2020 - 3.62%)		
1,402,602	Capital & Counties Properties	1,568,109	0.52
750,000	CLS	1,586,250	0.53
6,800,000	Supermarket Income REIT	7,174,000	2.40

ES River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Financial Services - 3.52% (2020 - 5.11%)		
700,000	JTC	3,395,000	1.14
135,609	Liontrust	1,674,771	0.56
1,586,181	Premier Asset Management	1,427,563	0.48
3,215,000	Sigma Capital*	4,018,750	1.34
	Equity Investment Instruments - 2.17% (2020 - 1.58%)		
4,110,768	River & Mercantile UK Micro Cap Investment Company**	6,495,013	2.17
	Software & Computer Services - 6.82% (2020 - 6.32%)		
414,000	Aptitude Software	1,871,280	0.63
70,000	Blue Prism*	931,700	0.31
2,350,000	Codemasters*	8,530,500	2.85
100,000	Craneware*	1,520,000	0.51
725,000	EMIS*	7,525,500	2.52
	Technology Hardware & Equipment - 1.99% (2020 - 1.99%)		
2,081,575	Spirent Communications	5,942,897	1.99
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 6.16% (2020 - 3.58%)		
	GIBRALTAR - 0.38% (2020 - 0.62%)		
450,000	888 Holdings	1,134,000	0.38
	UNITED STATES OF AMERICA - 5.78% (2020 - 2.96%)		
4,399,244	Boku*	3,915,327	1.31
2,767,910	MaxCyte*	10,075,192	3.37
1,285,143	Somero Enterprises*	3,277,115	1.10
	OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 0.80% (2020 - 0.47%)		
	AUSTRALIA - 0.53% (2020 - 0.47%)		
3,100,000	Resolute Mining	1,589,788	0.53
	UNITED STATES OF AMERICA - 0.27% (2020 - 0.00%)		
230,177	RE/MAX	796,412	0.27
	Portfolio of investments	291,870,592	97.62
	Net other assets	7,101,867	2.38
	Net assets	298,972,459	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020. 96.82% of the sub-fund's assets are listed in the UK.

* Security listed on AIM.

** This is a related party investment

ADR- American Depositary Receipt

ES River and Mercantile UK Equity Smaller Companies Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains		74,272,009		3,348,650
Revenue	3,385,643		7,873,398	
Expenses	(1,335,840)		(2,086,773)	
Net revenue before taxation for the period	2,049,803		5,786,625	
Taxation	(36,831)		(10,696)	
Net revenue after taxation for the period		2,012,972		5,775,929
Total return before distributions		76,284,981		9,124,579
Distributions		(2,024,478)		(5,789,125)
Change in net assets attributable to Shareholders from investment activities		74,260,503		3,335,454

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		282,309,963		482,425,040
Amounts received on creation of shares	7,492,373		1,781,705	
Amounts paid on cancellation of shares	(66,092,509)		(83,344,903)	
		(58,600,136)		(81,563,198)
Dilution adjustment		351,207		505,818
Change in net assets attributable to Shareholders from investment activities		74,260,503		3,335,454
Retained distributions on accumulation shares		650,910		2,850,362
Unclaimed distributions		12		66
Closing net assets attributable to Shareholders		298,972,459		407,553,542

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile UK Equity Smaller Companies Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		291,870,592		267,281,721
Current assets				
Debtors	3,456,199		7,708,396	
Cash and bank balances	11,577,964		15,107,475	
Total other assets		15,034,163		22,815,871
Total assets		306,904,755		290,097,592
LIABILITIES				
Creditors				
Bank overdrafts	(116)		—	
Distribution payable	(1,167,917)		(847,051)	
Other creditors	(6,764,263)		(6,940,578)	
Total other liabilities		(7,932,296)		(7,787,629)
Total liabilities		(7,932,296)		(7,787,629)
Net assets attributable to Shareholders		298,972,459		282,309,963

ES River and Mercantile UK Equity Smaller Companies Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2020 is 0.9761p (2019: 2.9063p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2020 is 13.9697p (2019: 25.5570p) per share for accumulation shares.

B-Class Distribution shares

The distribution payable on 30 November 2020 is 3.2427p (2019: 6.0006p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2020 is 2.0505p (2019: 2.1342p) per share for distribution shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
A-Class Distribution shares	41,429,347	325.46	12,729,663
B-Class Accumulation shares	332,842,707	1,995.38	16,680,702
B-Class Distribution shares	334,292,512	474.21	70,494,040
31 March 2019			
A-Class Distribution shares	31,113,779	314.49	9,893,308
B-Class Accumulation shares	263,194,154	1,952.68	13,478,635
B-Class Distribution shares	188,117,107	458.45	41,033,704
31 March 2020			
A-Class Distribution shares	20,715,897	276.22	7,499,869
B-Class Accumulation shares	112,675,947	1,745.02	6,457,017
B-Class Distribution shares	111,775,030	402.43	27,774,995
S-Class Distribution shares	37,143,089	214.62	17,306,050
30 September 2020			
A-Class Distribution shares	24,406,690	356.01	6,855,697
B-Class Accumulation shares	105,473,957	2,263.66	4,659,442
B-Class Distribution shares	131,102,636	518.78	25,271,103
S-Class Distribution shares	37,989,176	276.69	13,730,063

The S-Class Distribution shares were launched on 2 May 2019.

ES River and Mercantile UK Equity Smaller Companies Fund

Fund Facts continued

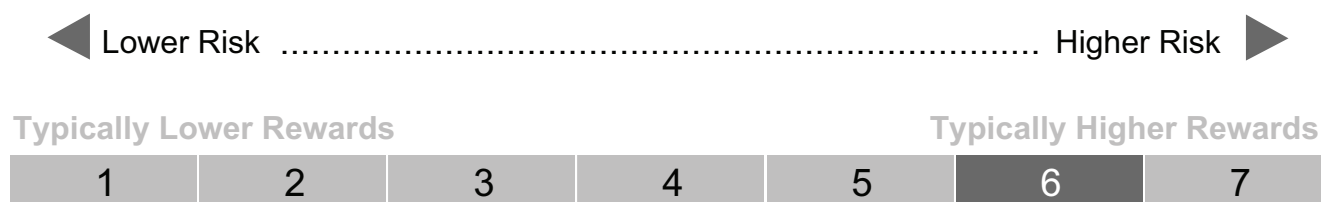
Operating Charges

	30 September 2020
A-Class Distribution shares	1.63%
B-Class Accumulation shares	0.88%
B-Class Distribution shares	0.88%
S-Class Distribution shares	0.63%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.20% above the annual management charge, with any costs above this amount absorbed by the Investment Manager.

Synthetic Risk Reward Indicator (SRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

During the period the ranking changed from 5 to 6.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: the value of investments may be more unpredictable and in certain cases, it may be difficult to deal a security at the last market price quoted or at a value considered to be fair.
- Volatility: the sub-fund invests in shares of smaller companies which can be more volatile than shares of larger companies, and at times it may be difficult to value or to sell shares at desired times and prices, increasing the risk of losses.
- Currency: the sub-fund could be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.
- Operational: operational risks arising from errors in transactions, valuation, accounting, and finance reporting, among other things, may also affect the value of your investments.
- Counterparty: the sub-fund could lose money if an entity (counterparty) with which it does business defaults in respect of its obligations to the sub-fund.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

ES River and Mercantile UK Equity Smaller Companies Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
DFS Furniture	4,242,309	Pan African Resources	8,475,759
Countryside Properties	4,043,070	John Laing	6,176,556
Synthomer	3,787,468	Centamin	5,659,401
Polypipe	3,233,433	Fever-Tree Drinks	5,483,574
JTC	3,167,789	Ashmore	5,431,154
Drax	2,633,727	Ibstock	4,614,821
Johnson Service	2,390,134	Gamma Communications	4,235,016
Keystone Law	2,329,114	Domino's Pizza	3,924,347
Telecom Plus	2,258,585	Avon Rubber	3,905,100
Forterra	2,246,117	Codemasters	3,883,381

ES River and Mercantile UK Dynamic Equity Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the MSCI United Kingdom Investable Market Index (IMI) Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 60% of its value in shares of UK companies (companies which are domiciled, incorporated, or have significant operations in the UK). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

In addition, up to 20% of the sub-fund may be invested in shares of companies which are not UK companies but which, at the time of investment, are listed in the UK. Investment can be direct or indirect as noted above. It is expected that at least 80% of the sub-fund will be invested in UK companies and companies which are listed in the UK.

Up to 20% of the sub-fund may be invested in shares of overseas companies (companies which are not UK companies and which are not listed in the UK), excluding emerging markets, collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed, meaning the Investment Manager will use their expertise to pick investments to achieve the sub-fund’s objectives.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006 and looks for companies that are considered by the Investment Manager to have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators are supportive of investing at the time of analysis).

The sub-fund will invest in a range of companies by industry sector and size. Although its investments are not restricted by reference to a benchmark the sub-fund will invest in a limited number of companies which means that at times the sub-fund may be concentrated. This absence of any benchmark constraints gives the Investment Manager wider scope to be dynamic in its investment decisions (for example by allowing the Investment Manager to change investments when they believe necessary in line with market circumstances to achieve the sub-fund’s objective) than if they were required to invest within such controls.

ES River and Mercantile UK Dynamic Equity Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile UK Dynamic Equity Fund B share class returned 13.7%* over the six months to 30 September 2020, compared with the MSCI UK Investable Markets Index which returned 5.2%*.

Market background

Following on from a particularly poor first quarter of the year, despite periods of volatility the middle half of 2020 saw strong returns from global stock markets as a whole. Low bond yields, continuing central bank support and a nascent earnings recovery sustained relatively positive sentiment for global equities and over the six month period to 30 September 2020, the MSCI ACWI (Total Return) index was up by 23.6%.

This positive momentum began in Q2, where markets recovered much of the ground lost during the first quarter as the stock market digested Covid-19 and the resulting economic impact. As fast as the markets fell in Q1, they rebounded just as quickly in Q2 with cyclical areas of the market being the main beneficiaries. Coming into July and August, we started to see pockets of over-exuberance in areas of the equity market, notably in more speculative, often loss-making, US-listed companies where trading flow is being driven by 'retail bros' on the Robinhood platform.

Markets fell in September however, as the month lived up to its reputation as a seasonally weak month for investors. Uncertainty regarding the US elections, fiscal stimulus, Covid-19 and how those factors would feed through to earnings growth and equity valuations were the main focus. Inflation expectations in major economies continued to soften despite the underpinning from governments and central banks.

The UK market performed a lot less well over the period with our benchmark index of the MSCI UK IMI returning 5.2%. Whilst this was positive, a backdrop of concerns over Brexit and uncertainty about the Government's handling of the Pandemic meant it didn't match up to the performance of global indices. Against this backdrop, we are pleased that the Fund returned 13.7%.

Performance

888 Holdings was amongst the top contributors to performance over the period. The share price rose and strong current trading led management to materially upgrade their profit guidance. **B&M European Value Retail** also contributed to performance; the company released an unscheduled trading statement in the second half of the period which raised profit guidance, as like-for-like sales growth has continued to be stronger than expected. Our gold miners, **Barrick Gold** and **Centamin**, also contributed to performance over the period as they continued to benefit from a higher gold price. Zero weights in mega-cap defensives **AstraZeneca** and **Reckitt Benckiser** detracted from performance over the period, as did zero weights in mega-cap miners **Rio Tinto** and **BHP Billiton**. The share price of **TP ICAP** fell over the period, with most of the move coming after announcing the acquisition of electronic crossing network Liquidnet. Investors appear to be more focused on the potential dilution from the equity raise to fund the deal or the re-based dividend rather than its strategic merit and a sensible price. I topped up our position into the weakness.

Activity

A large purchase during the period was **Mondi**, a vertically integrated paper and packaging provide. It provides us with attractive and undervalued Growth characteristics, both via a recovery in broader economic activity and its strength in niches which benefit from accelerating structural growth in e-commerce. A position was re-initiated in **Meggitt** as a direct replacement from our holding in **Rolls-Royce**. Although exposure to civil aerospace has hurt the share prices, having reflected on the two investment cases, Meggitt offers a superior margin of safety. **Intertek** was added back into the portfolio after its resilient performance through the worst of the crisis, highlighting its strengths. Some of our new positions during the period were funded in large part by exiting mega-cap holdings **British American Tobacco** and **BP**. Both were reduced early in the year due to lower conviction. We exited **JD Sports Fashion**, having made an attractive return during our brief holding period.

ES River and Mercantile UK Dynamic Equity Fund

Investment Manager's Review continued

Outlook

Global equities made new highs in August and, like many other financial assets, are relatively expensive by many standard metrics, at least at the headline level. Combined with narrow market leadership – which is most clear in the US but matched to some extent in most regions – this increases the fragility of the status quo at a time when many appear to be betting on its continuation, based on the ‘crowding’ across asset classes in securities with a ‘disinflationary’ or deflationary bias. Broad equity indices could feasibly sell off if the shape of the economic recovery fails to match the V-shape in asset prices or if the rising longer-dated inflation expectations lead investors to rotate out of the long duration stocks which have large weights in many indices. September gave a glimpse of this. Entering a final quarter of the year that brings the US presidential election, the denouement of post-Brexit trade deal negotiations, likely news on vaccine progress and more concrete information around what follows on from the current rounds of monetary and fiscal support, I see little reason to believe that volatility (upwards or downwards) will dampen in the near term. While these are ‘known unknowns’, a balanced approach to risk continues to make sense in this context.

The UK equity market continues to exhibit little exuberance – it was recently flagged in the ‘max despair’ corner within the well-followed Bank of America Global Fund Manager survey! – and still offers the appealing combination of low starting valuations at a market aggregate level plus wide dispersion of valuations intra-market. Historically, this has implied a higher probability of attractive future returns, as well as an attractive environment for active managers employing valuation discipline to add alpha. A good proportion of our highest conviction ideas are currently strong cyclical franchises and smaller companies where there is a noticeable gap between perceived and actual business quality, and a disconnect between improving prospects and conservatism embedded in analyst forecasts and market valuations.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile UK Dynamic Equity Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 92.11% (2020 - 92.63%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 87.88% (2020 - 85.22%)			
Oil & Gas Producers - 3.42% (2020 - 5.04%)			
500,000	Cairn Energy	719,000	1.33
120,000	Royal Dutch Shell 'B'	1,127,880	2.09
Chemicals - 2.69% (2020 - 0.98%)			
28,000	Johnson Matthey	659,960	1.22
250,000	Synthomer	790,000	1.47
Mining - 5.93% (2020 - 4.32%)			
75,000	Anglo American	1,406,850	2.61
550,000	Centamin	1,113,750	2.06
425,000	Central Asia Metals*	680,000	1.26
Construction & Materials - 3.93% (2020 - 2.41%)			
270,000	Polypipe	1,163,700	2.16
430,000	Tyman	954,600	1.77
Aerospace & Defence - 4.33% (2020 - 4.48%)			
210,000	BAE Systems	1,012,200	1.88
325,000	Chemring	784,875	1.45
210,000	Meggitt	540,750	1.00
General Industrials - 2.12% (2020 - 1.16%)			
290,000	Vesuvius	1,143,760	2.12
Electronic & Electrical Equipment - 2.21% (2020 - 3.40%)			
25,000	Spectris	609,250	1.13
240,000	Strix*	582,000	1.08
Support Services - 7.44% (2020 - 5.86%)			
175,000	Electrocomponents	1,245,125	2.31
270,000	Essentra	685,260	1.27
15,000	Intertek	949,200	1.76
175,000	Smart Metering Systems*	1,134,000	2.10
Beverages - 0.80% (2020 - 1.11%)			
200,000	Stock Spirits	431,000	0.80
Food Producers - 5.05% (2020 - 5.42%)			
57,000	Unilever	2,722,320	5.05
Forestry & Paper - 2.73% (2020 - 0.00%)			
90,000	Mondi	1,475,100	2.73
Household Goods & Home Construction - 2.18% (2020 - 2.29%)			
32,000	Persimmon	791,360	1.47
275,000	Watkin Jones*	383,350	0.71
Tobacco - 0.00% (2020 - 2.79%)			

ES River and Mercantile UK Dynamic Equity Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Health Care Equipment & Services - 3.35% (2020 - 3.81%)		
500,000	ConvaTec	893,500	1.66
60,000	Smith & Nephew	909,600	1.69
	Pharmaceuticals & Biotechnology - 3.04% (2020 - 4.72%)		
113,000	GlaxoSmithKline	1,640,760	3.04
	Food & Drug Retailers - 3.98% (2020 - 6.13%)		
450,000	Morrison (Wm.) Supermarkets	765,450	1.42
650,000	Tesco	1,380,600	2.56
	General Retailers - 3.29% (2020 - 2.33%)		
175,000	B&M European Value Retail	865,725	1.60
552,000	DFS Furniture	910,800	1.69
	Media - 1.60% (2020 - 2.19%)		
50,000	RELX	862,750	1.60
	Travel & Leisure - 0.74% (2020 - 1.17%)		
80,000	easyJet	401,120	0.74
	Mobile Telecommunications - 5.28% (2020 - 5.57%)		
949,800	Helios Towers	1,487,387	2.76
1,325,000	Vodafone	1,360,510	2.52
	Electricity - 0.99% (2020 - 0.00%)		
200,000	Drax	532,400	0.99
	Banks - 4.71% (2020 - 5.37%)		
1,050,000	Barclays	1,024,905	1.90
230,000	OneSavings Bank	641,240	1.19
825,000	Royal Bank of Scotland	874,500	1.62
	Non-life Insurance - 5.34% (2020 - 4.54%)		
260,000	Lancashire	1,797,900	3.33
430,000	Sabre Insurance	1,085,750	2.01
	Life Insurance - 3.29% (2020 - 5.47%)		
160,000	Prudential	1,774,400	3.29
	Real Estate Investment & Services - 1.53% (2020 - 0.97%)		
739,818	Capital & Counties Properties	827,116	1.53
	Real Estate Investment Trusts - 1.27% (2020 - 0.00%)		
650,000	Supermarket Income Reit	685,750	1.27
	Financial Services - 4.20% (2020 - 1.32%)		
140,000	IMI	1,468,600	2.72
350,000	TP ICAP	798,700	1.48
	Software & Computer Services - 1.28% (2020 - 2.37%)		
101,784	SDL	688,060	1.28
	Technology Hardware & Equipment - 1.16% (2020 - 0.00%)		
220,000	Spirent Communications	628,100	1.16

ES River and Mercantile UK Dynamic Equity Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
OVERSEAS COMPANIES (UK LISTED COMPANIES) - 4.23% (2020 - 7.41%)			
GIBRALTAR - 1.49% (2020 - 2.42%)			
320,000	888 Holdings	806,400	1.49
IRELAND - 2.74% (2020 - 4.99%)			
32,000	CRH	894,720	1.66
4,750	Flutter Entertainment	581,875	1.08
OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 7.24% (2020 - 6.15%)			
CANADA - 2.21% (2020 - 2.76%)			
55,000	Barrick Gold	1,191,186	2.21
FRANCE - 2.87% (2020 - 1.73%)			
20,000	Sanofi	1,548,007	2.87
SWITZERLAND - 2.16% (2020 - 1.66%)			
4,400	Roche Holding	1,167,517	2.16
FORWARD CURRENCY CONTRACTS - 0.09% (2020 - (0.01%))			
£649,287	Forward Currency Contract 15/12/2020: UK Sterling 649,287 vs Canadian Dollar 1,095,000	15,284	0.03
£631,107	Forward Currency Contract 15/12/2020: UK Sterling 631,107 vs Swiss Franc 732,000	13,695	0.03
£813,341	Forward Currency Contract 15/12/2020: UK Sterling 813,341 vs Euro 877,000	16,867	0.03
Portfolio of investments		53,646,464	99.44
Net other assets		304,225	0.56
Net assets		53,950,689	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

92.11% of the sub-fund's assets are listed in the UK.

* Security listed on AIM.

ES River and Mercantile UK Dynamic Equity Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains		6,201,474		2,002,558
Revenue	882,483		1,709,649	
Expenses	(270,357)		(369,280)	
Net revenue before taxation for the period	612,126		1,340,369	
Taxation	(13,684)		(9,177)	
Net revenue after taxation for the period		598,442		1,331,192
Total return before distributions		6,799,916		3,333,750
Distributions		(602,472)		(1,336,726)
Change in net assets attributable to Shareholders from investment activities		6,197,444		1,997,024

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		51,307,737		81,267,405
Amounts received on creation of shares	1,078,729		2,865,516	
Amounts paid on cancellation of shares	(5,192,748)		(16,686,628)	
		(4,114,019)		(13,821,112)
Dilution adjustment		7,080		16,437
Change in net assets attributable to Shareholders from investment activities		6,197,444		1,997,024
Retained distributions on accumulation shares		552,447		1,135,235
Closing net assets attributable to Shareholders		53,950,689		70,594,989

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile UK Dynamic Equity Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		53,646,464		50,682,367
Current assets				
Debtors	395,187		1,434,935	
Cash and bank balances	376,576		1,129,697	
Total other assets		771,763		2,564,632
Total assets		54,418,227		53,246,999
LIABILITIES				
Investment liabilities		—		(7,616)
Creditors				
Distribution payable	(24,505)		(15,381)	
Other creditors	(443,033)		(1,916,265)	
Total other liabilities		(467,538)		(1,931,646)
Total liabilities		(467,538)		(1,939,262)
Net assets attributable to Shareholders		53,950,689		51,307,737

ES River and Mercantile UK Dynamic Equity Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2020 is 0.9850p (2019: 2.1689p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2020 is 4.8101p (2019: 8.5886p) per share for accumulation shares.

S-Class Accumulation shares

The distribution payable on 30 November 2020 is 2.5280p per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2020 is 15.3309p (2019: 24.5085p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
A-Class Distribution shares	7,998,676	154.18	5,187,906
B-Class Accumulation shares	203,157,552	466.94	43,508,320
Z-Class Accumulation shares	2,910,354	1,089.01	267,247
31 March 2019			
A-Class Distribution shares	5,524,176	153.19	3,606,027
B-Class Accumulation shares	72,943,341	477.31	15,282,330
Z-Class Accumulation shares	2,799,888	1,121.76	249,597
31 March 2020			
A-Class Distribution shares	3,245,126	122.21	2,655,455
B-Class Accumulation shares	47,131,241	390.80	12,060,335
S-Class Accumulation shares	3,704	185.21	2,000
Z-Class Accumulation shares	927,666	925.48	100,236
30 September 2020			
A-Class Distribution shares	3,409,148	137.03	2,487,827
B-Class Accumulation shares	49,507,588	443.12	11,172,422
S-Class Accumulation shares	4,205	210.27	2,000
Z-Class Accumulation shares	1,029,748	1,053.36	97,759

S-Class Accumulation share class launched 6 January 2020.

ES River and Mercantile UK Dynamic Equity Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
IMI	1,387,197	British American Tobacco	1,481,342
Mondi	1,351,771	BP	1,268,227
Unilever	1,031,186	Associated British Foods	1,249,517
Persimmon	973,122	888 Holdings	1,172,708
JD Sports Fashion	913,367	GlaxoSmithKline	1,145,740
Smith & Nephew	885,432	JD Sports Fashion	1,073,408
Tyman	876,154	Avast	1,066,924
Lancashire	867,311	Flutter Entertainment	984,163
Intertek	838,033	Strix	905,732
Synthomer	734,113	CRH	902,788

ES River and Mercantile UK Recovery Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the MSCI United Kingdom Investable Market Index (IMI) Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 60% of its value in shares of UK companies (companies which are domiciled, incorporated, or have significant operations in the UK). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

In addition, up to 20% of the sub-fund may be invested in shares of companies which are not UK companies but which, at the time of investment, are listed in the UK. Investment can be direct or indirect as noted above. It is expected that at least 80% of the sub-fund will be invested in UK companies and companies which are listed in the UK.

Up to 20% of the sub-fund may be invested in shares of overseas companies (companies which are not UK companies and which are not listed in the UK), including emerging markets, collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed meaning the Investment Manager uses their expertise to pick investments to achieve the sub-fund’s objectives.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006. It looks for companies that are considered by the Investment Manager to have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of the shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators are supportive of investing at the time of analysis).

The sub-fund will invest in a broad range of companies by industry sector and size and its investments are not restricted by reference to a benchmark. However, the sub-fund will have a bias towards “Recovery” shares. These are shares of companies for which the Potential under the PVT Investment Philosophy is considered by the Investment Manager at the time of investment to be particularly high, due to levels of profits being depressed and therefore capable of significant recovery.

ES River and Mercantile UK Recovery Fund

Investment Manager's Review

Performance review

The ES River and Mercantile UK Recovery Fund B share class returned 14.6%* over the six months to 30 September 2020, compared with the MSCI United Kingdom Investable Market Index which returned 5.2%*.

Market background

After the lockdown-induced low earlier in the year, economies around the world bottomed out in April, with the recovery starting to come through in May and June, and they have continued that recovery over the summer and into autumn. However, a second wave of Covid-19 cases has hit most countries, stalling re-openings and leading to the recovery in some segments of economies being put on hold and market sentiment becoming more cautious.

Overall global equity markets have rebounded strongly since the dramatic falls early in the year as the economic ramifications of a global pandemic became clear. This recovery started with a robust rally in the second quarter, after it seemed that the threat of Covid-19 peaked, as economies and corporate profits bottomed-out and as very supportive monetary and fiscal policy kicked in.

Although this continued into the third quarter and thus the second half of the period under review, this has faded latterly with the economic uncertainty associated with a second wave of the virus and increased focus on an uncertain US Presidential election. Notwithstanding this, overall in the six months to the end of September global market returns have made up for the losses at the start of the crisis. The UK market has also been positive during the period, but we haven't seen the double digit returns of the global markets. The UK market has been handicapped by an underwhelming management of the Covid crisis and returning Brexit worries.

Our key investment factor, Value has continued to be unloved by the market. It is highly unusual for Value to underperform during economic recovery periods, so this remains a very significant anomaly that needs some explaining. Suffice to say that Growth and Quality have benefitted from falling interest rates, relatively strong corporate fundamentals through the Covid crisis and better positioning regarding sustainability and flows of liquidity. Value has not benefitted from these.

Performance

Despite the Value headwind, performance was good over the period, with strong absolute returns and robust relative returns. As for much of the anti-value period since the Global Financial Crisis (until 2018), we managed to offset value headwinds with robust multi-cap investing and exposure to companies that were clearly going to increase shareholder value, either from a low point for recovery stocks or through ongoing structural growth delivered by the good value growth stocks in the portfolio, including digital economy exposure.

Being underweight oil majors (**Royal Dutch Shell, BP**) and **HSBC** contributed to performance over the period, as did PVT stock picks, smaller companies in particular (**MPAC, ASOS** and **888 Holdings**). Performance was also supported by some recovery stocks starting to bounce (**William Hill**, including a bid, **Xaar**). The fact that Growth and Quality stocks continued to outperform Value impacted performance negatively (**AstraZeneca, LSE** and **Ocado**). There were some individual stock disappointments which also contributed negatively to performance over the period.

Activity

The portfolio continues to have a very clear value bias, with strong absolute valuation support. There is a robust multi-cap bias, including an overweight position in undiscovered smaller growth stocks. Our activity over the period has focused on adding to stocks with traditional value characteristics (such as banks and specialist financials), stocks that are attractively valued and currently out-of-favour Quality and Growth franchises (**Boku** and **Walt Disney**) and high scoring MoneyPenny stocks (**Card Factory, Playtech** and **G4S**). We have become overweight in stocks that would benefit from a vaccine discovery i.e. those that have been negatively impacted by social distancing requirements (**Restaurant** and **SSP**). Sales over the period have included taking full profits where our PVT thesis has been delivered (**JD Sports Fashion** and **Sunrise Communications**), top-slicing into relative strength (**Antofagasta** and **Reckitt Benckiser**) or re-focusing capital towards higher conviction ideas (**TI Fluid** and **Morrisons**).

ES River and Mercantile UK Recovery Fund

Investment Manager's Review continued

Outlook

Looking specifically at our key investment factor of Value, we do believe that Value will come back. It almost always does well in an economic recovery, especially if that recovery happens at a time when Value is relatively attractively priced, which it most definitely is today. What is likely to happen at some point over the next few quarters is this: global economies will continue to recover through 2021, especially if there is confidence that we are finally through the worst of the virus, perhaps catalysed by a vaccine or just post 2nd wave maturation of the pandemic; the massive monetary and fiscal stimulus will continue to positively impact; deflation will turn to reflation; bond yields will bottom-out; Growth and Quality stocks' relative fundamentals will peak as more cyclical Value stocks start to see profits recover and brought forward digital spending struggles to preserve the momentum embedded in many growth and quality stock share prices; and finally, liquidity and passive investing may change direction as momentum shifts from deflation to reflation beneficiaries.

Looking at equity markets more generally, we believe that the profit cycle has now moved early cycle, with return on equity around the world quite depressed. This provides a base for attractive levels of profits growth from here as returns normalise. Recovery stocks, in particular, should see strong profits growth. UK returns are at a cycle low.

From a valuation perspective, equities remain attractively valued versus other assets, government bonds, in particular. Within equity markets there are quite a few that look attractively valued from an absolute, as well as relative perspective – this would clearly include the UK, and also much of Europe and Asia. US equities continue to look expensive in absolute terms, and trade at significant premium to other regions but are supported by low government bond yields.

Whilst there are some positive timing indicators including very supportive monetary and fiscal policy, positive cycle indicators such as PMIs, the economic and profit cycles moving into a recovery phase, we still need to be cautious of recovery being disrupted by the 2nd wave of Covid cases and geo-political uncertainties, notably the US Presidential election which is likely to be closer than the polls indicate, which put Biden ahead. A victory for the Democrats is likely to be more inflationary and supportive of value stocks. But Covid is probably key, the market needs a vaccine type event to provide the certainty that we can move to a post-Covid world.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile UK Recovery Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 86.12% (2020 - 83.89%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 78.69% (2020 - 77.47%)			
Oil & Gas Producers - 4.70% (2020 - 6.08%)			
726,400	BP	1,635,853	1.19
312,946	Cairn Energy	450,016	0.33
382,200	Diversified Gas & Oil*	399,781	0.29
3,035,940	Enquest	317,559	0.23
1,553,640	JKX Oil & Gas	256,351	0.19
1,170,970	Premier Oil	194,088	0.14
264,735	Royal Dutch Shell 'B'	2,488,244	1.80
366,362	Serica Energy*	351,708	0.25
4,296,900	Trinity Exploration and Production*	386,721	0.28
Oil Equipment, Services & Distribution - 0.74% (2020 - 0.50%)			
270,865	Hunting	348,874	0.25
40,000	Subsea 7	221,756	0.16
211,380	Wood (John)	449,605	0.33
Chemicals - 1.58% (2020 - 1.10%)			
374,390	Elementis	284,536	0.21
28,940	Johnson Matthey	682,116	0.49
193,616	Scapa*	226,531	0.16
64,300	Synthomer	203,188	0.15
16,200	Victrex	296,622	0.22
106,850	Zotefoams	490,442	0.35
Mining - 6.26% (2020 - 5.85%)			
140,000	Anglo American	2,626,120	1.90
65,850	Antofagasta	673,646	0.49
147,427	BHP	2,438,148	1.77
170,960	Central Asia Metals*	273,536	0.20
12,900	Fresnillo	154,349	0.11
53,088	Rio Tinto (UK Regd.)	2,471,246	1.79
Construction & Materials - 2.34% (2020 - 1.80%)			
4,915,000	Aukett Swanke*	73,725	0.05
120,200	Balfour Beatty	268,767	0.19
126,600	Boot (Henry)	312,702	0.23
474,500	Breedon*	332,150	0.24
183,500	Ibstock	286,077	0.21
44,000	Keller	265,760	0.19
360,321	Kier	173,603	0.13
500,030	Melrose Industries	577,285	0.42
112,764	Norcros	163,508	0.12
1,033,500	SIG	265,610	0.19
408,000	Tekmar*	285,600	0.21
99,320	Tyman	220,490	0.16

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Aerospace & Defence - 1.16% (2020 - 1.55%)		
242,445	Chemring	585,505	0.42
145,240	Meggitt	373,993	0.27
579,870	Senior	256,534	0.19
18,790	Ultra Electronics	391,959	0.28
	General Industrials - 1.26% (2020 - 1.25%)		
797,248	Coats	445,662	0.32
595,510	Gocompare.Com	625,286	0.45
22,380	Smiths	307,725	0.22
94,130	Vesuvius	371,249	0.27
	Electronic & Electrical Equipment - 2.32% (2020 - 2.12%)		
169,196	Morgan Advanced Materials	401,841	0.29
17,888	Oxford Instruments	284,777	0.21
267,190	Strix*	647,936	0.47
201,002	TT Electronics	402,004	0.29
325,381	Vollex*	592,193	0.43
929,297	Xaar	873,539	0.63
	Industrial Engineering - 2.03% (2020 - 1.68%)		
36,930	Bodycote	214,933	0.16
540,254	Flowtech Fluidpower *	405,191	0.29
285,888	MPAC*	900,547	0.65
578,812	Northbridge*	445,685	0.32
3,619,325	Renold*	372,790	0.27
37,678	Weir	470,975	0.34
	Industrial Transportation - 0.71% (2020 - 0.27%)		
2,396,029	DX*	395,345	0.29
19,870	James Fisher & Sons	225,326	0.16
149,417	Signature Aviation	356,658	0.26
	Support Services - 5.38% (2020 - 5.13%)		
68,591	Aggreko	253,650	0.18
186,346	Biffa	404,371	0.29
232,327	Blancco Technology*	478,594	0.35
1,118,676	Capita	341,979	0.25
242,218	De La Rue	314,883	0.23
361,664	Driver*	169,982	0.12
37,880	Electrocomponents	269,516	0.19
158,232	Essentra	401,593	0.29
327,420	G4S	655,822	0.47
131,680	Johnson Service*	118,249	0.09
793,651	Kin and Carta	507,937	0.37
403,274	Learning Technologies*	528,289	0.38
66,780	Menzies (John)	75,996	0.06
300,000	Mind Gym*	307,500	0.22
109,420	PageGroup	409,668	0.30
1,937,064	Renewi	369,979	0.27

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Support Services continued		
79,830	Ricardo	262,641	0.19
341,750	Serco	434,706	0.32
77,480	Smart Metering Systems*	502,070	0.36
568,250	Speedy Hire	286,398	0.21
30,250	Travis Perkins	328,364	0.24
	Automobiles & Parts - 0.14% (2020 - 0.27%)		
385,100	Aston Martin Lagonda	196,016	0.14
	Beverages - 1.24% (2020 - 0.98%)		
32,600	Diageo	863,900	0.63
21,100	Fever-Tree Drinks*	488,676	0.35
164,150	Stock Spirits	353,743	0.26
	Food Producers - 1.96% (2020 - 2.05%)		
30,160	Associated British Foods	563,087	0.41
346,744	Devro	630,381	0.46
1,323,230	SiS Science in Sport*	476,363	0.34
21,646	Unilever	1,033,813	0.75
	Forestry & Paper - 0.25% (2020 - 0.21%)		
21,300	Mondi	349,107	0.25
	Household Goods & Home Construction - 1.97% (2020 - 2.44%)		
10,500	Berkeley	443,730	0.32
107,560	Crest Nicholson	212,323	0.15
24,453	Persimmon	604,723	0.44
8,590	Reckitt Benckiser	649,232	0.47
286,869	Taylor Wimpey	310,966	0.23
88,172	Vistry	500,817	0.36
	Personal Goods - 0.98% (2020 - 1.04%)		
20,747	Burberry	322,408	0.23
170,373	PZ Cussons	399,525	0.29
281,600	Superdry	432,256	0.31
60,270	Watches of Switzerland	202,206	0.15
	Tobacco - 1.34% (2020 - 2.40%)		
41,500	British American Tobacco	1,152,455	0.84
50,074	Imperial Brands	684,762	0.50
	Health Care Equipment & Services - 0.26% (2020 - 0.28%)		
197,070	ConvaTec	352,164	0.26
	Pharmaceuticals & Biotechnology - 1.26% (2020 - 0.79%)		
98,630	GlaxoSmithKline	1,432,108	1.04
260,350	Indivior	304,349	0.22
	Food & Drug Retailers - 0.67% (2020 - 1.36%)		
22,390	Greggs	262,859	0.19
312,000	Tesco	662,688	0.48

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	General Retailers - 5.70% (2020 - 3.23%)		
100,000	Angling Direct*	55,000	0.04
108,710	AO World	234,270	0.17
17,890	ASOS*	920,977	0.67
76,150	Auto Trader	428,725	0.31
98,825	B&M European Value Retail	488,887	0.35
130,700	boohoo.com*	490,779	0.36
419,342	Cambria Automobiles*	192,897	0.14
907,470	Card Factory	308,540	0.22
233,647	DFS Furniture	385,518	0.28
541,570	Dixons Carphone	505,014	0.37
270,616	Halfords	490,356	0.36
71,870	Inchcape	316,659	0.23
240,515	Kingfisher	713,367	0.52
268,600	Marks & Spencer	261,939	0.19
69,188	Naked Wines*	301,314	0.22
7,090	Next	421,855	0.31
3,150,470	Pendragon	223,683	0.16
173,400	Pets at Home	733,135	0.53
39,120	WH Smith	372,618	0.27
	Media - 3.47% (2020 - 2.64%)		
17,220	4imprint	321,325	0.23
75,000	Ascential	220,650	0.16
1,027,650	Centaur Media	205,530	0.15
35,386	Daily Mail & General Trust 'A'	229,655	0.17
2,085,141	Ebiquity*	437,880	0.32
34,554	Euromoney Institutional Investor	277,123	0.20
535,418	Hyve	345,612	0.25
61,800	Informa	232,677	0.17
496,460	ITV	335,706	0.24
78,680	Next Fifteen Communications*	399,694	0.29
536,302	Reach	413,489	0.30
53,200	Rightmove	333,458	0.24
706,200	Time out*	233,046	0.17
1,451,000	ULS Technology*	803,854	0.58
	Travel & Leisure - 4.56% (2020 - 2.87%)		
30,000	Carnival	299,640	0.22
37,580	Compass	439,122	0.32
68,420	easyJet	343,058	0.25
108,330	GVC	1,054,918	0.76
279,400	Gym	381,102	0.28
500,946	Hostelworld	261,995	0.19
7,600	InterContinental Hotels	310,992	0.23
396,550	International Consolidated Airlines	376,723	0.27
40,740	Jet2*	272,754	0.20
106,630	On the Beach	259,644	0.19
241,726	Playtech	876,740	0.64
241,205	Rangers International Football**	43,417	0.03

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Travel & Leisure continued		
159,559	Rank	148,869	0.11
446,392	Restaurant	220,696	0.16
153,634	SSP	277,309	0.20
32,284	Wetherspoon (JD)	270,056	0.20
152,577	William Hill	423,859	0.31
	Fixed Line Telecommunications - 0.30% (2020 - 0.44%)		
415,200	BT	408,474	0.30
	Mobile Telecommunications - 0.98% (2020 - 1.40%)		
309,465	Helios Towers	484,622	0.35
847,400	Vodafone	870,110	0.63
	Electricity - 0.47% (2020 - 0.37%)		
102,280	Drax	272,269	0.20
3,959,322	OPG Power Ventures*	376,136	0.27
	Gas, Water & Multiutilities - 0.47% (2020 - 0.39%)		
1,620,056	Centrica	649,480	0.47
	Banks - 6.89% (2020 - 8.62%)		
1,930,871	Barclays	1,884,723	1.37
793,452	HSBC	2,392,258	1.73
8,532,782	Lloyds Banking	2,248,815	1.63
1,093,091	Royal Bank of Scotland	1,158,676	0.84
42,780	Secure Trust Bank	266,092	0.19
357,055	Standard Chartered	1,271,473	0.92
398,962	Virgin Money	291,162	0.21
	Non-Life Insurance - 0.00% (2020 - 0.31%)		
	Life Insurance - 2.80% (2020 - 3.18%)		
167,920	Aviva	479,747	0.35
267,530	Legal & General	503,893	0.37
258,480	Prudential	2,866,543	2.08
	Real Estate Investment & Services - 2.16% (2020 - 2.31%)		
394,810	Capital & Counties Properties	441,398	0.32
1,255,474	Foxtons	464,525	0.34
122,670	Grainger Trust	364,575	0.26
160,648	LSL Property Services	347,000	0.25
1,146,427	Purplebricks*	832,306	0.60
37,200	Savills	289,788	0.21
466,802	U and I	242,737	0.18
	Real Estate Investment Trusts - 0.68% (2020 - 0.52%)		
85,990	British Land	290,130	0.21
93,340	Shaftesbury	463,900	0.34
21,050	Unite	176,504	0.13

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Financial Services - 5.26% (2020 - 6.55%)		
55,620	3i	554,309	0.40
379,285	ADVFN*	53,100	0.04
164,658	Brewin Dolphin	383,653	0.28
583,700	Cenkos Securities*	268,502	0.19
57,000	City of London Investment*	240,540	0.17
24,550	Close Brothers	250,656	0.18
47,440	Gresham House Strategic*	460,168	0.33
39,390	Hargreaves Lansdown	615,075	0.45
75,572	IG	598,152	0.43
51,973	IMI	545,197	0.40
102,058	Impax Asset Management*	505,187	0.37
876,741	International Personal Finance	406,808	0.29
434,870	IP	338,764	0.25
50,490	Mortgage Advice Bureau*	353,430	0.26
57,460	Polar Capital*	270,062	0.20
789,018	Premier Asset Management	710,116	0.51
181,260	Provident Financial	351,463	0.25
157,250	TP ICAP	358,845	0.26
	Equity Investment Instruments - 1.54% (2020 - 1.44%)		
12,000	Aberforth Smaller Companies Fund	100,080	0.07
95,700	Fidelity China Special Situations Investment Trust	316,767	0.23
127,375	Gresham House*	948,944	0.69
49,000	JPMorgan Indian Investment Trust	279,300	0.20
208,421	Majedie Investment Trust	360,568	0.26
300,000	Schroders UK Public	83,550	0.06
6,000	Temple Bar Investment Trust	39,240	0.03
	Software & Computer Services - 3.76% (2020 - 3.33%)		
30,000	Accesso Technology*	85,500	0.06
64,850	Alfa Financial Software	80,673	0.06
84,500	Avast	445,315	0.32
190,000	Bango*	315,400	0.23
11,690	Blueprism*	155,594	0.11
134,071	Codemasters*	486,678	0.35
1,483,318	Eckoh*	1,008,656	0.73
17,317	First Derivative*	571,461	0.41
1,978,270	Mercia Technologies	405,545	0.29
351,051	NCC	616,446	0.45
58,840	Sage	424,001	0.31
90,337	SDL	610,678	0.44
	Technology Hardware & Equipment - 1.10% (2020 - 0.72%)		
5,002,454	Filtronic*	390,191	0.28
1,331,032	IQE*	676,164	0.49
337,470	Telit Communications*	458,959	0.33

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
OVERSEAS COMPANIES (UK LISTED COMPANIES) - 7.43% (2020 - 6.42%)			
AUSTRALIA - 0.44% (2020 - 0.40%)			
531,129	South32	606,443	0.44
BERMUDA - 0.24% (2020 - 0.00%)			
37,480	Hiscox	334,846	0.24
CAYMAN ISLANDS - 0.05% (2020 - 0.00%)			
13,283	Hutchison China MediTech*	64,821	0.05
GIBRALTAR - 0.58% (2020 - 0.50%)			
318,064	888 Holdings	801,521	0.58
INDIA - 0.40% (2020 - 0.50%)			
21,800	Rhi Magnesita	553,720	0.40
IRELAND - 1.49% (2020 - 0.98%)			
217,240	Bank of Ireland	319,815	0.23
10,700	CRH	299,172	0.22
6,620	Flutter Entertainment	810,950	0.59
37,820	Ryanair	392,797	0.28
29,580	UDG Healthcare	227,914	0.17
MAURITIUS - 0.60% (2020 - 0.61%)			
1,138,738	Capital Drilling	831,279	0.60
NETHERLANDS - 0.31% (2020 - 0.30%)			
1,104,547	DP Eurasia	420,832	0.31
NIGERIA - 0.28% (2020 - 0.15%)			
663,800	SEPLAT Petroleum Development	385,004	0.28
SOUTH AFRICA - 0.19% (2020 - 0.24%)			
558,547	Old Mutual	265,086	0.19
SWITZERLAND - 0.74% (2020 - 0.62%)			
635,038	Glencore	1,022,157	0.74
UNITED KINGDOM - 0.00% (2020 - 0.10%)			
UNITED STATES OF AMERICA - 2.11% (2020 - 2.02%)			
1,486,177	Boku*	1,322,698	0.96
387,813	Somero Enterprises*	988,923	0.72
325,956	Tremor International*	593,240	0.43
OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 15.11% (2020 - 16.66%)			
AUSTRALIA - 0.00% (2020 - 0.00%)			
3,249,886	International Ferro Metals**	—	0.00
BELGIUM - 0.26% (2020 - 0.27%)			
28,800	Orange Belgium	359,984	0.26

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	CHINA - 1.17% (2020 - 1.83%)		
6,800	Baidu ADR	665,851	0.48
1,450,000	China Telecom	334,308	0.24
79,000	Ping An Insurance	626,846	0.45
	FRANCE - 0.79% (2020 - 1.17%)		
24,900	Cegecim	600,789	0.44
19,000	Vicat	486,870	0.35
	GERMANY - 1.27% (2020 - 1.23%)		
7,000	Bayer (Regd.)	338,682	0.25
18,000	GEA	489,002	0.35
5,900	Porsche pref.	274,115	0.20
6,000	Siemens AG	588,761	0.43
3,000	Siemens (Regd.)	61,608	0.04
	GREECE - 0.83% (2020 - 0.91%)		
713,800	Eurobank Ergasias	244,030	0.18
138,100	Fourlis	473,507	0.34
31,000	Jumbo	421,788	0.31
	HONG KONG - 0.90% (2020 - 1.07%)		
129,500	Prada	390,341	0.28
753,700	Shangri-La Asia	474,673	0.34
599,600	Swire Pacific 'B'	384,206	0.28
	ITALY - 0.93% (2020 - 1.08%)		
153,827	Anima	467,432	0.34
111,500	Banca Farmafactoring SpA	482,430	0.35
8,000	EXOR	337,285	0.24
	JAPAN - 3.28% (2020 - 3.56%)		
10,800	Fukuda Denshi	554,925	0.40
18,300	KDDI	356,130	0.26
800	Nintendo	349,837	0.25
11,000	Nitto Denko	550,689	0.40
66,100	Sansei Technologies	307,173	0.22
23,500	SBI Holdings	467,143	0.34
9,900	Sony	582,262	0.42
43,400	Tachi-S	308,252	0.22
90,600	TADANO	573,102	0.42
39,000	Toa Oil	477,105	0.35
	NETHERLANDS - 1.33% (2020 - 1.30%)		
77,800	ING	427,443	0.31
11,186	Koninklijke Philips	407,889	0.30
4,200	Prosus	299,823	0.22
10,500	TKH	293,347	0.21
27,700	Van Lanschot	394,978	0.29
	NORWAY - 0.00% (2020 - 0.46%)		

ES River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	SOUTH KOREA - 0.82% (2020 - 0.39%)		
4,000	Hyundai Glovis	607,171	0.44
3,900	Pearl Abyss	521,314	0.38
	SWEDEN - 0.46% (2020 - 0.00%)		
42,300	Volvo 'B'	633,370	0.46
	SWITZERLAND - 0.28% (2020 - 0.54%)		
19,800	ABB (Regd.)	390,932	0.28
	UNITED STATES OF AMERICA - 2.79% (2020 - 2.85%)		
200	Booking	264,290	0.19
13,000	Citigroup	432,898	0.31
5,000	Disney (Walt)	480,043	0.35
900	Facebook	182,179	0.13
19,000	Johnson Controls International	600,070	0.43
3,600	McKesson	414,496	0.30
10,000	Owens Corning	532,024	0.39
4,000	Ralph Lauren	210,272	0.15
9,700	Raytheon	431,428	0.31
37,800	Resideo Technologies	321,627	0.23
	FORWARD CURRENCY CONTRACTS - 0.16% (2020 - (0.22%))		
€505,000	Forward Currency Contract 15/12/2020: Euro 505,000 vs UK Sterling 462,728	(4,097)	0.00
£3,588,427	Forward Currency Contract 15/12/2020: UK Sterling 3,588,427 vs US Dollar 4,590,000	39,736	0.03
£8,461,711	Forward Currency Contract 15/12/2020: UK Sterling 8,461,711 vs Euro 9,124,000	175,481	0.13
	Portfolio of investments	139,885,067	101.39
	Net other liabilities	(1,922,301)	(1.39)
	Net assets	137,962,766	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

86.12% of the sub-fund's assets are listed in the UK.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

*Security listed on AIM.

**Delisted security.

ADR - American Depositary Receipt

ES River and Mercantile UK Recovery Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains/(losses)		25,583,238		(1,542,572)
Revenue	1,720,017		6,124,014	
Expenses	(863,978)		(1,431,988)	
Interest payable and similar charges	(1,454)		(2,421)	
Net revenue before taxation for the period	854,585		4,689,605	
Taxation	(51,998)		(92,560)	
Net revenue after taxation for the period		802,587		4,597,045
Total return before distributions		26,385,825		3,054,473
Distributions		(804,300)		(4,598,609)
Change in net assets attributable to Shareholders from investment activities		25,581,525		(1,544,136)

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		168,005,018		264,126,346
Amounts received on creation of shares	5,368,085		10,054,100	
Amounts paid on cancellation of shares	(61,165,993)		(5,204,215)	
		(55,797,908)		4,849,885
Dilution adjustment		152,571		468
Change in net assets attributable to Shareholders from investment activities		25,581,525		(1,544,136)
Retained distributions on accumulation shares		21,546		55,924
Unclaimed distributions		14		—
Closing net assets attributable to Shareholders		137,962,766		267,488,487

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile UK Recovery Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		139,889,164		168,953,116
Current assets				
Debtors	2,776,423		3,864,276	
Cash and bank balances	208,327		35,795	
Total other assets		2,984,750		3,900,071
Total assets		142,873,914		172,853,187
LIABILITIES				
Investment liabilities		(4,097)		(388,499)
Creditors				
Bank overdrafts	—		(754,871)	
Distribution payable	(633,277)		(1,527,188)	
Other creditors	(4,273,774)		(2,177,611)	
Total other liabilities		(4,907,051)		(4,459,670)
Total liabilities		(4,911,148)		(4,848,169)
Net assets attributable to Shareholders		137,962,766		168,005,018

ES River and Mercantile UK Recovery Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2020 is 0.1231p (2019: 3.6463p) per share for distribution shares.

B-Class Distribution shares

The distribution payable on 30 November 2020 is 3.5878p (2019: 17.3074p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2020 is 1.0520p (2019: 4.2193p) per share for distribution shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2020 is 14.3061p (2019: 39.9771p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
A-Class Distribution shares	1,985,648	279.46	710,541
B-Class Distribution shares	223,003,794	1,026.07	21,733,786
Z-Class Accumulation shares	2,349,226	1,764.31	133,153
31 March 2019			
A-Class Distribution shares	1,310,120	278.31	470,738
B-Class Distribution shares	221,299,048	1,021.91	21,655,335
S-Class Distribution shares	39,111,538	231.57	16,889,665
Z-Class Accumulation shares	2,405,640	1,812.28	132,741
31 March 2020			
A-Class Distribution shares	708,591	198.72	356,584
B-Class Distribution shares	126,745,634	728.60	17,395,805
S-Class Distribution shares	38,568,554	165.01	23,373,014
Z-Class Accumulation shares	1,982,239	1,338.85	148,056
30 September 2020			
A-Class Distribution shares	590,468	227.20	259,893
B-Class Distribution shares	94,639,858	832.99	11,361,486
S-Class Distribution shares	40,405,068	188.64	21,418,909
Z-Class Accumulation shares	2,327,372	1,545.32	150,608

The S-Class Distribution share class launched on 19 July 2018.

ES River and Mercantile UK Recovery Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
GlaxoSmithKline	767,877	British American Tobacco	1,701,576
G4S	703,401	Prudential	1,673,573
Carnival	672,268	Reckitt Benckiser	1,248,289
InterContinental Hotels	666,693	Anglo American	1,170,110
Banca Farmafactoring SpA	651,639	Rio Tinto (UK Regd.)	1,022,684
Hyundai Glovis	601,798	HSBC	990,359
Aston Martin Lagonda	591,198	CMC Markets	987,818
Volvo 'B'	559,909	Fidelity China Special Situations Investment Trust	916,823
Johnson Controls International	559,132	BHP	911,888
Marks & Spencer	558,416	Morrison (Wm.) Supermarkets	911,701

ES River and Mercantile UK Equity Income Fund

Investment Objective

The investment objective of the sub-fund is to (a) generate an average annual income above the dividend yield of the Benchmark over a rolling 3 year period; and (b) achieve a total return (income and growth in the value of your investments (known as “capital growth”)) above the total return of the Benchmark over a rolling 5 year period, after the deduction of all fees.

The “Benchmark” for the Fund is the MSCI United Kingdom Investable Market Index (IMI) Net Total Return.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 60% of its value in shares of UK companies (companies which are domiciled, incorporated, or have significant operations in the UK). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

In addition, up to 20% of the sub-fund may be invested in shares of companies which are not UK companies but which, at the time of investment, are listed in the UK. Investment can be direct or indirect as noted above. It is expected that at least 80% of the sub-fund will be invested in UK companies and companies which are listed in the UK.

Up to 20% of the sub-fund may be invested in shares of overseas companies (companies which are not UK companies and which are not listed in the UK), excluding emerging markets, investment grade bonds issued by companies and governments (an investment grade rating conveys the rating agency’s view that there is a lower risk of loss resulting from the issuer defaulting, than would apply to a non-investment grade bond), convertible bonds, collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed, meaning the Investment Manager will use their expertise to pick investments to achieve the sub-fund’s objectives.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006 and looks for companies that have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators that are supportive of investing at the time of analysis).

The sub-fund will invest in a range of companies by industry sector and size and does not have to hold the same companies that are included in the Benchmark or in the same weights. However, where the sub-fund invests in companies which are included in the Benchmark the sub-fund's exposure to any company will not be more than 5% above or below the Benchmark’s exposure to that company. Exposure to any industry sector will not be more than 8% above or below the Benchmark’s exposure to that sector, measured at the Sector level of GICS (Global Industry Classification Standard).

ES River and Mercantile UK Equity Income Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile UK Equity Income Fund B share class returned 12.8%* over the six months to 30 September 2020, compared with the MSCI United Kingdom Investable Markets Index which returned 5.2%*.

Background

Following on from a particularly poor first quarter of the year, despite periods of volatility the middle half of 2020 saw strong returns from global stock markets as a whole. Low bond yields, continuing central bank support and a nascent earnings recovery sustained relatively positive sentiment for global equities and over the six month period to 30th September 2020, the MSCI ACWI (Total Return) index was up by 23.6%.

This positive momentum began in Q2, where markets recovered much of the ground lost during the first quarter as the stock market digested Covid-19 and the resulting economic impact. As fast as the markets fell in Q1, they rebounded just as quickly in Q2. During this period of increased optimism, the best performing assets were generally those with a more pro-cyclical bias, such as German and Japanese equities and commodities, while the US dollar index fell modestly. The recovery continued into the summer, but as we moved into September markets globally started to decline as uncertainty regarding the US elections, fiscal stimulus, Covid-19 and how those factors would feed through to earnings growth and equity valuations became the main focus. Inflation expectations in major economies also continued to soften despite the underpinning from governments and central banks.

Although UK equity markets had a positive six months to 30 September, they didn't match the double digit returns of global indices as concerns over Brexit negotiations and an underwhelming government response to Covid impacted sentiment. Small and mid-caps significantly outperformed during the period providing support to our differentiated and diversified multi-cap income strategy which returned 12.3% over the period versus the benchmark MSCI AC UK index, which returned 5.2 percent.

Performance

Stock selection was the key driver of performance over the period, with sector allocation also contributing positively. The world's largest global silver producer, **Fresnillo**, **Barrick Gold**, **Kinross Gold** and **Centamin** were all leading contributors over the period; they performed strongly as precious metals prices rose. **Fevertree** was another large contributor to performance over the period as it rebounded strongly from our purchase in late March as the new pricing strategy in the US led to large volume gains, reassuring the market they were back on track. Significant underweights to **HSBC** and **BP** also contributed positively. Zero weights in mega-cap defensives **AstraZeneca** and **Reckitt Benckiser** detracted from performance over the period, as did zero weights in mega-cap miners **Rio Tinto** and **BHP**. **Sabre Insurance** was another detractor over the period, as softer near-term pricing trends in the motor insurance market saw analysts reducing profit forecasts.

Activity

A new position was initiated in UK construction supplier **Polypipe**, which has leading market positions in both residential and commercial markets manufacturing plastic pipes that continue to gain share in new projects at the expense of copper. We also added vertically integrated paper and packaging provider, **Mondi**, providing the portfolio with attractive and undervalued Growth characteristics. Another large purchase over the period was **Smith & Nephew**, a diversified medical technology business with leading position in its core markets. A de-rating has presented an attractive entry point into a relatively defensive, historically high-returns business with a strong balance sheet and positive operative momentum pre-Covid. The potential to compound Growth over the long term remains intact. We completed a full exit from the tobacco sector by selling the last of our holding in **British American Tobacco**. We booked profits in our gold holdings, **Barrick Gold** and **Kinross Gold**, as well as exited our relatively small positions in consumer exposed **Britvic** and **ITV**, which were sold to make way for some of the above purchases.

ES River and Mercantile UK Equity Income Fund

Investment Manager's Review continued

Outlook

The UK market is still looking relatively cheap compared to many overseas markets, especially the US. Value dispersions are high and analyst earnings forecasts revisions are built on a myriad of uncertainties, providing exceptional opportunities for stock pickers today. We continue to identify exciting new trends, sustainable business models and stocks with very depressed valuations in one of the cheapest, most unloved, diverse and international equity markets in the world. During the coming quarter we shall see the US presidential election, further post-Brexit trade deal negotiations, likely news on vaccine progress or perhaps a fade in serious infections as well as more forward guidance on monetary and fiscal support. Our companies continue to expertly negotiate all of these twists and turns and we continue to invest in them and engage with them where appropriate, with our balanced approach to risk, deploying our multi-category, multi-factor and multi-cap strategy.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile UK Equity Income Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
	UNITED KINGDOM LISTED COMPANIES - 94.75% (2020 - 89.86%)		
	UNITED KINGDOM (UK LISTED COMPANIES) - 90.53% (2020 - 85.56%)		
	Oil & Gas Producers - 6.79% (2020 - 8.79%)		
650,000	BP	1,463,800	1.20
3,700,000	Diversified Gas & Oil	3,870,200	3.17
315,000	Royal Dutch Shell 'B'	2,960,685	2.42
	Chemicals - 1.41% (2020 - 0.00%)		
545,000	Synthomer	1,722,200	1.41
	Forestry & Paper - 1.71% (2020 - 0.00%)		
127,312	Mondi	2,086,644	1.71
	Mining - 6.32% (2020 - 8.14%)		
160,000	Anglo American	3,001,280	2.46
950,000	Centamin	1,923,750	1.58
95,000	Fresnillo	1,136,675	0.93
550,000	Highland Gold Mining*	1,644,500	1.35
	Construction & Materials - 1.83% (2020 - 1.87%)		
420,000	Balfour Beatty	939,120	0.77
300,801	Polypipe	1,296,452	1.06
	Aerospace & Defence - 3.52% (2020 - 2.66%)		
274,286	Babcock International	686,538	0.56
125,000	BAE Systems	602,500	0.50
90,000	Meggitt	231,750	0.19
300,000	QinetiQ	833,400	0.68
50,000	Rolls-Royce	64,975	0.05
90,000	Ultra Electronics	1,877,400	1.54
	General Industrials - 1.15% (2020 - 1.14%)		
355,000	Vesuvius	1,400,120	1.15
	Electronic & Electrical Equipment - 1.74% (2020 - 1.98%)		
875,000	Strix*	2,121,875	1.74
	Support Services - 10.76% (2020 - 8.99%)		
418,049	Biffa	907,166	0.74
290,000	Electrocomponents	2,063,350	1.69
315,000	Essentra	799,470	0.66
180,000	Grafton	1,215,900	1.00
24,000	Intertek	1,518,720	1.24
1,300,000	Serco	1,653,600	1.35
640,000	Smart Metering Systems*	4,147,200	3.40
1,650,000	Speedy Hire	831,600	0.68

ES River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Beverages - 4.94% (2020 - 2.34%)		
175,000	Diageo	4,637,500	3.80
60,000	Fever-Tree Drinks*	1,389,600	1.14
	Food Producers - 4.26% (2020 - 3.11%)		
109,000	Unilever	5,205,840	4.26
	Household Goods & Home Construction - 2.02% (2020 - 0.33%)		
400,000	Countryside Properties	1,344,000	1.10
40,000	Persimmon	989,200	0.81
100,000	Watkin Jones*	139,400	0.11
	Leisure Goods - 0.33% (2020 - 0.30%)		
800,000	Photo-Me	407,200	0.33
	Tobacco - 0.00% (2020 - 4.24%)		
	Health Care Equipment & Services - 1.61% (2020 - 0.00%)		
130,000	Smith & Nephew	1,970,800	1.61
	Pharmaceuticals & Biotechnology - 5.21% (2020 - 6.21%)		
290,000	GlaxoSmithKline	4,210,800	3.45
9,000	GW Pharmaceuticals ADR	677,715	0.55
57,000	Hikma Pharmaceuticals	1,478,580	1.21
	Food & Drug Retailers - 4.10% (2020 - 6.52%)		
425,000	Morrison (Wm.) Supermarkets	722,925	0.59
2,020,000	Tesco	4,290,480	3.51
	General Retailers - 1.64% (2020 - 0.39%)		
785,983	DFS Furniture	1,296,872	1.06
950,000	Vivo Energy	707,750	0.58
	Media - 2.82% (2020 - 2.26%)		
54,194	Future	1,052,447	0.86
200,000	Pearson	1,098,400	0.90
75,000	RELX	1,294,125	1.06
	Travel & Leisure - 1.45% (2020 - 1.29%)		
190,000	Domino's Pizza	693,120	0.57
215,000	easyJet	1,078,010	0.88
	Fixed Line Telecommunications - 0.76% (2020 - 0.00%)		
70,000	Telecom Plus	932,400	0.76
	Mobile Telecommunications - 1.73% (2020 - 1.42%)		
630,000	Helios Towers	986,580	0.81
1,100,000	Vodafone	1,129,480	0.92
	Electricity - 0.54% (2020 - 0.06%)		
250,000	Drax	665,500	0.54
	Gas, Water & Multiutilities - 3.53% (2020 - 1.43%)		
485,000	National Grid	4,313,590	3.53

ES River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Banks - 3.85% (2020 - 7.05%)		
400,000	Barclays	390,440	0.32
650,000	HSBC	1,959,750	1.61
3,000,000	Lloyds Banking	790,650	0.65
425,881	OneSavings Bank	1,187,356	0.97
350,000	Royal Bank of Scotland	371,000	0.30
	Non-Life Insurance - 5.06% (2020 - 3.59%)		
1,045,000	Direct Line	2,815,230	2.31
166,845	Lancashire	1,153,733	0.94
875,000	Sabre Insurance	2,209,375	1.81
	Life Insurance - 3.11% (2020 - 5.01%)		
600,000	Legal & General	1,130,100	0.93
240,000	Prudential	2,661,600	2.18
	Real Estate Investment & Services - 0.55% (2020 - 0.54%)		
603,122	Capital & Counties Properties	674,290	0.55
	Real Estate Investment Trusts - 2.63% (2020 - 3.16%)		
3,050,000	Supermarket Income REIT	3,217,750	2.63
	Financial Services - 3.91% (2020 - 2.74%)		
145,000	3i	1,445,070	1.18
575,000	Ashmore	2,059,650	1.69
70,000	IMI	734,300	0.60
275,000	Premier Asset Management	247,500	0.20
130,000	TP ICAP	296,660	0.24
	Software & Computer Services - 0.51% (2020 - 0.00%)		
60,000	EMIS*	622,800	0.51
	Technology Hardware & Equipments - 0.74% (2020 - 0.00%)		
314,899	Spirent Communications	899,037	0.74
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 4.22% (2020 - 4.30%)		
	BERMUDA - 0.36% (2020 - 0.00%)		
50,000	Hiscox	446,700	0.36
	CANADA - 0.00% (2020 - 0.63%)		
	GIBRALTAR - 0.41% (2020 - 0.49%)		
200,000	888 Holdings	504,000	0.41
	IRELAND - 0.00% (2020 - 0.85%)		
	RUSSIA - 1.87% (2020 - 1.67%)		
135,000	Polymetal International	2,279,475	1.87
	UNITED STATES OF AMERICA - 1.58% (2020 - 0.66%)		
530,000	MaxCyte*	1,929,200	1.58

ES River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 6.32% (2020 - 9.14%)			
CANADA - 0.69% (2020 - 3.39%)			
20,000	Barrick Gold (Non UK Listed)	433,159	0.36
60,000	Kinross Gold	408,880	0.33
FRANCE - 1.71% (2020 - 1.35%)			
27,000	Sanofi	2,089,809	1.71
GERMANY - 1.49% (2020 - 2.02%)			
37,500	Bayer (Regd.)	1,814,368	1.49
SWITZERLAND - 1.85% (2020 - 2.38%)			
8,500	Roche Holding	2,255,431	1.85
UNITED STATES OF AMERICA - 0.27% (2020 - 0.00%)			
203,323	RE/MAX	703,498	0.58
FORWARD CURRENCY CONTRACTS - 0.06% (2020 - (0.08%))			
£2,091,315	Forward Currency Contract 15/12/2020: UK Sterling 2,091,315 vs Euro 2,255,000	43,370	0.04
£1,220,579	Forward Currency Contract 15/12/2020: UK Sterling 1,220,579 vs Swiss Franc 1,416,000	26,239	0.02
£352,588	Forward Currency Contract 15/12/2020: UK Sterling 352,588 vs US Dollar 451,000	3,905	0.00
Portfolio of investments		123,517,509	101.13
Net other liabilities		(1,375,405)	(1.13)
Net assets		122,142,104	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

94.75% of the sub-fund's assets are listed in the UK.

*Security listed on AIM.

ADR- American Depositary Receipt

ES River and Mercantile UK Equity Income Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains/(losses)		12,163,502		(1,930,675)
Revenue	2,645,539		5,217,203	
Expenses	(535,213)		(863,715)	
Interest payable and similar charges	(41)		—	
Net revenue before taxation for the period	2,110,285		4,353,488	
Taxation	(184,287)		(53,561)	
Net revenue after taxation for the period		<u>1,925,998</u>		<u>4,299,927</u>
Total return before distributions		14,089,500		2,369,252
Distributions		(2,446,939)		(5,146,314)
Change in net assets attributable to Shareholders from investment activities		<u>11,642,561</u>		<u>(2,777,062)</u>

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		115,676,673		192,521,632
Amounts received on creation of shares	6,147,296		1,492,418	
Amounts paid on cancellation of shares	(11,335,199)		(28,977,199)	
		(5,187,903)		(27,484,781)
Dilution adjustment		10,621		54,100
Change in net assets attributable to Shareholders from investment activities		11,642,561		(2,777,062)
Unclaimed distributions		152		—
Closing net assets attributable to Shareholders		<u>122,142,104</u>		<u>162,313,889</u>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile UK Equity Income Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		123,517,509		114,517,011
Current assets				
Debtors	1,326,521		2,282,617	
Cash and bank balances	1,995,978		2,802,169	
Total other assets		3,322,499		5,084,786
Total assets		126,840,008		119,601,797
LIABILITIES				
Investment liabilities		—		(89,090)
Creditors				
Bank overdrafts	(381)		—	
Distribution payable	(2,383,814)		(2,346,548)	
Other creditors	(2,313,709)		(1,489,486)	
Total other liabilities		(4,697,904)		(3,836,034)
Total liabilities		(4,697,904)		(3,925,124)
Net assets attributable to Shareholders		122,142,104		115,676,673

ES River and Mercantile UK Equity Income Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2020 is 3.2342p (2019: 5.3315p) per share for distribution shares.

B-Class Distribution shares

The distribution payable on 30 November 2020 is 8.8199p (2019: 14.4091p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2020 is 4.4111p (2019: 5.5128p) per share for distribution shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
A-Class Distribution shares	5,485,865	188.58	2,909,029
B-Class Distribution shares	274,170,319	504.94	54,297,362
31 March 2019			
A-Class Distribution shares	4,255,426	187.13	2,274,101
B-Class Distribution shares	188,266,206	504.93	37,285,317
31 March 2020			
A-Class Distribution shares	3,304,569	150.86	2,190,469
B-Class Distribution shares	82,481,317	410.12	20,111,283
S-Class Distribution shares	29,890,787	205.12	14,572,253
30 September 2020			
A-Class Distribution shares	3,425,725	165.56	2,069,150
B-Class Distribution shares	90,172,535	451.78	19,959,207
S-Class Distribution shares	28,543,844	226.25	12,615,937

The S-Class Distribution share class launched on 2 May 2019.

ES River and Mercantile UK Equity Income Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Diageo	4,893,708	British American Tobacco	5,632,376
National Grid	2,831,124	Kinross Gold	3,703,650
Ashmore	2,074,236	Fresnillo	3,379,628
Smith & Nephew	2,003,274	Morrison (Wm.) Supermarkets	2,418,286
Unilever	1,935,850	HSBC	2,283,822
Mondi	1,909,435	Fever-Tree Drinks	2,278,290
Royal Dutch Shell 'B'	1,611,282	Barrick Gold (Non UK Listed)	2,164,475
Synthomer	1,610,908	Centamin	1,953,425
Prudential	1,489,129	GlaxoSmithKline	1,784,625
Hikma Pharmaceuticals	1,451,428	John Laing	1,584,651

ES River and Mercantile Global Recovery Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the MSCI All Country World Index (ACWI) Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 80% of its value in shares of global companies (including Emerging Markets). Investment can be direct, or indirect, in shares (including common and preference shares and units combining common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

Up to 20% of the sub-fund may be invested in collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds), can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed meaning the Investment Manager uses their expertise to pick investments to achieve the sub-fund's objectives.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006. It looks for companies that are considered by the Investment Manager to have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of the shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators that are supportive of investing at the time of analysis).

The sub-fund will invest in a broad range of companies by region, industry sector and size. Its investments are not restricted by reference to a benchmark. However, the sub-fund will have a bias towards “Recovery” shares. These are shares of companies for which the Potential under the PVT Investment Philosophy is considered by the Investment Manager at the time of investment to be particularly high, due to levels of profits being depressed and therefore capable of significant recovery.

ES River and Mercantile Global Recovery Fund

Investment Manager's Review

Performance review

The ES River and Mercantile Global Recovery Fund B share class returned 22.8%* over the six months to 30 September 2020, compared with the MSCI All Country World index which returned 23.6%*.

Market background

After the lockdown-induced low earlier in the year, economies around the world bottomed out in April, with the recovery starting to come through in May and June, and they have continued that recovery over the summer and into autumn. However, a second wave of Covid-19 cases has hit most countries, stalling re-openings and leading to the recovery in some segments of economies being put on hold and market sentiment becoming more cautious.

Overall global equity markets have rebounded strongly since the dramatic falls early in the year as the economic ramifications of a global pandemic became clear. This recovery started with a robust rally in the second quarter, after it seemed that the threat of Covid-19 peaked, as economies and corporate profits bottomed-out and as very supportive monetary and fiscal policy kicked in.

Although this continued into the third quarter and thus the second half of the period under review, this has faded latterly with the economic uncertainty associated with a second wave of the virus and increased focus on an uncertain US Presidential election. Notwithstanding this, overall in the six months to the end of September global market returns have made up for the losses at the start of the crisis. The UK market has also been positive during the period, but we haven't seen the double digit returns of the global markets. The UK market has been handicapped by an underwhelming management of the Covid crisis and returning Brexit worries.

Our key investment factor, Value has continued to be unloved by the market. It is highly unusual for Value to underperform during economic recovery periods, so this remains a very significant anomaly that needs some explaining. Suffice to say that Growth and Quality have benefitted from falling interest rates, relatively strong corporate fundamentals through the Covid crisis and better positioning regarding sustainability and flows of liquidity. Value has not benefitted from these.

Performance

Despite many good stock picks, with the ongoing Value headwind and mega cap tech leadership (despite the short correction towards the end of the period), performance was modest over the period, fractionally behind the benchmark. During the relatively short-lived periods when value did well during the period, often when bond yields moved up a few basis points and other investors were prepared to look beyond the most reliable stocks, we performed very strongly indeed.

The fact that Growth and Quality stocks continued to outperform Value impacted performance negatively (**Amazon** and **Taiwan Semiconductor**), as did our US equity underweight and US mega-cap tech underweight (**Apple**, **Tesla**). Positive performance came from PVT stock picks, being underweight in oil majors and the fact some recovery stocks were starting to bounce (**Freeport McMoran**) Our Germany and UK allocation and stock selection was also positive.

Activity

The portfolio continues to have a very clear value bias, with strong absolute valuation support. There is a robust multi-cap bias, including an overweight position in undiscovered smaller growth stocks. Our activity over the period has focused on adding to stocks with traditional value characteristics (such as banks and specialist financials), stocks that are attractively valued and currently out-of-favour Quality and Growth franchises (**Alibaba** and **Walt Disney**), high scoring MoneyPenny stocks (**MakeMyTrip**, **Cargotech** and **Owens Corning**) and domestic stocks that are temporarily disliked (**Ceconomy** and **Resideo Technologies**). Sales over the period have included taking full profits where our PVT thesis has been delivered (**China New Higher Education** and **Industrias Romi**), top-slicing into relative strength (**Shop Apotheke Europe** and **Yandex**) or re-focusing capital towards higher conviction ideas (**Sina** (a bid), **Omnicom** and **Petrobras**).

ES River and Mercantile Global Recovery Fund

Investment Manager's Review continued

Outlook

Looking specifically at our key investment factor of Value, we do believe that Value will come back. It almost always does well in an economic recovery, especially if that recovery happens at a time when Value is relatively attractively priced, which it most definitely is today. What is likely to happen at some point over the next few quarters is this: global economies will continue to recover through 2021, especially if there is confidence that we are finally through the worst of the virus, perhaps catalysed by a vaccine or just post 2nd wave maturation of the pandemic; the massive monetary and fiscal stimulus will continue to positively impact; deflation will turn to reflation; bond yields will bottom-out; Growth and Quality stocks' relative fundamentals will peak as more cyclical Value stocks start to see profits recover and brought forward digital spending struggles to preserve the momentum embedded in many growth and quality stock share prices; and finally, liquidity and passive investing may change direction as momentum shifts from deflation to reflation beneficiaries.

Looking at equity markets more generally, we believe that the profit cycle has now moved early cycle, with return on equity around the world quite depressed. This provides a base for attractive levels of profits growth from here as returns normalise. Recovery stocks, in particular, should see strong profits growth. UK returns are at a cycle low.

From a valuation perspective, equities remain attractively valued versus other assets, government bonds, in particular. Within equity markets there are quite a few that look attractively valued from an absolute, as well as relative perspective – this would clearly include the UK, and also much of Europe and Asia. US equities continue to look expensive in absolute terms, and trade at significant premium to other regions but are supported by low government bond yields.

Whilst there are some positive timing indicators including very supportive monetary and fiscal policy, positive cycle indicators such as PMIs, the economic and profit cycles moving into a recovery phase, we still need to be cautious of recovery being disrupted by the 2nd wave of Covid cases and geo-political uncertainties, notably the US Presidential election which is likely to be closer than the polls indicate, which put Biden ahead. A victory for the Democrats is likely to be more inflationary and supportive of value stocks. But Covid is probably key, the market needs a vaccine type event to provide the certainty that we can move to a post-Covid world.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile Global Recovery Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM - 5.86% (2020 - 5.57%)			
47,300	Anglo American	887,253	0.33
1,811,452	Capita	553,761	0.21
359,370	Chemring	867,879	0.33
1,464,137	Eckoh*	995,613	0.38
6,343,460	Filtronic*	494,790	0.19
180,640	Gresham House*	1,345,768	0.51
39,030	GVC	380,074	0.14
351,010	Hunting	452,101	0.17
9,340	Hutchison China MediTech	45,579	0.02
78,840	IG	624,019	0.24
200,420	IMImobile*	881,848	0.33
3,512,350	Lloyds Banking	925,680	0.35
44,280	Manchester United	498,013	0.19
666,730	Northbridge*	513,382	0.19
42,160	nVent Electric	576,569	0.22
36,543	Persimmon	903,708	0.34
260,000	Playtech	943,020	0.36
88,583	Prudential	982,386	0.37
996,750	Rangers International Football**	179,415	0.07
752,471	Royal Bank of Scotland	797,619	0.30
158,319	SDL	1,070,236	0.40
160,971	Standard Chartered	573,218	0.22
ARGENTINA - 0.39% (2020 - 0.34%)			
191,411	America Airports	330,172	0.12
840	Mercadolibre	702,603	0.27
AUSTRALIA - 0.89% (2020 - 0.79%)			
14,000	Rio Tinto	731,940	0.28
584,440	South32	667,314	0.25
151,869	Sydney Airport	492,562	0.18
95,170	Treasury Wine Estates	471,180	0.18
AUSTRIA - 0.95% (2020 - 0.49%)			
88,850	AMS	1,565,741	0.59
34,805	Raiffeisen International Bank	413,575	0.16
30,403	Vienna Insurance	525,630	0.20
BELGIUM - 0.00% (2020 - 0.27%)			
BRAZIL - 1.45% (2020 - 2.62%)			
38,399	B2W Cia Digital	474,164	0.18
138,050	Banco Bradesco pref.	367,727	0.14
814,920	Cielo	439,512	0.17
530,610	Eucatex SA Industria e Comercio pref.	462,394	0.17
100,000	Lojas Americanas pref.	389,060	0.15
312,890	Marisa Lojas	298,428	0.11
680,501	Profarma Distribuidora de Produtos Farmaceuticos	437,057	0.17
106,140	Qualicorp	494,809	0.19
866,280	Technos	118,883	0.04
296,675	Valid Solucoes	350,955	0.13
BRITISH VIRGIN ISLANDS - 0.42% (2020 - 0.62%)			
43,280	Capri	602,599	0.23
59,500	Hollysys Automation Technologies	508,106	0.19

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	CANADA - 0.39% (2020 - 0.20%)		
12,760	Canada Goose	315,887	0.12
499,788	Enerplus	703,295	0.27
	CHILE - 0.18% (2020 - 0.24%)		
108,539	Inversiones La Construcción	477,436	0.18
	CHINA - 7.28% (2020 - 9.86%)		
25,280	21Vianet	452,686	0.17
83,990	Alibaba	2,308,652	0.87
5,000	Autohome ADR	371,287	0.14
17,896	Baidu ADR	1,752,363	0.66
1,030,780	Beijing Capital International Airport	475,308	0.18
382,767	Chanjet Information Technology	500,464	0.19
1,143,940	China Communications Construction	461,266	0.17
1,150,000	China Everbright International	503,882	0.19
447,810	China Lesso	621,263	0.24
1,355,020	China Longyuan Power	654,573	0.25
115,020	China Merchants Bank 'H'	419,592	0.16
1,107,939	China Resources Phoenix Healthcare	557,331	0.21
2,526,800	China Sanjiang Fine Chemicals	461,518	0.17
590,110	China Yongda Auto	539,505	0.20
1,712,583	Chinasoft International	955,499	0.36
582,490	CNOOC	432,542	0.16
375,000	COSCO Pacific	165,432	0.06
426,750	Geely Automobiles	655,936	0.25
532,163	Greentown Service	506,711	0.19
878,630	Haitong Securities	575,277	0.22
655,367	Huifu Payment	134,747	0.05
27,960	iQIYI ADR	488,132	0.19
43,940	JD.com	1,287,606	0.49
36,410	Kingsoft	140,092	0.05
36,450	Momo ADR	387,676	0.15
1,111,920	PAX Global Technology	514,942	0.20
59,800	Ping An Insurance	474,499	0.18
22,200	Tencent	1,133,354	0.43
31,382	Trip.com ADR	755,178	0.29
48,437	Yunnan Baiyao	562,861	0.21
	COLOMBIA - 1.04% (2020 - 0.89%)		
81,611	Bancolombia	397,663	0.15
533,267	Bolsa de Valores de Colombia	1,147,247	0.44
1,326,194	CEMEX LatAm	746,547	0.28
107,933	Gpo De Inversiones	446,643	0.17
	CYPRUS - 0.00% (2020 - 0.00%)		
108,162	Cairo Mezz	6,397	0.00
	DENMARK - 0.40% (2020 - 0.31%)		
590	AP Moeller-Maersk 'A'	671,145	0.25
3,800	Carlsberg 'B'	397,580	0.15
	FINLAND - 0.68% (2020 - 0.51%)		
91,479	Alma Media	617,356	0.23
23,790	Cargotec	635,292	0.24
178,790	Nokia	542,719	0.21

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	FRANCE - 4.70% (2020 - 4.35%)		
26,370	Accor	573,828	0.22
10,480	Airbus	590,044	0.22
8,380	Atos	522,966	0.20
25,590	BNP Paribas	718,990	0.27
73,813	Cegedim	1,780,966	0.67
928,200	CGG	482,433	0.18
79,503	Criteo	747,800	0.28
7,430	Danone	372,157	0.14
2,510	Eiffage	158,917	0.06
10,812	Eurazeo	452,310	0.17
23,570	Fnac darty	820,979	0.31
30,842	Herige	671,421	0.25
13,117	Ipsos	252,238	0.10
1,280	LVMH Moët Hennessy	463,723	0.18
16,980	Maisons du Monde	197,146	0.07
5,000	Saint-Gobain	163,318	0.06
68,760	Société Générale	705,906	0.27
4,368,590	Solocal	119,275	0.05
4,368,590	Solocal rights 30/09/2020	396	0.00
6,250	Sopra Steria	766,475	0.29
28,440	Valeo	677,174	0.26
33,100	Veolia Environnement	553,043	0.21
24,949	Vicat	639,312	0.24
	GERMANY - 4.53% (2020 - 4.01%)		
48,700	Aixtron	454,554	0.17
95,035	Aumann	980,995	0.37
11,380	BASF	536,768	0.20
13,520	Bayer (Regd.)	654,140	0.25
75,200	Borussia Dortmund	349,926	0.13
262,385	Ceconomy	997,227	0.38
7,120	Continental	599,722	0.23
15,320	Fraport	467,750	0.18
19,260	Fresenius	678,192	0.26
19,360	GEA	525,949	0.20
6,760	Henkel	489,011	0.18
29,300	Infineon Technologies	641,041	0.24
10,740	Kion	712,915	0.27
9,960	Porsche pref. (non-voting)	462,743	0.17
46,890	ProSiebenSat.1 Media	478,066	0.18
4,695	Siemens Energy	96,417	0.04
9,070	Siemens (Regd.)	890,011	0.34
2,250	SMA Solar Technology	78,453	0.03
4,270	Volkswagen pref. (non-voting)	533,184	0.20
9,389	zooplus	1,347,308	0.51
	GREECE - 0.74% (2020 - 1.21%)		
1,188,659	Eurobank Ergasias	406,373	0.15
188,566	Fourlis	646,541	0.25
38,234	Jumbo	520,214	0.20
24,740	Piraeus Port Authority	374,763	0.14

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
HONG KONG - 2.09% (2020 - 2.35%)			
548,587	Chow Sang Sang	450,622	0.17
120,140	CK Hutchison	558,780	0.21
81,900	Dairy Farm International	238,199	0.09
7,232,154	Hi Sun Technology	613,555	0.23
15,630	Hong Kong Exchanges and Clearing	564,098	0.21
164,800	Hong Kong Land	470,384	0.18
5,508,290	Hutchison Port Holdings Trust	698,762	0.26
26,410	Jardine Strategic (Singapore quote)	404,689	0.15
913,000	Shangri-La Asia	574,999	0.22
733,798	Swire Pacific 'B'	470,196	0.18
1,503,684	Value Partners	493,764	0.19
INDIA - 0.67% (2020 - 0.59%)			
16,480	HDFC Bank ADS	636,867	0.24
95,613	Makemytrip	1,133,777	0.43
INDONESIA - 1.21% (2020 - 1.23%)			
4,027,211	Link Net Tbk PT	368,453	0.14
63,352,900	Mega Manunggal Property	849,673	0.32
9,682,455	Nippon Indosari Corpindo	616,577	0.23
867,352	Semen Indonesia	413,682	0.16
7,025,570	Tower Bersama Infrastructure	487,560	0.19
1,110,600	Unilever Indonesia	460,420	0.17
IRELAND - 0.96% (2020 - 0.72%)			
443,310	Bank of Ireland	636,948	0.24
717,512	Cairn Homes	506,349	0.19
3,130	Flutter Entertainment	383,425	0.15
32,098	Johnson Controls International	1,013,738	0.38
ITALY - 5.26% (2020 - 6.22%)			
50,000	Alkemy	247,630	0.09
218,833	Anima	664,965	0.25
28,800	Autostrada Torino-Milano	465,784	0.18
111,845	Banca Farmafactoring SpA	483,923	0.18
95,985	Cerved Information Solutions	530,662	0.20
45,292	Datalogic	489,710	0.19
44,256	Digital Value	1,192,257	0.45
63,850	Eni	387,229	0.15
13,740	EXOR	579,287	0.22
72,300	FinecoBank	769,595	0.29
35,581	Gruppo MutuiOnline	763,291	0.29
593,235	Intesa Sanpaolo	862,584	0.33
352,648	Mediaset	523,638	0.20
124,550	Mediobanca	756,711	0.29
369,070	Prada	1,112,456	0.42
248,844	Saipem	331,243	0.12
12,000	Salvatore Ferragamo Italia	136,714	0.05
75,847	Tinexta	1,142,057	0.43
99,760	UniCredit	637,045	0.24
118,750	Unipol Gruppo Finanziario	401,560	0.15
9,160	Wiit	1,441,571	0.54

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	JAPAN - 9.33% (2020 - 11.56%)		
22,380	AGC	502,786	0.19
28,450	Bank of Kyoto	1,055,177	0.40
37,230	Coca-Cola Bottlers	479,739	0.18
55,950	Dai-ichi Life	605,517	0.23
61,440	Dena	868,713	0.33
21,510	Dowa	484,817	0.18
4,140	Fanuc	608,881	0.23
13,324	Fukuda Denshi	684,613	0.26
41,730	Japan Petroleum Exploration	498,573	0.19
122,334	Kitz	535,321	0.20
10,850	Kyocera	476,534	0.18
4,300	Meitec	167,992	0.06
11,200	Mixi	232,244	0.09
23,710	MS&AD Insurance	490,261	0.18
57,140	Nichi-iko Pharmaceutical	500,077	0.19
103,000	Nikon	533,764	0.20
2,400	Nintendo	1,049,511	0.40
522,370	Nippon Parking	501,582	0.19
9,340	Nitto Denko	467,585	0.18
191,360	Nomura	671,160	0.25
23,000	NS Solutions	546,217	0.21
17,418	Okamoto Industries	524,088	0.20
142,070	Rakuten	1,177,762	0.44
11,470	ROHM	680,150	0.26
119,630	Sansei Technologies	555,933	0.21
41,000	SBI Holdings	815,016	0.31
45,550	Seino	508,822	0.19
14,770	SoftBank	697,961	0.26
14,680	Sony	863,395	0.33
34,960	Sumitomo Mitsui Financial	747,354	0.28
55,000	TADANO	347,909	0.13
29,091	Taiheiyo Cement	569,968	0.22
16,750	Takeda Pharmaceutical	459,544	0.17
69,942	Tosei	500,870	0.19
15,139	Toyota Industries	736,814	0.28
10,710	Trend Micro	500,844	0.19
27,613	Tsubakimoto Chain	499,721	0.19
29,520	Tsumura	707,549	0.27
66,000	Vital KSK	526,823	0.20
251,581	Yahoo Japan	1,287,140	0.49
	LUXEMBOURG - 0.18% (2020 - 0.26%)		
121,099	Tenaris	467,612	0.18
	MACAU - 0.20% (2020 - 0.52%)		
434,060	Wynn Macau	534,604	0.20
	MALAYSIA - 1.45% (2020 - 1.85%)		
890,700	CIMB	510,653	0.19
957,710	Genting Berhad	566,898	0.21
1,619,540	IJM Corporation Berhad	434,108	0.16
584,230	Malaysia Airports	515,473	0.20

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
MALAYSIA continued			
1,095,470	Sime Darby	505,704	0.19
6,498,540	Sime Darby Property	701,597	0.27
10,223,700	Tune Protect	599,463	0.23
MEXICO - 0.93% (2020 - 1.08%)			
384,044	Cemex ADR	1,128,842	0.43
3,992,591	Consortio	353,939	0.13
563,260	Genomma Lab Internacional	424,327	0.16
944,807	Grupo Traxion SAB de CV	539,614	0.21
NETHERLANDS - 3.07% (2020 - 2.82%)			
600	ASML	171,273	0.07
11,850	Basic-Fit	218,200	0.08
88,928	Heijmans	584,814	0.22
125,220	ING	687,975	0.26
36,010	Intertrust	474,929	0.18
41,236	Kendrion	561,808	0.21
12,663	Koninklijke Philips	461,747	0.17
8,463	NXP Semiconductors	816,384	0.31
18,368	Prosus	1,311,226	0.50
8,680	Shop Apotheke Europe	1,171,558	0.44
18,912	TKH	528,359	0.20
55,158	Van Lanschot	786,506	0.30
367,533	VEON ADR	355,365	0.13
NORWAY - 0.00% (2020 - 0.00%)			
PHILIPPINES - 0.20% (2020 - 0.50%)			
6,585,700	Cosco Capital	537,995	0.20
POLAND - 0.22% (2020 - 0.21%)			
41,010	Wirtualna Polska	585,804	0.22
PORTUGAL - 0.69% (2020 - 0.74%)			
1,853,080	Banco Espirito Santo**	-	0.00
113,687	Ibersol	487,768	0.18
220,416	Novabase SGPS	673,774	0.26
1,258,159	Sonae	659,636	0.25
RUSSIA - 0.89% (2020 - 0.96%)			
40,960	Mail.ru GDR	868,119	0.33
61,620	QIWI ADR	827,447	0.31
13,040	Yandex 'A'	657,749	0.25
SINGAPORE - 1.20% (2020 - 1.10%)			
28,840	DBS	325,202	0.12
656,320	Fraser and Neave	449,993	0.17
1,450,430	Genting Singapore	550,651	0.21
298,716	SATS	479,015	0.18
70,000	Singapore Exchange	362,534	0.14
385,390	Wing Tai Holdings	379,974	0.14
4,007,270	Yoma Strategic	635,786	0.24

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
SOUTH AFRICA - 0.78% (2020 - 0.79%)			
96,683	Absa	400,471	0.15
119,208	MultiChoice	535,344	0.21
6,000	Naspers 'N'	823,599	0.31
11,206,336	PPC	301,415	0.11
SOUTH KOREA - 3.71% (2020 - 3.46%)			
8,663	CJ	465,257	0.18
4,564	CJ O Shopping	429,555	0.16
10,500	DoubleUGames	516,691	0.19
6,282	Hyundai Glovis	598,313	0.23
2,600	Hyundai Mobis	394,661	0.15
10,971	Hyundai Motor pref. '2'	640,005	0.24
31,263	Kangwon Land	444,567	0.17
41,693	Kginicis	561,172	0.21
2,010	LG Chemical	868,116	0.33
13,186	LG pref.	451,764	0.17
55,440	Minwise	572,027	0.22
4,200	NAVER	823,649	0.31
5,169	Pearl Abyss	690,941	0.26
7,300	Samsung C&T	504,554	0.19
34,620	Samsung Electronics	1,332,657	0.50
12,880	Samsung Life Insurance	519,654	0.20
SPAIN - 1.68% (2020 - 1.71%)			
4,700	Aena	508,604	0.19
12,660	Amadeus IT	546,500	0.21
139,693	Applus Services	810,320	0.30
403,030	Banco Santander (Regd.)	584,630	0.22
134,087	Bankinter	447,220	0.17
16,137	Corporacion Financiera Alba	520,360	0.20
100,000	Indra Sistemas	551,045	0.21
48,950	Neinor Homes	483,972	0.18
SWEDEN - 0.99% (2020 - 0.70%)			
33,643	KNOW IT AB	657,124	0.25
96,380	Modern Times 'B'	1,049,547	0.40
19,370	Nordic Entertainment	637,151	0.24
18,490	Volvo 'B'	276,856	0.10
SWITZERLAND - 2.14% (2020 - 2.25%)			
31,410	ABB (Regd.)	620,160	0.23
11,500	Adecco (Regd.)	471,348	0.18
17,510	Compagnie Financière Richemont	909,629	0.34
1,130	Dorma + Kaba	475,709	0.18
19,424	Dufry	466,097	0.18
354,490	GAM	530,974	0.20
2,000	Roche Holding	530,690	0.20
20,000	STMicroelectronics	476,212	0.18
2,020	Swatch 'I'	365,495	0.14
95,969	UBS	831,861	0.31

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	TAIWAN - 0.87% (2020 - 0.93%)		
133,451	Ginko International	477,602	0.18
63,600	MediaTek	1,031,064	0.39
83,070	Yageo	778,738	0.30
	THAILAND - 0.21% (2020 - 0.27%)		
239,700	Bangkok Bank (Bangkok Alien Market)	561,719	0.21
	TURKEY - 0.18% (2020 - 0.38%)		
104,080	Coca-Cola Icecek	468,153	0.18
	UNITED STATES OF AMERICA - 29.43% (2020 - 24.20%)		
8,160	3M	1,010,595	0.38
4,310	Accenture	752,750	0.28
12,520	Affiliated Managers	662,123	0.25
1,935	Alphabet 'A'	2,192,187	0.83
985	Amazon	2,397,288	0.91
5,320	American Express	412,415	0.16
15,510	Apple	1,386,998	0.52
12,840	Applied Materials	589,957	0.22
32,470	Artisan Partners Asset Management 'A'	979,274	0.37
42,820	Avnet	854,545	0.32
77,392	Baker Hughes GE	794,992	0.30
59,590	Bank of America	1,109,477	0.42
98,187	Blue Apron	543,036	0.21
3,180	Boeing	406,281	0.15
1,020	Booking	1,347,879	0.51
34,350	BorgWarner	1,028,799	0.39
14,130	Bristol-Myers Squibb	658,628	0.25
124,190	Cars.com	775,227	0.29
26,520	CBRE 'A'	963,319	0.36
34,220	Charles Schwab	958,732	0.36
29,880	Cisco Systems	909,713	0.34
35,350	Citigroup	1,177,148	0.45
46,164	Citizens Financial	902,355	0.34
10,417	CVS Health	470,409	0.18
5,550	Darden Restaurants	432,478	0.16
100,962	Devon Energy	738,003	0.28
14,690	Disney (Walt)	1,410,367	0.53
22,070	DR Horton	1,290,945	0.49
59,330	Dropbox	883,892	0.33
46,250	DXC Technology	638,585	0.24
13,740	Dynatrace	435,858	0.16
8,110	Eastman Chemical	489,812	0.19
14,940	eBay	601,968	0.23
58,870	Extended Stay America	544,165	0.21
35,680	Exxon Mobil	946,922	0.36
10,107	Facebook	2,045,870	0.77
6,160	FedEx	1,197,455	0.45
7,710	Fiserv	614,152	0.23
104,790	Freeport McMoRan 'B'	1,266,104	0.48
128,950	General Electric	620,412	0.23
35,925	General Motors	821,984	0.31
8,680	Gilead Sciences	423,929	0.16

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES OF AMERICA continued			
49,650	H&R Block	625,618	0.24
41,520	Harley-Davidson	787,493	0.30
9,210	IBM	866,287	0.33
61,410	IMAX	568,118	0.22
29,590	Intel	1,184,699	0.45
38,850	Jefferies Financial	540,618	0.20
4,430	Johnson & Johnson	509,443	0.19
12,430	JPMorgan Chase	925,231	0.35
19,058	Knight-Swift Transportation	599,543	0.23
23,930	Kraft Heinz Foods	554,011	0.21
22,770	Las Vegas Sands	821,291	0.31
15,920	Leggett & Platt	506,859	0.19
2,670	Madison Square Garden	310,784	0.12
56,820	Mattel	514,228	0.19
4,611	McKesson	530,900	0.20
20,180	Micron Technology	733,023	0.28
59,261	Mosaic	836,567	0.32
72,072	Mylan	826,197	0.31
80,366	National Oilwell Varco	562,587	0.21
4,580	Nike 'B'	444,715	0.17
18,600	Oracle	858,495	0.33
16,660	Owens Corning	886,351	0.34
5,070	Parker-Hannifin	793,482	0.30
14,720	PayPal	2,242,386	0.85
36,940	Pfizer	1,048,081	0.40
16,428	Ping Identity	396,468	0.15
2,170	Ralph Lauren	114,073	0.04
13,388	Raytheon	595,459	0.23
14,520	RE/MAX	367,605	0.14
204,620	Resideo Technologies	1,741,043	0.66
830,422	Samsonite International	644,830	0.24
91,770	SLM	574,272	0.22
5,120	Snap-on	582,376	0.22
531,025	Somero Enterprises*	1,354,114	0.51
19,740	Southwest Airlines	572,289	0.22
4,310	Spotify Technology	808,125	0.31
12,420	Starbucks	824,958	0.31
24,340	State Street	1,116,838	0.42
6,080	Take-Two Interactive Software	776,366	0.29
59,271	Titan Cement International	589,242	0.22
38,342	Toyo Tanso	496,035	0.19
485,870	Tremor International*	884,283	0.33
29,430	TripAdvisor	445,730	0.17
10,880	Twitter	374,421	0.14
43,150	Uber Technologies	1,216,931	0.46
71,132	Veeco Instruments	642,103	0.24
30,023	ViacomCBS	650,251	0.25
50,422	Wells Fargo	916,161	0.35
31,950	Western Union	528,875	0.20
35,980	WestRock	966,573	0.37
1,800	WW Grainger	496,671	0.19

ES River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	UNITED STATES OF AMERICA continued		
19,440	WW International	283,751	0.11
23,304	Zions Bancorporation	526,359	0.20
80,000	Zynga	564,356	0.21
	URUGUAY - 0.15% (2020 - 0.13%)		
123,991	Arcos Dorados 'A'	392,267	0.15
	FORWARD CURRENCY CONTRACTS - 0.20% (2020 - 0.13%)		
€2,778,000	Forward Currency Contract 15/12/2020: Euro 2,778,000 vs UK Sterling 2,552,821	(29,898)	(0.01)
€2,606,000	Forward Currency Contract 15/12/2020: Euro 2,606,000 vs US Dollar 3,064,143	(2,281)	0.00
£21,178,390	Forward Currency Contract 15/12/2020: UK Sterling 21,178,390 vs Euro 22,836,000	439,202	0.17
£115,821	Forward Currency Contract 05/10/2020: UK Sterling 115,821 vs Korean Won 174,525,914	389	0.00
\$18,955,469	Forward Currency Contract 15/12/2020: US Dollar 18,955,469 vs Euro 15,985,000	137,893	0.05
\$5,998,539	Forward Currency Contract 15/12/2020: US Dollar 5,998,539 vs Japanese Yen 636,319,000	(29,007)	(0.01)
	Portfolio of investments***	261,239,734	98.79
	Net other assets	3,196,152	1.21
	Net Assets	264,435,886	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

*Security listed in AIM.

**Delisted security.

***Included investment liabilities.

ADR- American Depositary Receipt

ADS- American Depositary Share

GDR- Global Depositary Receipt

ES River and Mercantile Global Recovery Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains		69,285,960		8,360,454
Revenue	3,459,356		7,967,467	
Expenses	(1,560,381)		(2,230,199)	
Interest payable and similar charges	(3,940)		(17,163)	
Net revenue before taxation for the period	1,895,035		5,720,105	
Taxation	(324,126)		(656,512)	
Net revenue after taxation for the period		1,570,909		5,063,593
Total return before distributions		70,856,869		13,424,047
Distributions		(1,580,053)		(5,072,624)
Change in net assets attributable to Shareholders from investment activities		69,276,816		8,351,423

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		321,169,062		422,615,434
Amounts received on creation of shares	4,148,766		45,282,069	
Amounts paid on cancellation of shares	(130,665,956)		(47,238,260)	
		(126,517,190)		(1,956,191)
Dilution adjustment		325,063		146,891
Change in net assets attributable to Shareholders from investment activities		69,276,816		8,351,423
Retained distributions on accumulation shares		182,135		272,157
Closing net assets attributable to Shareholders		264,435,886		429,429,714

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile Global Recovery Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		261,300,920		321,318,858
Current assets				
Debtors	8,292,813		10,849,927	
Cash and bank balances	8,051,176		227,014	
Total other assets		<u>16,343,989</u>		<u>11,076,941</u>
Total assets		<u>277,644,909</u>		<u>332,395,799</u>
LIABILITIES				
Investment liabilities		(61,186)		(345,742)
Creditors				
Bank overdrafts	(38,473)		(644,349)	
Distribution payable	(1,085,813)		(868,129)	
Other creditors	(12,023,551)		(9,368,517)	
Total other liabilities		<u>(13,147,837)</u>		<u>(10,880,995)</u>
Total liabilities		<u>(13,209,023)</u>		<u>(11,226,737)</u>
Net assets attributable to Shareholders		<u>264,435,886</u>		<u>321,169,062</u>

ES River and Mercantile Global Recovery Fund

Fund Facts

Distribution information

B-Class Distribution shares

The distribution payable on 30 November 2020 is 1.7936p (2019: 5.3731p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2020 is 1.0913p (2019: 2.7995p) per share for distribution shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2020 is 9.1785p (2019: 17.6309p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
B-Class Distribution shares	412,855,573	512.49	80,558,281
Z-Class Accumulation shares	25,570,831	1,110.85	2,301,918
31 March 2019			
B-Class Distribution shares	224,624,811	500.57	44,873,619
S-Class Distribution shares	181,050,714	232.42	77,899,673
Z-Class Accumulation shares	16,939,909	1,107.21	1,529,966
31 March 2020			
B-Class Distribution shares	134,132,332	378.17	35,469,090
S-Class Distribution shares	169,945,039	175.51	96,828,336
Z-Class Accumulation shares	17,091,691	855.41	1,998,065
30 September 2020			
B-Class Distribution shares	121,760,966	464.53	26,211,814
S-Class Distribution shares	121,636,290	215.61	56,415,235
Z-Class Accumulation shares	21,038,630	1,060.22	1,984,360

The S-Class Distribution share class launched on 19 July 2018.

ES River and Mercantile Global Recovery Fund

Fund Facts continued

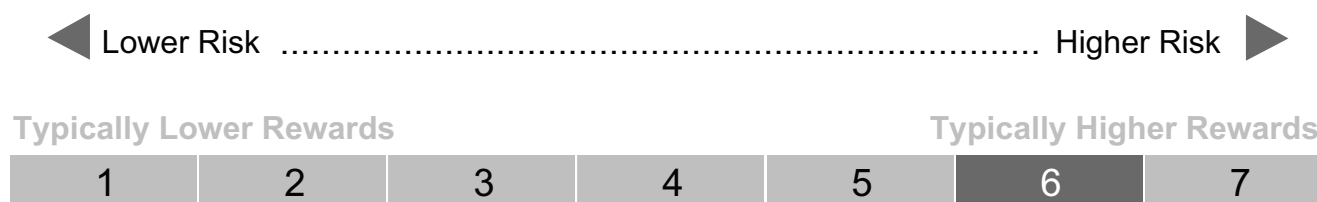
Operating Charges

	30 September 2020
B-Class Distribution shares	1.19%
S-Class Distribution shares	0.94%
Z-Class Accumulation shares	0.19%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.35% above the annual management charge, with any costs above this amount absorbed by the Investment Manager.

Synthetic Risk Reward Indicator (SRRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Emerging market risk: the sub-fund may invest in emerging markets which may be more volatile than developed markets and be more susceptible to unforeseen events such as devaluations, political instability, etc.
- Forward FX risk: the sub-fund may use forward FX transactions for efficient portfolio management purposes only to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

ES River and Mercantile Global Recovery Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
CBRE 'A'	1,184,356	Facebook	3,271,660
AMS	1,143,419	Shop Apotheke Europe	2,240,722
Owens Corning	917,419	Prada	1,797,198
Intel	841,813	Baidu ADR	1,418,883
Twitter	824,191	Freeport McMoRan 'B'	1,288,460
Fiserv	818,372	China New Higher Education	1,260,333
Starbucks	804,132	UnitedHealth	1,223,814
Resideo Technologies	789,808	Petroleo Brasileiro pref.	1,202,559
Ceconomy	738,267	WiiT	1,188,333
Cars.com	727,459	MediaTek	1,167,448

ES River and Mercantile Dynamic Asset Allocation Fund

Investment Objective

The investment objective of the sub-fund is to achieve an average return (income and growth in the value of the your investment (known as “capital growth”)) of 4.125% per year above cash (based on the 3 month sterling SONIA interest rate) (the “Benchmark”) over a rolling 3 year period, after the deduction of all fees.

There can be no guarantee that the investment objective of the sub-fund will be achieved over a 3 year period or any other period and your investment is at risk.

Investment Policy

The sub-fund will seek to achieve its objective by investing in collective investment schemes (including exchange traded funds), which can include those operated and/or managed by the ACD or the Investment Manager, which invest primarily in the following assets: shares of companies, bonds issued or guaranteed by governments, companies or supranational entities (which can be investment grade and sub-investment grade - an investment grade rating conveys the rating agency’s view that there is a lower risk of loss resulting from the issuer defaulting, than would apply to a sub-investment grade bond), hedge funds, commodities, property shares, cash and near cash.

The sub-fund may also invest directly in shares of companies, bonds (as set out above) and cash, and can invest indirectly in companies using depository receipts (securities issued by banks that represent company shares).

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way. The sub-fund may also invest in derivatives, including forward contracts and other derivatives (including total return swaps, options and futures).

The sub-fund is actively managed, meaning the Investment Manager uses their expertise to pick investments to achieve the sub-fund’s objective.

The Investment Manager will use a process called “asset allocation” to determine how much of the sub-fund will be invested in each asset class from time to time, and how the sub-fund will invest in each asset class (for example in different geographic regions or by industry sectors such as oil and gas or financial companies). The Investment Manager considers its approach to asset allocation to be dynamic, meaning the asset allocation is likely to change regularly to adapt to the Investment Manager’s expectation or assessment of changes to economic and market conditions to take advantage of perceived investment opportunities they identify.

In determining how much of the sub-fund will be invested in each asset class from time to time the Investment Manager will be subject to the following limits:

- up to 80% of the sub-fund can be invested in shares of companies
- up to 50% of the sub-fund can be invested in non-investment Grade bonds
- at least 60% of the assets must be denominated in Sterling or hedged back to Sterling.

ES River and Mercantile Dynamic Asset Allocation Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile Dynamic Asset Allocation Fund B share class returned 12.0%* over the six months to 30 September 2020, compared with its performance target of 3 month LIBOR +4% p.a. which returned 2.3%* over the same period.

Market Background

Global markets rallied strongly in the six months to 30 September despite weak economic data in the wake of the pandemic. US equity markets were up c.31% while Asian and European indices increased c.26% and c.19% respectively. The period was dominated by the global response to the Covid-19 crisis where policy makers were effective in providing a backstop to financial markets through ultra-loose monetary and fiscal policy.

Economic data highlighted the extent of the crisis, with UK GDP falling 20.4% in Q2 and the US and EU faring similarly poorly. Depressed levels of economic activity were also reflected in record low PMIs as well as significant decreases in consumer spending. Unemployment rates spiked above 10% in the US, whilst other major economies supported workers through government-backed furlough schemes.

With governments and central banks accused of having little firepower left to stimulate growth, policy makers were forced to find creative tools to support economies. European rates went further negative whilst the US and UK dropped rates to near-zero, with the latter exploring the possibility of negative rates in the future. The Fed also purchased investment grade bonds for the first time as part of QE operations. Fiscal policy was unprecedented too, with global stimulus over three times that of the 2008-2010 recession. The EU successfully negotiated a landmark €750bn Pandemic Recovery Fund, seen as a sign of a closer union.

As economies reopened, the pick-up in activity was reflected by economic data rising off record lows. Consumer confidence increased alongside PMIs, although workplace attendance and international travel materially lagged pre-Covid levels. As the pandemic continued to unfold, divergences grew between regions, sectors, and indeed types of companies. US equities performed strongly due to their large weighting to technology companies, the main beneficiaries of accelerated digital adoption, while domestic Chinese equities have been resilient as new cases remain relatively low. On the other hand, cyclical companies are yet to rebound while the UK's exposure to energy and more value-style sectors has resulted in it lagging other major markets.

Credit markets also recovered from the initial panic that significantly widened spreads. In part due to central bank purchases, credit spreads have returned close to pre-Covid levels with high yield, investment grade and emerging market debt all producing strong positive returns over the period.

After multiple months of positive performance, return seeking assets headed into September at stretched valuations. Many investors took the chance to crystallise profits, amid a growing number of risks. Attention focussed on the US election where Biden remains the favourite and polls show an increased chance of a Democrat Senate victory, while Brexit negotiations looked set to intensify in the hope of last-minute compromise. More prevalent however is the meaningful rise in Covid-19 cases inducing stricter restrictions across many developed economies, and with stimulus becoming increasingly political in the US, risk assets sold off to return a negative month of performance for September.

Activity

We continue to focus on high quality assets as well as areas of the market supported by policy.

Throughout the second quarter we reduced exposure to defensive assets following strong performance and amid improving short-term economic expectations. Proceeds were reinvested primarily into credit, using a specialised mandate to take advantage of opportunistic dislocations. We increased exposure to investment grade credit, in line with our preference for high quality assets and those supported by policy. We also increased our equity allocation, as well as adding exposure to gold which is typically a beneficiary of lower real rates.

The growing policy response continued to be the dominant driving force behind markets over the third quarter, supporting our higher risk allocation. However, as valuations increased in September, we reduced our equity exposure in favour of cash, before taking advantage of the subsequent sell-off and redeploying back into equity.

ES River and Mercantile Dynamic Asset Allocation Fund

Investment Manager's Review continued

Outlook

The economic backdrop is significantly different to 6 months ago, but we expect policy to continue to be a key driver of financial markets. The Federal Reserve has guided towards near-zero rates up to 2023, while the UK begins to explore the possibility of negative rates. With spreads also remaining low, particularly relative to the economic backdrop, both corporates and consumers are benefitting from very supportive financial conditions.

Further policy support will likely be required as new Covid-19 cases rise at pace. Tighter restrictions look inevitable across several developed countries, and it will once again be down to policy makers to minimise long term economic damage. In this respect, a Democrat 'blue sweep' would likely be positive for equity as a result of a larger stimulus package and greater focus on public health.

Despite having under 3 months until the Brexit transition period ends, a comprehensive trade agreement still appears distant. A no deal scenario has scope to place further pressure on UK markets, however we continue to hold minimal exposure to domestic UK assets.

We are maintaining moderate exposure to return seeking assets, acknowledging the significant policy response but also recognising some of the emerging headwinds. We believe a selective approach is key, and are maintaining a bias to high quality companies with strong balance sheets. Companies that came into this crisis with stronger balance sheets are in a better position to weather the storm and pick up cheap assets. Conversely, others will be distracted by restructuring. We believe this is an important factor, particularly in equity markets. We have identified some exciting themes for Q4, and we will be utilising in-house tools to access some of them. This gives us greater flexibility to implement our macro views, provides cost savings, and allows us to integrate ESG considerations into the portfolio to a greater degree.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile Dynamic Asset Allocation Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM - 23.65% (2020 - 41.12%)			
Non-Equity Investment Instruments - 16.13% (2020 - 22.64%)			
1,033,291	Insight Liquidity Funds	1,033,291	0.48
426,530	iShares Core FTSE 100 UCITS ETF	2,454,680	1.13
697,905	iShares S&P 500 UCITS ETF	18,152,509	8.37
27,092	Nomura Funds Ireland US High Yield Bond	3,615,349	1.67
36,484	Pimco GIS Emerging Local Bond Fund Institutional Class GBP (UnHedged) Accumulation Shares	739,172	0.34
120,362	Pimco GIS Emerging Markets Bond Fund Institutional Class GBP (Hedged) Accumulation Shares	3,335,237	1.54
232,105	Vanguard FTSE Japan UCITS	5,638,798	2.60
Bonds - 7.52% (2020 - 18.48%)			
£4,887,939	UK Treasury 0.375% 22/10/2030	4,938,774	2.28
£7,344,580	UK Treasury 4.5% 07/09/2034	11,349,396	5.24
BERMUDA - 21.41% (2020 - 17.55%)			
Non-Equity Investment Instruments - 21.41% (2020 - 17.55%)			
702,550	iShares Physical Gold ETC	20,163,185	9.30
51,508	Marshall Wace UCITS Funds - MW Liquid Alpha Fund	5,962,577	2.75
791,726	T Rowe Price Emerging Markets Bond	7,117,617	3.28
79,995	UBS ETF MSCI EMU UCITS ETF	8,157,890	3.76
110,700	Vanguard FTSE Emerging Markets UCITS ETF	5,024,673	2.32
CHINA - 1.83% (2020 - 2.57%)			
Non-Equity Investment Instruments - 1.83% (2020 - 2.57%)			
461,540	iShares MSCI China A UCITS ETF	1,907,545	0.88
121,310	Xtrackers MSCI China UCITS ETF	2,063,483	0.95
GERMANY - 0.76% (2020 - 0.87%)			
Non-Equity Investment Instruments - 0.76% (2020 - 0.87%)			
14,800	Xtrackers DAX UCITS ETF	1,651,088	0.76
IRELAND - 15.12% (2020 - 15.63%)			
Equity Investment Instruments - 7.75% (2020 - 7.93%)			
4,330,349	BNY Mellon U.S. High Yield Beta	4,052,773	1.87
143,490	River & Mercantile UK Micro Cap*	12,746,189	5.88
Non-Equity Investment Instruments - 7.37% (2020 - 7.70%)			
1,526,754	BNY Mellon Efficient Corp Beta	1,575,763	0.73
462,646	Institutional Cash Series plc - Institutional Sterling Liquidity Fund	462,646	0.21
1,020,080	Neuberger Berman Global Flexible Credit Fund	10,721,037	4.95
741,617	Putnam World Trust - Global High Yield Bond Fund	3,218,616	1.48

ES River and Mercantile Dynamic Asset Allocation Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Luxembourg - 5.02% (2020 - 0.00%)		
192,735	Investec Global Strategy Fund - Global Franchise Fund	10,874,126	5.02
	UNITED STATES OF AMERICA - 26.24% (2020 - 20.52%)		
	Equity Investment Instruments - 3.01% (2020 - 0.00%)		
98,465	SPDR MSCI World Industrials UCITS ETF	3,257,540	1.50
97,610	Xtrackers MSCI World Consumer Discretionary UCITS ETF	3,274,556	1.51
	Non-Equity Investment Instruments - 19.13% (2020 - 15.75%)		
363,160	iShares S&P 500 Information Technology Sector UCITS ETF	4,127,313	1.90
879,839	Pimco GIS US Investment Grade Corporate Bond Fund	8,763,195	4.04
63,290	Vanguard S&P 500 ETF	15,060,748	6.95
230,430	Vanguard S&P 500 UCITS ETF	11,411,470	5.26
21,860	Vanguard S&P Mid-Cap 400 ETF	2,123,267	0.98
	Bonds - 4.10% (2020 - 4.77%)		
\$10,645,000	US Treasury 1.5% 15/02/2030	8,881,212	4.10
	FORWARD CURRENCY CONTRACTS - 0.35% (2020 - (1.44%))		
€1,718,400	Forward Currency Contract 27/10/2020: Euro 1,718,400 vs UK Sterling 1,536,858	22,459.00	0.01
¥93,350,000	Forward Currency Contract 27/10/2020: Japanese Yen 93,350,000 vs UK Sterling 664,001	20,338.00	0.01
£9,341,033	Forward Currency Contract 27/10/2020: UK Sterling 9,341,033 vs Euro 10,348,700	(49,625.00)	(0.02)
£724,291	Forward Currency Contract 27/10/2020: UK Sterling 724,291 vs Euro 793,700	4,069.00	0.00
£4,565,417	Forward Currency Contract 27/10/2020: UK Sterling 4,565,417 vs Japanese Yen 621,340,000	10,443.00	0.00
£718,859	Forward Currency Contract 27/10/2020: UK Sterling 718,859 vs Japanese Yen 97,340,000	5,271.00	0.00
£41,861,593	Forward Currency Contract 27/10/2020: UK Sterling 41,861,593 vs US Dollar 53,159,200	747,595.00	0.35
£7,260,040	Forward Currency Contract 27/10/2020: UK Sterling 7,260,040 vs US Dollar 9,429,100	(32,546.00)	(0.02)
\$2,567,300	Forward Currency Contract 27/10/2020: US Dollar 2,567,300 vs UK Sterling 1,940,789	44,793.00	0.02
	Portfolio of investments**	204,628,512	94.38
	Net other assets	12,173,981	5.62
	Net assets	216,802,493	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

*Related party.

**Includes investment liabilities.

ES River and Mercantile Dynamic Asset Allocation Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains		19,734,935		10,321,751
Revenue	4,782,748		4,330,946	
Expenses	(443,577)		(572,515)	
Interest payable and similar charges	(26)		(590)	
Net revenue before taxation for the period	4,339,145		3,757,841	
Taxation	(676,351)		(195,731)	
Net revenue after taxation for the period		3,662,794		3,562,110
Total return before distributions		23,397,729		13,883,861
Distributions		(3,663,216)		(3,587,805)
Change in net assets attributable to Shareholders from investment activities		19,734,513		10,296,056

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		194,081,164		529,161,355
Amounts received on creation of shares	5,312,076		61,662,815	
Amounts paid on cancellation of shares	(5,991,459)		(18,753,269)	
		(679,383)		42,909,546
Dilution adjustment		—		16,380
Change in net assets attributable to Shareholders from investment activities		19,734,513		10,296,056
Retained distributions on accumulation shares		3,666,199		3,672,285
Closing net assets attributable to Shareholders		216,802,493		586,055,622

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

ES River and Mercantile Dynamic Asset Allocation Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		204,710,683		191,013,885
Current assets				
Debtors	473,915		616,574	
Cash and bank balances	12,735,391		6,039,455	
Total other assets		<u>13,209,306</u>		<u>6,656,029</u>
Total assets		<u>217,919,989</u>		<u>197,669,914</u>
LIABILITIES				
Investment liabilities		(82,171)		(3,110,836)
Creditors				
Other creditors	(1,035,325)		(477,914)	
Total other liabilities		<u>(1,035,325)</u>		<u>(477,914)</u>
Total liabilities		<u>(1,117,496)</u>		<u>(3,588,750)</u>
Net assets attributable to Shareholders		<u>216,802,493</u>		<u>194,081,164</u>

ES River and Mercantile Dynamic Asset Allocation Fund

Fund Facts

Distribution information

B–Class Accumulation shares

The distribution payable on 30 November 2020 is 5.1570p (2019: 1.4637p) per share for accumulation shares.

Z–Class Accumulation shares

The distribution payable on 30 November 2020 is 12.0107p (2019: 4.3948p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
B–Class Accumulation shares	119,759,640	299.23	40,022,376
Z–Class Accumulation shares	39,486,874	608.16	6,492,863
31 March 2019			
B–Class Accumulation shares	116,013,855	311.21	37,278,385
Z–Class Accumulation shares	413,147,500	635.31	65,031,059
31 March 2020			
B–Class Accumulation shares	112,958,996	287.00	39,359,102
Z–Class Accumulation shares	81,122,168	588.46	13,785,493
30 September 2020			
B–Class Accumulation shares	127,056,705	321.80	39,483,423
Z–Class Accumulation shares	89,745,788	661.27	13,571,641

ES River and Mercantile Dynamic Asset Allocation Fund

Fund Facts continued

Operating Charges

	30 September 2020
B–Class Accumulation shares	0.90%
Z–Class Accumulation shares	0.35%

The Operating Charges figure represents the annual operating expenses of the sub–fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.15% above the annual management charge, with any costs above this amount absorbed by the Investment Manager. This excludes a synthetic exposure of 0.25% which has been applied to the Operating Charges figure.

Synthetic Risk Reward Indicator (SRRI)



Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund.

The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Collective Investment Schemes risk: the sub-fund may invest in collective investment schemes and ETFs. It may be difficult for the sub-fund in extreme market conditions to redeem its shares from the collective investment schemes or ETFs at short notice without suffering a loss. Investing in a collective investment scheme or ETF may lead to payment by the sub-fund of additional fees and expenses in relation to those collective investment schemes or ETFs.
- Derivative risk: Derivatives give rise to an investment in assets which is greater than the sub-fund's actual investment in those assets. This may increase the opportunity for gains but may magnify the effect of losses. Losses may exceed the value of the sub-fund's investment in derivatives. Use of derivatives may cause the price of shares to vary more widely or in a more pronounced way. Derivatives may also be used to reduce risk to the sub-fund. However, this may not always be effective and the sub-fund may still suffer a loss. Use of derivatives in this way may reduce the potential for gains. The ACD will ensure that the use of derivatives does not materially alter the risk profile of the sub-fund.

ES River and Mercantile Dynamic Asset Allocation Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Vanguard S&P 500 ETF	13,773,579	Institutional Cash Series plc - Institutional Sterling Liquidity Fund	24,084,700
BNY Mellon Efficient Corp Beta	11,898,463	UK Treasury 2% 22/07/2020	17,547,221
Investec Global Strategy Fund - Global Franchise Fund	10,775,088	Vanguard S&P 500 UCITS ETF	11,765,267
Neuberger Berman Global Flexible Credit Fund	10,241,600	BNY Mellon Efficient Corp Beta	10,913,390
UK Treasury 0.375% 22/10/2030	10,117,713	Insight Liquidity Funds	8,694,700
Institutional Cash Series plc - Institutional Sterling Liquidity Fund	9,598,096	UK Treasury 4.5% 07/09/2034	7,129,745
iShares Physical Gold ETC	9,482,711	Vanguard S&P 500 ETF	6,461,442
PIMCO GIS US Investment Grade Corporate Bond Fund	8,429,647	UK Treasury 0.375% 22/10/2030	5,153,396
SPDR MSCI World Industrials UCITS ETF	3,320,836	UBS ETF MSCI EMU UCITS ETF	4,725,010
Xtrackers MSCI World Consumer Discretionary UCITS ETF	3,306,943	Vanguard FTSE Japan UCITS	2,909,562

ES River and Mercantile Global High Alpha Fund

Investment Objective

The investment objective of the sub-fund is to grow the value of your investment (known as “capital growth”) in excess of the MSCI All Country World Index (ACWI) Net Total Return (the “Benchmark”) over a rolling 5 year period, after the deduction of all fees.

Investment Policy

The sub-fund seeks to achieve its investment objective by investing at least 80% of its value in shares of global companies (including emerging markets). Investment can be direct, or indirect, in shares (including common and preference shares and units of common and preferred shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

Up to 20% of the sub-fund may be invested in collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

The sub-fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the sub-fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way.

The sub-fund is actively managed meaning the Investment Manager uses their expertise to pick investments to achieve the sub-fund’s objective. The Investment Manager typically defines “high alpha” as, in normal market conditions, a performance of 3% above the Benchmark over a rolling 5 year period. However, this may not always be possible in all market conditions. The Investment Manager does not use this, or any other figure, as a target for performance.

The Investment Manager will select shares for the sub-fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006. It looks for companies that are considered by the Investment Manager to have attractive “Potential” (the ability to grow shareholder value through increases in profits and cash), “Valuation” (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and “Timing” (the extent to which analytical indicators that are supportive of investing at the time of analysis).

The sub-fund will invest in a broad range of companies by region, industry sector and size and does not have to hold the same companies that are included in the Benchmark or in the same weights. The sub-fund’s exposure to any one region will not be more than 25% above or below the Benchmark’s exposure to that region. The regions are: the US, the UK, Japan, Developed Europe ex UK, Developed Asia-Pacific ex Japan, other developed markets and Emerging Markets. The sub-fund follows MSCI’s categorisation of countries as Developed Markets, Emerging Markets or other. Exposure to any company will not be more than 4% above or below the Benchmark’s exposure to that company. Exposure to any industry sector will not be more than 8% above or below the benchmark’s exposure to that sector, measured at the Industry Group level of GICS (Global Industry Classification Standard).

ES River and Mercantile Global High Alpha Fund

Investment Manager's Review

Portfolio review

The ES River and Mercantile Global High Alpha Fund B share class returned 22.5%* over the six months to 30 September 2020, compared with the MSCI All Country World index which returned 23.6%*.

Market background

After the lockdown-induced low earlier in the year, economies around the world bottomed out in April, with the recovery starting to come through in May and June, and they have continued that recovery over the summer and into autumn. However, a second wave of Covid-19 cases has hit most countries, stalling re-openings and leading to the recovery in some segments of economies being put on hold and market sentiment becoming more cautious.

Overall global equity markets have rebounded strongly since the dramatic falls early in the year as the economic ramifications of a global pandemic became clear. This recovery started with a robust rally in the second quarter, after it seemed that the threat of Covid-19 peaked, as economies and corporate profits bottomed-out and as very supportive monetary and fiscal policy kicked in.

Although this continued into the third quarter and thus the second half of the period under review, this has faded latterly with the economic uncertainty associated with a second wave of the virus and increased focus on an uncertain US Presidential election. Notwithstanding this, overall in the six months to the end of September global market returns have made up for the losses at the start of the crisis. The UK market has also been positive during the period, but we haven't seen the double digit returns of the global markets. The UK market has been handicapped by an underwhelming management of the Covid crisis and returning Brexit worries.

Our key investment factor, Value has continued to be unloved by the market. It is highly unusual for Value to underperform during economic recovery periods, so this remains a very significant anomaly that needs some explaining. Suffice to say that Growth and Quality have benefitted from falling interest rates, relatively strong corporate fundamentals through the Covid crisis and better positioning regarding sustainability and flows of liquidity. Value has not benefitted from these.

Performance

Despite many good stock picks, with the ongoing Value headwind and mega cap tech leadership (despite the short correction towards the end of the period), performance was modest over the period, marginally behind the benchmark. During the relatively short-lived periods when value did well during the period, often when bond yields moved up a few basis points and other investors were prepared to look beyond the most reliable stocks, we performed very strongly indeed.

The fact that Growth and Quality stocks continued to outperform Value impacted performance negatively (**Amazon** and **Taiwan Semiconductor**), as did our US equity underweight and US mega-cap tech underweight (**Apple**, **Tesla**). Weakness in energy and financials also detracted from performance (**Citigroup**). Positive performance came from PVT stock picks, digital recovery stocks in particular (**Shop Apotheke Europe**), being underweight oil majors and the fact some recovery stocks were starting to bounce (**FedEx** and **Freepport McMoran**) Our Japan and UK allocation and stock selection was also positive.

Activity

The portfolio continues to have a very clear value bias, with strong absolute valuation support. There is a robust multi-cap bias, including an overweight position in undiscovered smaller growth stocks. Our activity over the period has focused on adding to stocks with traditional value characteristics (such as banks and specialist financials), stocks that are attractively valued and out-of-favour, at time of purchase, Quality and Growth franchises (**3M** and **CTrip**), high scoring MoneyPenny stocks (**MakeMyTrip**, **Western Union** and **Owens Corning**) and domestic stocks that are temporarily disliked (**Resideo Technologies**). Sales over the period have included taking full profits where our PVT thesis has been delivered (**Direcional** and **Industrias Romi**), top-slicing into relative strength (**Shop Apotheke Europe** and **Facebook**) or re-focusing capital towards higher conviction ideas (**Sina** (a bid), **Omnicom** and **Petrobras**).

ES River and Mercantile Global High Alpha Fund

Investment Manager's Review continued

Outlook

Looking specifically at our key investment factor of Value, we do believe that Value will come back. It almost always does well in an economic recovery, especially if that recovery happens at a time when Value is relatively attractively priced, which it most definitely is today. What is likely to happen at some point over the next few quarters is this: global economies will continue to recover through 2021, especially if there is confidence that we are finally through the worst of the virus, perhaps catalysed by a vaccine or just post 2nd wave maturation of the pandemic; the massive monetary and fiscal stimulus will continue to positively impact; deflation will turn to reflation; bond yields will bottom-out; Growth and Quality stocks' relative fundamentals will peak as more cyclical Value stocks start to see profits recover and brought forward digital spending struggles to preserve the momentum embedded in many growth and quality stock share prices; and finally, liquidity and passive investing may change direction as momentum shifts from deflation to reflation beneficiaries.

Looking at equity markets more generally, we believe that the profit cycle has now moved early cycle, with return on equity around the world quite depressed. This provides a base for attractive levels of profits growth from here as returns normalise. Recovery stocks, in particular, should see strong profits growth. UK returns are at a cycle low.

From a valuation perspective, equities remain attractively valued versus other assets, government bonds, in particular. Within equity markets there are quite a few that look attractively valued from an absolute, as well as relative perspective – this would clearly include the UK, and also much of Europe and Asia. US equities continue to look expensive in absolute terms, and trade at significant premium to other regions but are supported by low government bond yields.

Whilst there are some positive timing indicators including very supportive monetary and fiscal policy, positive cycle indicators such as PMIs, the economic and profit cycles moving into a recovery phase, we still need to be cautious of recovery being disrupted by the 2nd wave of Covid cases and geo-political uncertainties, notably the US Presidential election which is likely to be closer than the polls indicate, which put Biden ahead. A victory for the Democrats is likely to be more inflationary and supportive of value stocks. But Covid is probably key, the market needs a vaccine type event to provide the certainty that we can move to a post-Covid world.

*Source: River and Mercantile Asset Management LLP.

ES River and Mercantile Global High Alpha Fund

Portfolio Statement as at 30 September 2020

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM - 4.25% (2020 - 3.92%)			
603,913	Capita	184,616	0.15
229,979	Chemring	555,399	0.47
15,710	GVC	152,984	0.13
62,270	HSBC	184,898	0.16
150,270	Hunting	193,548	0.16
44,600	IG	353,009	0.30
1,622,323	Lloyds Banking	427,563	0.36
18,860	nVent Electric	257,924	0.22
183,250	Playtech	664,648	0.56
49,414	Prudential	548,001	0.46
7,900	Rio Tinto	413,023	0.35
290,280	Royal Bank of Scotland	307,697	0.26
73,595	SDL	497,502	0.42
171,870	Vodafone	176,476	0.15
121,830	Xaar	114,520	0.10
ARGENTINA - 0.38% (2020 - 0.38%)			
59,203	America Airports	102,121	0.08
420	Mercadolibre	351,302	0.30
AUSTRALIA - 0.63% (2020 - 0.53%)			
207,870	South32	235,103	0.20
63,709	Sydney Airport	206,629	0.17
61,300	Treasury Wine Estates	303,492	0.26
AUSTRIA - 0.47% (2020 - 0.53%)			
19,670	Raiffeisen International Bank	233,731	0.20
18,969	Vienna Insurance	327,951	0.27
BERMUDA - 0.18% (2020 - 0.26%)			
34,648	Ocean Wilsons	211,353	0.18
BRITISH VIRGIN ISLANDS - 0.51% (2020 - 0.64%)			
26,320	Capri	366,460	0.31
27,240	Hollysys Automation Technologies	232,619	0.20
BRAZIL - 0.15% (2020 - 1.39%)			
226,130	Technos	31,033	0.03
119,610	Valid Solucoes	141,494	0.12
CANADA - 0.33% (2020 - 0.15%)			
6,570	Canada Goose	162,647	0.14
163,900	Enerplus	230,638	0.19
CHINA - 6.09% (2020 - 7.75%)			
9,080	21Vianet	162,594	0.14
39,300	Alibaba	1,080,248	0.91
11,510	Baidu ADR	1,127,050	0.95
665,500	China Everbright International	291,595	0.25
173,150	China Lesso	240,217	0.20
727,640	China Longyuan Power	351,503	0.30
67,000	China Merchants Bank 'H'	244,416	0.21
38,600	China Mobile	190,319	0.16
980,961	Chinasoft International	547,306	0.46

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	CHINA continued		
301,100	CNOOC	223,589	0.19
255,619	Greentown Service	243,393	0.21
522,690	Haitong Securities	342,228	0.29
19,540	JD.com	572,595	0.48
437,384	Kunlun Energy	221,765	0.19
37,781	Ping An Insurance	299,783	0.25
12,360	Tencent	631,002	0.53
18,361	Trip.com ADR	441,840	0.37
	COLOMBIA - 0.59% (2020 - 0.52%)		
145,368	Bolsa de Valores de Colombia	312,738	0.26
416,355	CEMEX LatAm	234,377	0.20
35,600	Gipo De Inversiones	147,318	0.13
	DENMARK - 0.65% (2020 - 0.60%)		
277	AP Moeller-Maersk 'A'	315,097	0.27
1,800	Carlsberg 'B'	188,327	0.16
4,970	Novo Nordisk 'B'	266,477	0.22
	FRANCE - 5.00% (2020 - 4.90%)		
7,620	Accor	165,816	0.14
4,020	Airbus	226,334	0.19
4,970	Atos	310,160	0.26
14,550	BNP Paribas	408,804	0.34
26,768	Cegedim	645,860	0.55
349,200	CGG	181,497	0.15
27,768	Criteo	261,184	0.22
4,100	Danone	205,363	0.17
2,870	Eiffage	181,710	0.15
6,721	Eurazeo	281,167	0.24
10,640	Fnac darty	370,607	0.31
6,702	Ipsos	128,879	0.11
1,000	LVMH Moët Hennessy	362,284	0.31
12,880	Saint-Gobain	420,707	0.36
8,359	Sanofi	646,989	0.55
1,339,600	Solocal	36,575	0.03
1,339,600	Solocal rights 30/09/2020	122	0.00
3,510	Sopra Steria	430,452	0.36
14,960	Valeo	356,207	0.30
11,909	Vicat	305,165	0.26
	GERMANY - 4.78% (2020 - 4.36%)		
6,585	BASF	310,599	0.26
8,410	Bayer (Regd.)	406,902	0.34
3,610	Continental	304,072	0.26
9,010	DWS	239,256	0.20
7,090	Fraport	216,472	0.18
11,630	Fresenius	409,521	0.35
13,750	GEA	373,543	0.32
5,580	Henkel	403,651	0.34
16,870	Infineon Technologies	369,091	0.31
7,800	Kion	517,760	0.44
5,330	Porsche	247,633	0.21

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	GERMANY continued		
20,820	ProSiebenSat.1 Media	212,270	0.18
3,360	Siemens Energy	69,001	0.06
6,720	Siemens (Regd.)	659,413	0.56
1,820	Software	69,469	0.06
2,000	Volkswagen pref. (non-voting)	249,735	0.21
4,140	zooplus	594,084	0.50
	GREESE - 0.80% (2020 - 0.86%)		
108,700	Fourlis	372,703	0.31
23,208	Jumbo	315,769	0.27
17,140	Piraeus Port Authority	259,638	0.22
	HONG KONG - 0.86% (2020 - 0.84%)		
33,300	CK Hutchison	154,881	0.13
6,020	Hong Kong Exchanges and Clearing	217,266	0.18
9,200	Jardine Strategic (Singapore quote)	140,975	0.12
374,112	Swire Pacific 'B'	239,720	0.20
824,510	Value Partners	270,744	0.23
	INDIA - 0.69% (2020 - 0.63%)		
10,160	HDFC Bank ADS	392,631	0.33
35,320	Makemytrip	418,824	0.36
	INDONESIA - 0.65% (2020 - 0.68%)		
1,356,576	Link Net Tbk PT	124,114	0.11
544,700	Semen Indonesia	259,794	0.22
5,499,450	Tower Bersama Infrastructure	381,651	0.32
	IRELAND - 1.02% (2020 - 0.95%)		
203,847	Bank of Ireland	292,887	0.25
288,810	Cairn Homes	203,813	0.17
22,648	Johnson Controls International	715,283	0.60
	ISRAEL - 0.00% (2020 - 0.30%)		
	ITALY - 4.15% (2020 - 4.96%)		
188,404	Anima	572,501	0.48
82,116	Banca Farmafactoring SpA	355,293	0.30
64,830	Cerved Information Solutions	358,419	0.30
18,290	Datalogic	197,757	0.17
47,545	Eni	288,345	0.24
38,760	FinecoBank	412,580	0.35
17,140	Gruppo MutuiOnline	367,691	0.31
326,500	Intesa Sanpaolo	474,742	0.40
127,776	Mediaset	189,731	0.16
61,420	Mediobanca	373,161	0.32
254,950	Prada	768,474	0.65
121,146	Saipem	161,261	0.14
61,360	UniCredit	391,831	0.33

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	JAPAN - 9.27% (2020 - 9.96%)		
11,000	AGC	247,125	0.21
16,030	Bank of Kyoto	594,534	0.50
16,470	Coca-Cola Bottlers	212,229	0.18
54,900	Daibiru	490,534	0.41
54,200	Dai-ichi Life	586,577	0.50
28,560	Dena	403,816	0.34
11,000	Dowa	247,931	0.21
2,300	Fanuc	338,267	0.29
15,500	Japan Exchange	333,338	0.28
22,200	Japan Petroleum Exploration	265,236	0.22
5,140	Kyocera	225,750	0.19
19,100	MS&AD Insurance	394,938	0.33
30,400	Nichi-iko Pharmaceutical	266,054	0.23
1,552	Nintendo	678,684	0.57
7,320	Nitto Denko	366,458	0.31
125,450	Nomura	439,992	0.37
8,223	Okamoto Industries	247,421	0.21
71,710	Rakuten	594,477	0.50
9,140	ROHM	541,985	0.46
25,000	Seino	279,266	0.24
13,140	SoftBank	620,934	0.52
7,310	Sony	429,933	0.36
23,650	Sumitomo Mitsui Financial	505,575	0.43
13,900	Taiheiyo Cement	272,337	0.23
6,500	Takeda Pharmaceutical	178,331	0.15
42,059	Tosei	301,194	0.25
9,440	Toyota Industries	459,444	0.39
10,650	Tsumura	255,264	0.22
40,000	Yahoo Japan	204,648	0.17
	LUXEMBOURG - 0.22% (2020 - 0.27%)		
65,890	Tenaris	254,428	0.22
	MACAU - 0.22% (2020 - 0.59%)		
211,160	Wynn Macau	260,072	0.22
	MALAYSIA - 0.90% (2020 - 1.10%)		
320,520	CIMB	183,759	0.16
368,500	Genting Berhad	218,126	0.18
217,170	Malaysia Airports	191,612	0.16
2,996,820	Sime Darby Property	323,543	0.27
2,584,100	Tune Protect	151,518	0.13
	MEXICO - 0.54% (2020 - 0.65%)		
179,183	Cemex ADR	526,683	0.44
1,308,542	Conсорcio	116,001	0.10

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	NETHERLANDS - 3.55% (2020 - 2.81%)		
430	ASML	122,746	0.10
6,660	EXOR	280,790	0.24
42,130	Heijmans	277,058	0.23
71,700	ING	393,929	0.33
24,390	Intertrust	321,675	0.27
7,111	Koninklijke Philips	259,297	0.22
2,545	NXP Semiconductors	245,504	0.21
10,560	Prosus	753,841	0.64
6,337	Shop Apotheke Europe	855,318	0.72
9,500	TKH	265,409	0.23
30,122	Van Lanschot	429,514	0.36
	PORTUGAL - 0.14% (2020 - 0.19%)		
38,400	Ibersol	164,753	0.14
	RUSSIA - 1.11% (2020 - 1.09%)		
24,449	Mail.ru GDR	518,180	0.44
32,617	QIWI ADR	437,988	0.37
7,200	Yandex 'A'	363,174	0.30
	SINGAPORE - 1.00% (2020 - 1.09%)		
15,000	DBS	169,141	0.14
216,900	Fraser and Neave	148,713	0.13
750,930	Genting Singapore	285,088	0.24
120,034	SATS	192,484	0.16
20,000	Singapore Exchange	103,581	0.09
285,750	Wing Tai Holdings	281,734	0.24
	SOUTH AFRICA - 0.63% (2020 - 0.61%)		
25,489	Anglo American Platinum	478,123	0.40
60,350	MultiChoice	271,022	0.23
	SOUTH KOREA - 1.81% (2020 - 1.48%)		
15,060	Kangwon Land	214,157	0.18
1,150	LG Chemical	496,683	0.42
7,927	LG pref.	271,586	0.23
23,250	Samsung Electronics	894,982	0.76
6,520	Samsung Life Insurance	263,055	0.22
	SPAIN - 2.21% (2020 - 2.17%)		
2,692	Aena	291,311	0.25
5,640	Amadeus IT	243,465	0.21
62,977	Applus Services	365,312	0.31
182,700	Banco Santander (Regd.)	265,022	0.22
54,500	Bankinter	181,774	0.15
11,860	Corporacion Financiera Alba	382,442	0.32
53,486	Indra Sistemas	294,732	0.25
41,000	Inmobiliaria Colonial	262,375	0.22
33,530	Neinor Homes	331,513	0.28
	SWEDEN - 0.50% (2020 - 0.29%)		
40,240	Modern Times 'B'	438,200	0.37
9,980	Volvo 'B'	149,433	0.13

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	SWITZERLAND - 2.26% (2020 - 2.50%)		
5,500	Adecco (Regd.)	225,427	0.19
11,500	Compagnie Financière Richemont	597,415	0.51
510	Dorma + Kaba	214,701	0.18
4,720	Landis+Gyr	200,492	0.17
1,620	Roche Holding	429,859	0.36
27,410	STMicroelectronics	652,649	0.55
40,900	UBS	354,522	0.30
	TAIWAN - 0.64% (2020 - 0.61%)		
22,430	MediaTek	363,628	0.31
41,760	Yageo	391,478	0.33
	THAILAND - 0.17% (2020 - 0.24%)		
85,770	Bangkok Bank (Bangkok Alien Market)	200,996	0.17
	UNITED STATES of AMERICA - 41.56% (2020 - 38.80%)		
3,432	3M	425,044	0.36
2,140	Accenture	373,755	0.32
9,210	Affiliated Managers	487,073	0.41
10,400	AIG	221,386	0.19
1,810	Alphabet 'A'	2,050,573	1.73
540	Amazon	1,314,249	1.11
9,879	American Express	765,836	0.65
14,160	Apple	1,266,273	1.07
5,440	Applied Materials	249,950	0.21
15,210	Artisan Partners Asset Management 'A'	458,724	0.39
29,700	Avnet	592,713	0.50
43,706	Baker Hughes GE	448,960	0.38
50,600	Bank of America	942,096	0.80
44,872	Blue Apron	248,170	0.21
2,510	Boeing	320,681	0.27
794	Booking	1,049,231	0.89
18,970	BorgWarner	568,161	0.48
10,280	Bristol-Myers Squibb	479,171	0.40
52,110	Cars.com	325,284	0.27
5,614	Caterpillar	647,034	0.55
8,160	CBRE 'A'	296,406	0.25
15,790	Charles Schwab	442,384	0.37
17,510	Cisco Systems	533,101	0.45
29,844	Citigroup	993,800	0.84
28,900	Citizens Financial	564,900	0.48
16,290	Coca-Cola	621,459	0.53
8,500	Colgate-Palmolive	506,989	0.43
6,830	CVS Health	308,428	0.26
31,450	Devon Energy	229,891	0.19
15,760	Discovery Communications 'A'	265,389	0.22
5,730	Disney (Walt)	550,130	0.46
9,270	DR Horton	542,232	0.46
28,100	Dropbox	418,631	0.35
23,870	DXC Technology	329,579	0.28
2,990	Eastman Chemical	180,584	0.15

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES of AMERICA continued			
15,219	eBay	613,210	0.52
4,220	Eli Lilly	482,062	0.41
14,300	Exxon Mobil	379,512	0.32
9,230	Facebook	1,868,347	1.58
4,320	FedEx	839,774	0.71
5,270	Fiserv	419,790	0.35
82,170	Freeport McMoRan 'B'	992,803	0.84
64,120	General Electric	308,498	0.26
4,960	General Mills	236,528	0.20
19,067	General Motors	436,264	0.37
4,710	Gilead Sciences	230,035	0.19
20,629	Harley-Davidson	391,262	0.33
7,140	IBM	671,584	0.57
28,910	Intel	1,157,473	0.98
24,190	Jefferies Financial	336,617	0.28
5,630	Johnson & Johnson	647,441	0.55
7,530	JPMorgan Chase	560,498	0.47
11,230	Kraft Heinz Foods	259,989	0.22
5,480	L Brands	134,796	0.11
11,160	Las Vegas Sands	402,530	0.34
6,540	Leggett & Platt	208,220	0.18
960	Madison Square Garden	111,743	0.09
24,030	Mattel	217,474	0.18
4,940	McKesson	568,780	0.48
14,131	Micron Technology	513,298	0.43
6,650	Microsoft	1,080,779	0.91
29,840	Mosaic	421,241	0.36
28,590	Mylan	327,741	0.28
29,904	National Oilwell Varco	209,337	0.18
2,100	Nike 'B'	203,909	0.17
10,580	Oracle	488,327	0.41
10,510	Owens Corning	559,157	0.47
1,850	Parker-Hannifin	289,535	0.24
9,810	PayPal	1,494,416	1.26
31,020	Pfizer	880,116	0.74
7,400	Qualcomm	673,144	0.57
1,130	Ralph Lauren	59,402	0.05
6,187	Raytheon Technologies	275,180	0.23
7,510	RE/MAX	190,132	0.16
94,550	Resideo Technologies	804,494	0.68
224,900	Samsonite International	174,637	0.15
2,730	Snap-on	310,525	0.26
10,780	Southwest Airlines	312,527	0.26
160,070	Southwestern Energy	289,731	0.24
2,250	Spotify Technology	421,875	0.36
9,040	Starbucks	600,452	0.51
13,650	State Street	626,329	0.53
2,550	Take-Two Interactive Software	325,614	0.27
21,213	Titan Cement International	210,889	0.18
187,661	Tremor International*	341,543	0.29
16,220	Uber Technologies	457,442	0.39
1,990	UnitedHealth	479,075	0.40

ES River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	UNITED STATES of AMERICA continued		
37,284	Veeco Instruments	336,560	0.28
20,718	ViacomCBS	448,719	0.38
4,770	Wal-Mart Stores	516,074	0.44
44,646	Wells Fargo	811,212	0.69
12,540	Western Union	207,577	0.18
17,099	WestRock	459,350	0.39
680	WW Grainger	187,631	0.16
10,430	WW International	152,239	0.13
14,300	Zions Bancorporation	322,989	0.27
36,710	Zynga	258,969	0.22
	URUGUAY - 0.09% (2020 - 0.11%)		
34,688	Arcos Dorados 'A'	109,742	0.09
	FORWARD CURRENCY CONTRACTS - 0.09% (2020 - 0.14%)		
£3,251,508	Forward Currency Contract 15/12/2020: UK Sterling 3,251,508 vs Euro 3,506,000	67,430	0.06
\$7,276,244	Forward Currency Contract 15/12/2020: US Dollar 7,276,244 vs Euro 6,136,000	52,932	0.04
\$1,794,540	Forward Currency Contract 15/12/2020: US Dollar 1,794,540 vs Japanese Yen 190,363,000	(8,678)	(0.01)
	Portfolio of investments**	117,336,366	99.09
	Net other assets	1,082,171	0.91
	Net assets	118,418,537	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2020.

*Security listed in AIM.

**Includes investment liabilities

ADR- American Depositary Receipt

ADS- American Depositary Share

GDR- Global Depositary Receipt

ES River and Mercantile Global High Alpha Fund

Statement of Total Return for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Income				
Net capital gains		20,834,374		2,508,602
Revenue	1,204,646		1,986,063	
Expenses	(53,210)		(79,367)	
Interest payable and similar charges	(1,581)		(2,213)	
Net revenue before taxation for the period	1,149,855		1,904,483	
Taxation	(129,362)		(181,704)	
Net revenue after taxation for the period		1,020,493		1,722,779
Total return before distributions		21,854,867		4,231,381
Distributions		(1,020,899)		(1,722,922)
Change in net assets attributable to Shareholders from investment activities		20,833,968		2,508,459

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2020

	1 April 2020 to 30 September 2020		1 April 2019 to 30 September 2019	
	£	£	£	£
Opening net assets attributable to Shareholders		86,430,822		112,039,563
Amounts received on creation of shares	14,331,989		3,082,733	
Amounts paid on cancellation of shares	(4,231,459)		(5,609,734)	
		10,100,530		(2,527,001)
Dilution adjustment		22,308		1
Change in net assets attributable to Shareholders from investment activities		20,833,968		2,508,459
Retained distributions on accumulation shares		1,030,909		1,700,000
Closing net assets attributable to Shareholders		118,418,537		113,721,022

ES River and Mercantile Global High Alpha Fund

Balance Sheet as at 30 September 2020

	30 September 2020		31 March 2020	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		117,345,044		86,060,408
Current assets				
Debtors	803,276		2,199,436	
Cash and bank balances	538,102		71,712	
Total other assets		1,341,378		2,271,148
Total assets		118,686,422		88,331,556
LIABILITIES				
Investment liabilities		(8,678)		(22,108)
Creditors				
Bank overdrafts	(20,632)		(406,112)	
Other creditors	(238,575)		(1,472,514)	
Total other liabilities		(259,207)		(1,878,626)
Total liabilities		(267,885)		(1,900,734)
Net assets attributable to Shareholders		118,418,537		86,430,822

ES River and Mercantile Global High Alpha Fund

Fund Facts

Distribution information

B-Class Accumulation shares

The distribution payable on 30 November 2020 is 1.5571p (2019: 3.7007p) per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2020 is 5.4728p (2019: 10.0536p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2018			
B-Class Accumulation shares	313,112	312.02	100,351
Z-Class Accumulation shares	110,716,237	630.84	17,550,643
31 March 2019			
B-Class Accumulation shares	339,703	317.98	106,830
Z-Class Accumulation shares	111,699,860	647.60	17,248,186
31 March 2020			
B-Class Accumulation shares	267,028	247.55	107,867
Z-Class Accumulation shares	86,163,794	507.97	16,962,222
30 September 2020			
B-Class Accumulation shares	306,871	304.89	100,651
Z-Class Accumulation shares	118,111,666	627.98	18,808,293

ES River and Mercantile Global High Alpha Fund

Fund Facts continued

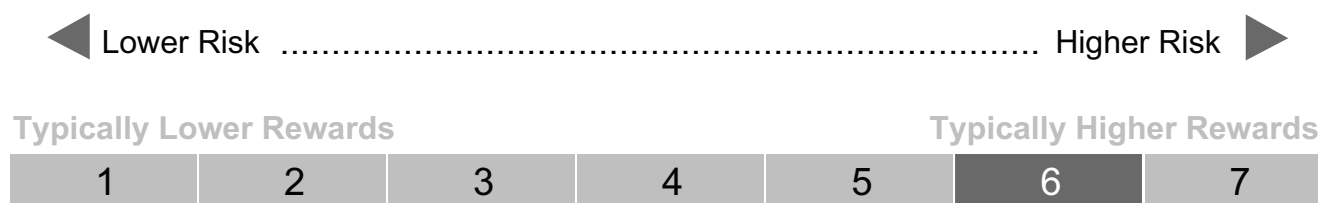
Operating Charges

	30 September 2020
B-Class Accumulation shares	0.89%
Z-Class Accumulation shares	0.14%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.25% above the annual management charge, with any costs above this amount absorbed by the Investment Manager.

Synthetic Risk Reward Indicator (SRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

During the period the ranking changed from 5 to 6.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Global Equity Risk: the sub-fund invests in global equities which can carry additional risks such as exchange rate risk, political and economic upheaval, lack of information, low market liquidity and the potential lack of strict financial controls.
- Emerging Markets Risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

ES River and Mercantile Global High Alpha Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Starbucks	536,567	Facebook	561,966
Owens Corning	480,627	UnitedHealth	515,548
Samsung Electronics	439,829	Petroleo Brasileiro pref.	427,927
Intel	428,567	Johnson & Johnson	404,737
Uber Technologies	416,931	Ajinomoto	377,291
Fiserv	412,993	Voya Financial	373,796
Boeing	377,613	SINA	365,824
Wells Fargo	374,545	Deutsche Lufthansa	359,455
Alibaba	357,635	Yandex 'A'	348,557
Avnet	316,817	Direcional Engenharia	342,867

Other Information

Subscription and redemption applications for shares issued by the sub-funds should be received by 11 a.m. to ensure inclusion in the following 12 noon valuation point.

With effect from 31 March 2011 the ACD at its discretion may apply the Tax Elected Fund (TEF) rules as reflected in the Principal Prospectus.

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Directory

The Open-Ended Investment Company	ES River and Mercantile Funds ICVC 4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL (authorised and regulated by the Financial Conduct Authority)
Registered in England	The Company is incorporated in England and Wales with registered number IC000489.
The Authorised Corporate Director (ACD)	Equity Trustees Fund Services Ltd 4th Floor, Pountney Hill House, 6 Laurence Pountney Hill, London, EC4R 0BL (authorised and regulated by the Financial Conduct Authority)
Investment Manager of all funds other than of the ES River and Mercantile Dynamic Asset Allocation Fund	River and Mercantile Asset Management LLP 30 Coleman Street London EC2R 5AL
Investment Manager of ES River and Mercantile Dynamic Asset Allocation Fund	River and Mercantile Investments Limited 30 Coleman Street London EC2R 5AL (authorised and regulated by the Financial Conduct Authority)
Depository	The Bank of New York Mellon (International) Limited One Canada Square London E14 5AL (authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)
Administrator and Registrar	The Bank of New York Mellon (International) Limited One Canada Square London E14 5AL (authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)
The Independent Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London, SE1 2RT