RIVER AND MERCANTILE

ES RIVER AND MERCANTILE GLOBAL RECOVERY FUND

Quarterly report to 30 June 2021

For unitholders only

ES River and Mercantile
GLOBAL RECOVERY FUND

Quarter 2, 2021

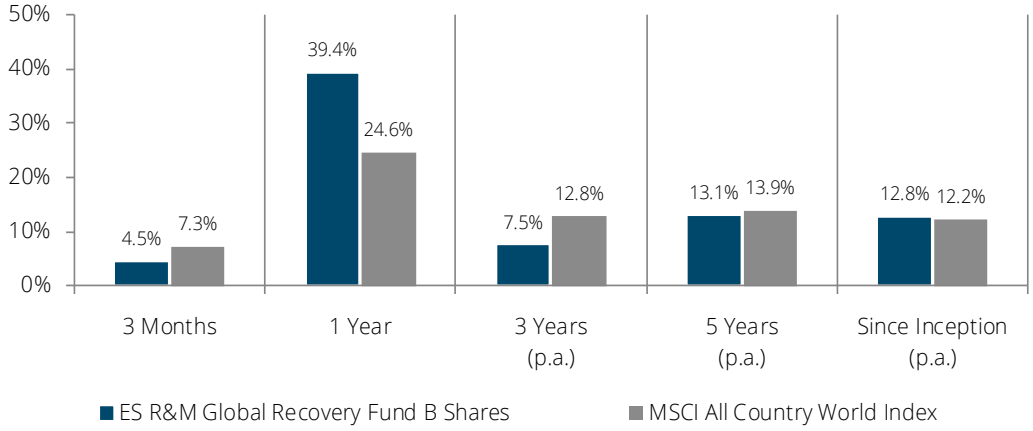
RIVER AND MERCANTILE

INVESTMENT OBJECTIVE

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 fees.

PERFORMANCE (NET OF FEES)

	B share class	Benchmark	Difference
3 months	4.5%	7.3%	-2.8%
1 year	39.4%	24.6%	14.8%
3 years (p.a.)	7.5%	12.8%	-5.3%
5 years (p.a.)	13.1%	13.9%	-0.8%
Since inception (p.a.)	12.8%	12.2%	0.6%



PERFORMANCE (BEFORE FEES)

	Z share class	Benchmark	Difference
3 months	4.7%	7.3%	-2.5%
1 year	40.8%	24.6%	16.3%
3 years (p.a.)	8.6%	12.8%	-4.2%
5 years (p.a.)	14.2%	13.9%	0.3%
Since inception (p.a.)	13.9%	12.2%	1.7%

Source: River and Mercantile Asset Management LLP. Benchmark is the MSCI All Country World Index (ACWI), net GBP. Fund performance shown is of B share class (income units) which is net of an annual management charge of 1.00% per annum, and Z share class (accumulation units) which reflects the fund's gross performance before any fees are deducted. Please note that the fund performance is calculated using midday published prices and the benchmark performance is calculated using close of business mid-market prices. Other share classes may be available.

Past performance is not a reliable indicator of future results.

PORTFOLIO SUMMARY AND KEY RISK CHARACTERISTICS.

Fund AUM	£350.5m
Strategy capacity	£1.6bn
Inception date	4 March 2013
Number of stocks	471

Portfolio volatility	15.0 %
Benchmark volatility	12.5 %
Portfolio beta	1.12
Tracking error	5.7 %
Active money	83.7 %

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator (SRRI) 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.

Our High Alpha and Recovery approaches

We invest in companies with Potential, Valuation and Timing with a strong portfolio construction commitment to attractively valued companies, to good businesses with recovery potential, to being interested in structural growth when it is temporarily unpopular and to getting most interested in an investment when it is out-of-favour but where the fundamentals are on the turn. We repeat this investment approach day-in and day-out, aided by systematic screening. We try to stick to our approach during the difficult times (such as the anti-value market of the last few years) so that we nearly always participate when there is a following wind for our factors. Our High Alpha strategies include being benchmark aware when constructing the portfolio; our Recovery strategies are unconstrained and focus on medium to long-term wealth creation.

Executive summary

Another huge opportunity to buy Value & Recovery at the bottom of the cycle, this will be the focus of this relatively short quarterly update.

Value shares (including July performance to date, at time of writing) have now given back much of their relative outperformance since the low point of the value cycle when positive news on vaccines was announced last year. And Value is now significantly lagging Growth since the low point of the market at the end of Q1 2020. The catalyst for the latest retrenchment of value has been the move by the Federal Reserve (Fed) to become more hawkish on interest rates and the Delta wave of Covid causing many to question the speed of re-opening.

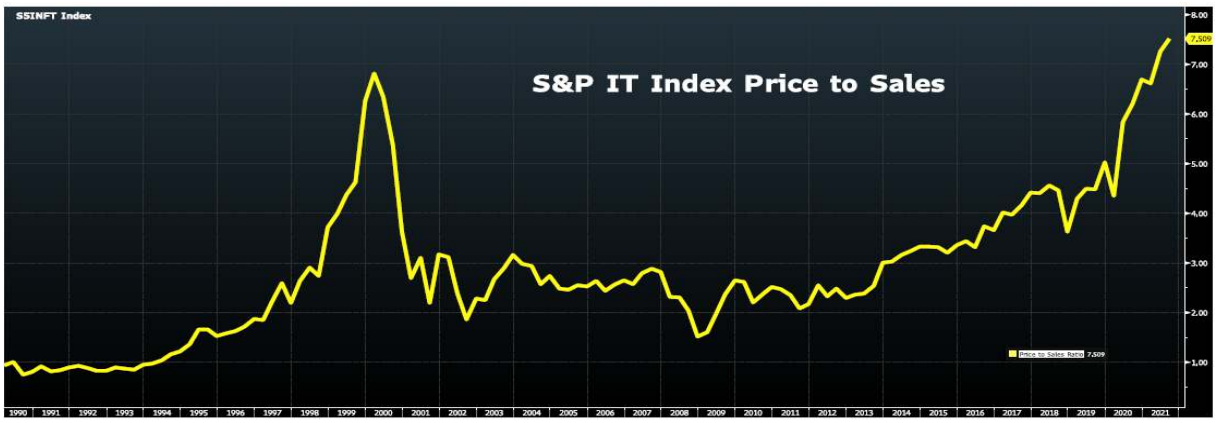
Source: Bloomberg

As a result of this recent retrenchment, Value is back towards the post-Global Financial Crisis (GFC) nadir. I hope I don't sound like a stuck record but from my perspective that provides a significant opportunity. I think we are at the relatively early stages of the economic recovery, and the profit recovery that goes with that. Last year saw a big fall in GDP and profits due to the impact of the pandemic, this year will be the first year of recovery. This will be supported by the fading of the negative impacts of Covid, by very supportive monetary and fiscal policy, by a desire of most economic stakeholders to deliver a recovery that benefits the majority not the minority (such as what happened after the GFC), by the green agenda and by consumers spending the cash they have been forced to save over the last 18 months. So, we think we are closer to the beginning of the cycle than the end. But meanwhile markets are pricing this as the end of the cycle, pushing down bond yields again, encouraging another chase into expensive quality and growth stocks, thus leading to Value giving back over half of the modest rally that we have seen over the last year. So, from my perspective this provides another great opportunity to invest in value and recovery stocks, to get undervalued exposure to the economic and recovery cycle we will see over the next couple of years and to provide a great hedge against the inflationary pressures that will be more of an issue over the next ten years than they have been over the last ten.

Source: Bloomberg

Key points

- The Value Cycle: rather surprisingly Value has corrected aggressively over the last three months and is now close to its post GFC nadir; from my perspective this provides another significant opportunity.
- Recovery: many classic recovery stocks have pulled back aggressively over the last few months; perhaps some became over-bought earlier in the year as capital looked for inflation hedges; many now look oversold, especially consumer cyclicals that have been negatively impacted by Delta Covid concerns, these will still be beneficiaries of a return to normal consumer spending patterns over the next few years.
- Growth stocks are back to all time high valuations, it does surprise me that investors have been so quick to re-embrace expensive growth, as shown by the US IT Index price to sales multiple beyond the TMT bubble.



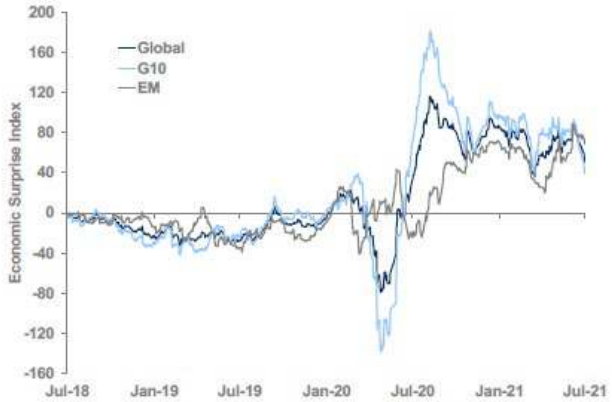
Source: Bloomberg

- Inflation hedges: equity inflation hedges have become quite cheaply priced again, this includes commodity and precious metal stocks and companies that benefit from interest rate increases, such as banks.
- The profits growth for this portfolio should be very robust over the next 24 months, as exposure to both classic recovery stocks and structural growers, that were purchased cheaply in the 2020 sell-off, act in tandem to drive increasing profits and cash flow for the portfolio.
- Good value PVT stocks in an often expensive world – with many of our favoured stocks, themes and regions having suffered a mini correction over the last few months and into July they are now good value and becoming oversold; at the same time growth and quality stocks are expensive in absolute terms and relative to their own history and are now becoming overbought. So, in relative terms our portfolio is good value, oversold and showing strong profits and cash flow growth fundamentals. This should be an attractive mix.

The global economy

Economies continue to recover strongly – inevitably some leading indicators, which have been unusually strong have peaked; this was to be expected, and in no way undermines what is a solid picture of strong economic recovery in 2021, followed by continued robust growth into 2022. Whilst monetary policy clearly needs to be tightened in response to economies moving back towards trend growth, Central Banks continue to be very accommodative in their policy and interest rates remain very low in absolute and real terms; meanwhile fiscal support remains generous, the trend towards economies being fully re-opened is broadly in place (depending on the extent of vaccine programmes), consumers are starting to spend some of their significant savings, and the private and public investment cycle is ramping up.

Global economic surprises:



Source: Morgan Stanley Research

Inflation surprises index:

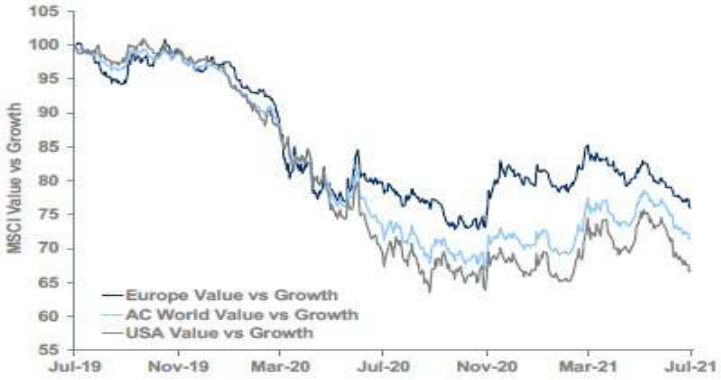
Source: Morgan Stanley Research

One clear area of economic surprises has been inflation, as a strong recovery in demand has in many areas met constrained supply. These pressures seem particularly acute at the moment but some elements will abate as the supply side starts to respond. However, I do expect price increases (and wage inflation) to be more of a sustained feature of the next ten years than the last ten as there is a strong desire from economic stakeholders to have higher levels of nominal GDP growth (real growth plus higher inflation) than those witnessed during the post GFC era. That said, I don't see us moving from a deflationary world to one where inflation gets out-of-hand. The recent market reaction to higher inflation has been quite strange – bond yields actually falling, so real yields reaching record negative levels – this at a time when economic growth is robust, the market suggesting that economic policy will kick-in to reduce growth and inflationary pressures (catalysed by the Fed's more hawkish recent tone). But this does not sound like the medium-term narrative of central banks or policy makers around the world, and the evidence today is that policy remains ultra-loose. Of course, as bond yields have fallen the value trade has struggled.

How have our key investment factors responded?

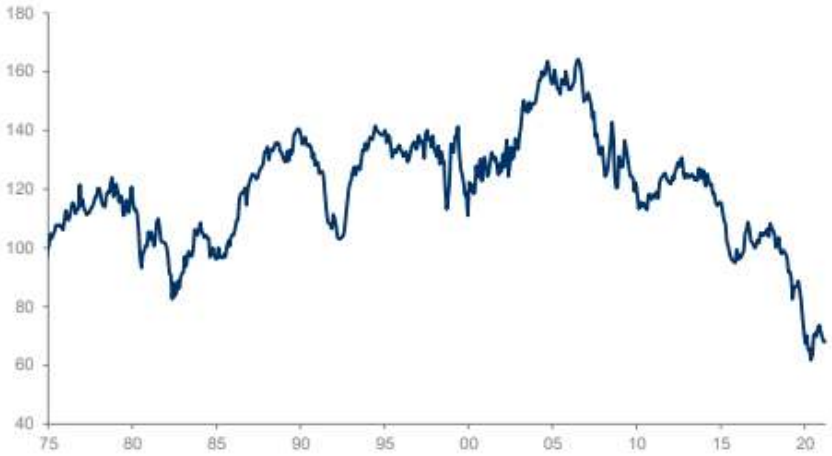
Rather surprisingly Value has corrected aggressively over the last three months and is now close to its post GFC nadir; from my perspective this provides another significant opportunity.

Value vs. Growth around the world over the last 2 years – and in the UK over the long term:



Source: Morgan Stanley Research

UK Value vs. Growth price performance



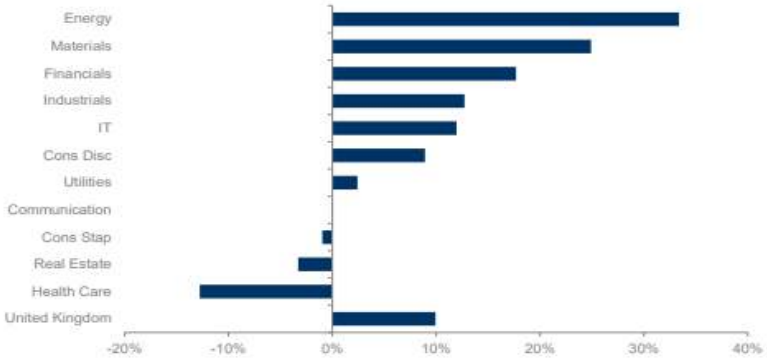
Source: Morgan Stanley Research

And meanwhile quality (as well as growth) stocks have rallied back towards the highs of last year, when the economic outlook (pre vaccines) was so uncertain:

Source: MSCI, Morgan Stanley Research

In contrast, classic recovery plays such as domestic consumer stocks, re-opening plays such as travel and leisure, higher interest rate beneficiaries such as insurance and banks, quite a few cyclical industrials and companies that are positively geared to recovering commodity prices, have all tracked back aggressively, this despite their strong medium-term fundamentals and the strong earnings upgrades they have been receiving.

UK sector next 12 months earnings revisions ratio 3MA

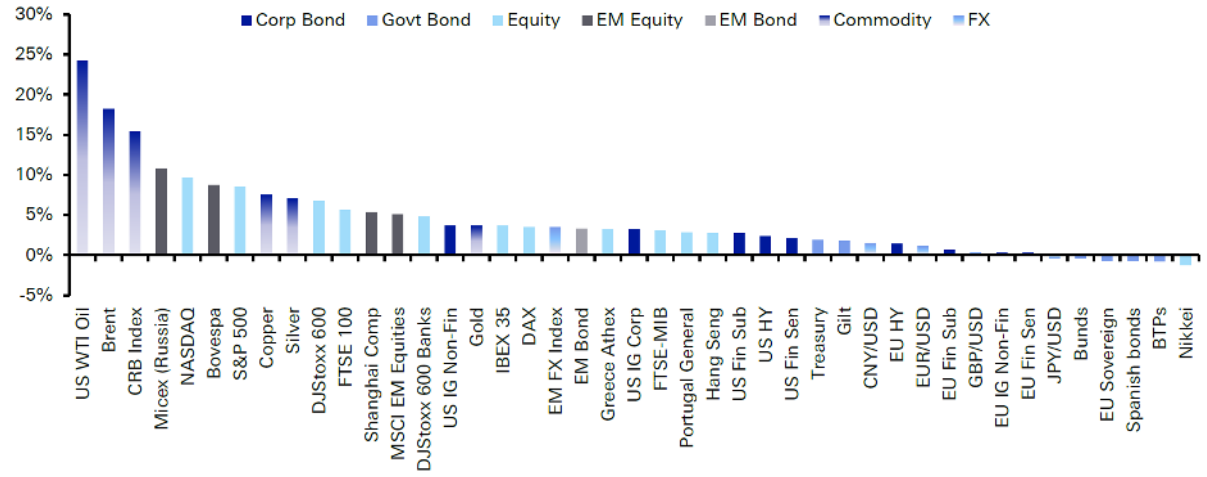


Source: MSCI, Morgan Stanley Research

Market returns and our performance

Global equity returns were strong in Q2 2021. The primary theme of the quarter was continued robust economic and profits recovery which supported equities, but at the same time nervousness regarding the Fed's monetary policy that caused US bonds to rally towards the end of the quarter, despite increasing signs of inflationary pressure. Against this backdrop the winners of the post GFC era were favoured, namely US equities, the US dollar, and large cap growth and quality equities, notably Nasdaq. Value underperformed despite seeing strong upgrades from its key sectors. Q2 was a reverse of the previous two quarters. However, commodities continued to be strong during the quarter, not very aligned with the bond rally and rotation out of Value (Brent oil +18% and copper +7%)nor the laggard performance of commodity related equities or Emerging markets. Gold rallied, but gold equities were weak – there must have been some poor technical positioning in some of these parts of the market that would explain these inconsistencies. The MSCI UK Investable Markets Index (IMI) (GBP) returned 5.5%, the MSCI All Country World Index (ACWI)(GBP) +7.3%, the MSCI World (GBP) +7.8% and MSCI Emerging Markets (EM) (GBP) +5.0%. The MSCI UK Enhanced Value Index returned +4.0% and the MSCI ACWI Enhanced Value Index (USD) +3.1% compared to the MSCI ACWI (USD) return of +7.4%.

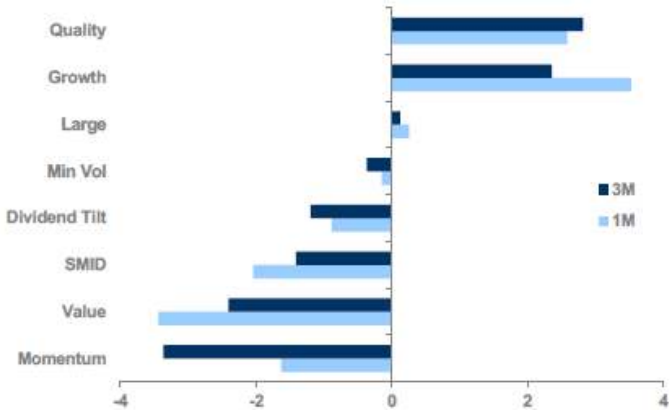
Total return of financial assets in Q2 2021 (in local currency)



Source: Deutsche Bank

- Our key factors were weak during the quarter, most notably in June – Value and small and medium cap stocks (SMIDs) underperforming, alongside momentum (currently correlated with Value); both Quality and Growth were robust.

MSCI ACWI Style factors relative performance (%, USD)



Source: Copyright 2021 Morgan Stanley

- The Fund's performance during the quarter was robust in absolute terms but weak in relative terms, as our key factors struggled. Some reasonable stock picking was able to offset some of the drag from our key factors.
- The ES R&M Global Recovery Fund returned 4.7% (gross of fees, Z share class) and 4.5% (net of fees, B share class), an underperformance versus the MSCI ACWI of 2.5%.
- Our medium- and long-term returns remain robust in absolute terms and reasonable in relative terms, especially in the context of a significant value headwind over much of this period. Over one year the Fund has returned +40.8% (Z shares) and +39.4% (B shares) versus +24.6% for the benchmark; over three years the Fund has returned +8.6% p.a. (Z shares) and +7.5% p.a. (B shares) versus +12.8% for the benchmark; over five years the Fund has returned +14.2% p.a. (Z shares) and +13.1% p.a. (B shares) versus +13.9% p.a. for the benchmark: and since inception the Fund has returned +13.9% p.a. (Z shares) and 12.8% p.a. (B shares) versus +12.2% p.a. for the benchmark. Our long-term and (since PVT) inception returns are strong, especially versus value benchmarks and peers. My 25-year track record continues to annualise at over 4% p.a. ahead of the index.

Key performance contributors

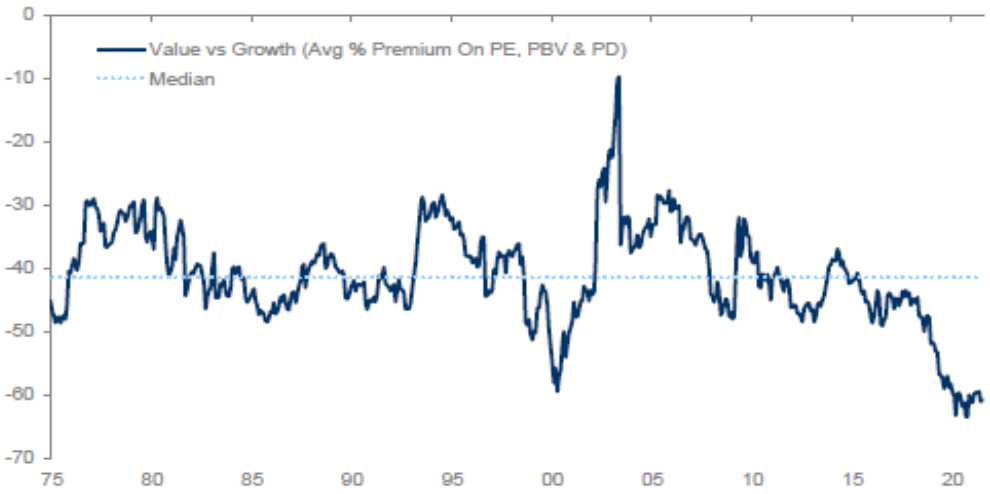
- Positive contributors during the quarter: PVT stock picks positive, small companies in particular (Mega Manunggal Property, PPC, Enerplus, Ginko, Somero).
- Negative contributors: Value factor weak, large cap Growth and Quality strong (Nvidia, Microsoft, Apple); sector allocation negative (underweight technology, overweight consumer cyclicals and financials); country allocation weak, with US equities leading the way (relative beneficiaries of falling bond yields).

Some additional points regarding the opportunity set and positioning rationale

- I think we are at the relatively early stages of the economic recovery, and the profit recovery that goes with that. Last year saw a big fall in GDP and profits due to the impact of the pandemic, this year will be the first year of recovery. This will be supported by the fading of the negative impacts of Covid, by supportive monetary and fiscal policy, by a desire of most economic stakeholders to deliver a recovery that benefits the majority not the minority (such as what happened after the GFC), by the green agenda and by consumers spending the cash they have been forced to save over the last 18 months. So, we think we are closer to the beginning of the cycle than the end. But meanwhile markets are pricing this as the end of the cycle, pushing down bond yields again, encouraging another chase into expensive quality and growth stocks, this leading to value giving back much of the modest relative rally that we have seen over the last year. So, from my perspective this provides another great opportunity to invest in value and recovery stocks, to get undervalued exposure to the economic and recovery cycle we will see over the next couple of years and to provide a great hedge against the inflationary pressures that will be more of an issue over the next ten years than they have been over the last ten.
- And we see value in lots of places, both UK and Global: in deep value, short duration stocks that benefit from higher interest rates (banks such as NatWest, Santander in Spain and Bangkok Bank in Thailand and insurance companies such as Old Mutual and Prudential); in classic recovery stocks (such as Whitbread, the owner of Premier Inn, Rolls Royce and Owens Corning in the US); in re-opening beneficiaries, many of which have pulled back aggressively over the last couple of months (such as Restaurant Group, the owner of Wagamama and On-the-Beach, the specialist, on-line holiday operator that is taking share from the larger, more traditional players,

and in the US Las Vegas Sands, that owns the best gaming real estate in the world, with a No. 1 position in Macau and Singapore); in domestic facing stocks (buying back housebuilders on weakness, such as Berkeley Group, and Travis Perkins and Wickes); and reflation plays, for example the commodity stocks such as Antofagasta and Anglo American, trading on low valuations again after the recent correction; and last but not least out-of-favour digital platforms, the Chinese facing stocks (such as Baidu, Alibaba and Prosus) being particularly unloved and extremely cheap versus their US peers.

- And all around the world Value is still cheap relative to Growth on all metrics including PE and price to book:



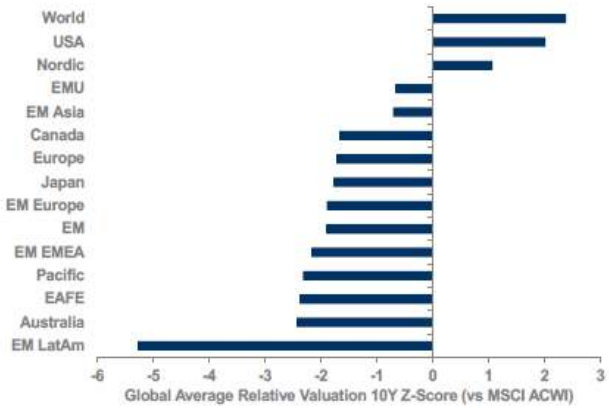
Source: Morgan Stanley Research

Some equity markets look quite expensive in absolute terms and relative to history, but others still look reasonable value. In simple terms it's US equities (high valuation, but attractive historic growth) versus the rest of the world (often low valuations, but need global economic recovery to generate growth):

Shiller PEs around the world:

Source: Copyright 2021 Morgan Stanley

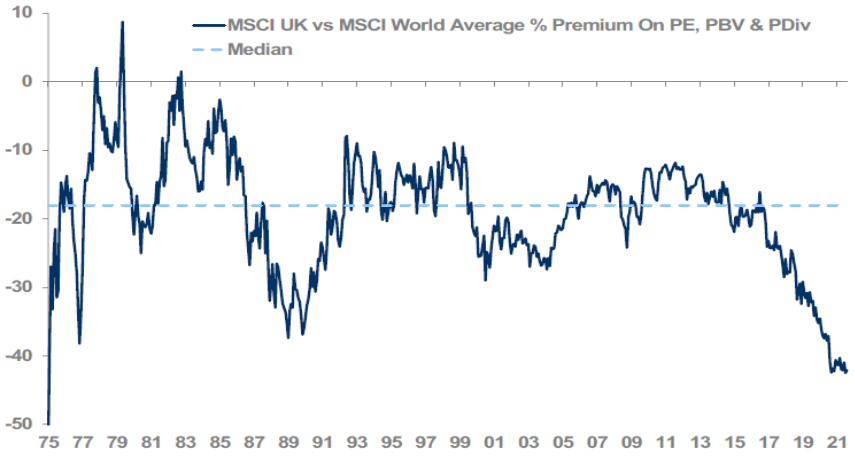
Relative valuations around the world, based on a number of metrics paint the same picture, the US expensive, the Rest of the World looking attractive:



Source: Copyright 2021 Morgan Stanley

The UK continues to have stand out valuations, good value from an absolute value perspective (prospective PE of only 13x, a discount to its 10 year history), and never been cheaper on a relative basis (or only in 1975 when the UK seemed to be 'bust'):

	N12M P/E			
		Median		
	Current	5Y	10Y	20Y
UK	**13.0**	13.7	13.3	12.7
EM	**14.0**	12.2	11.4	11.2
China	**15.5**	12.2	10.6	11.5
Japan	**16.1**	14.0	13.7	14.8
Europe	**16.6**	14.8	14.1	13.1
EMU	**17.1**	14.1	13.5	12.9
ACWI	**19.0**	15.9	15.0	14.6
US	**22.4**	17.7	16.8	15.7



Source: Morgan Stanley Research

Activity and Positioning

We continue to position the portfolio for Value, Recovery, Multi-Cap investing and for domestic economic recovery, re-opening and global reflation.

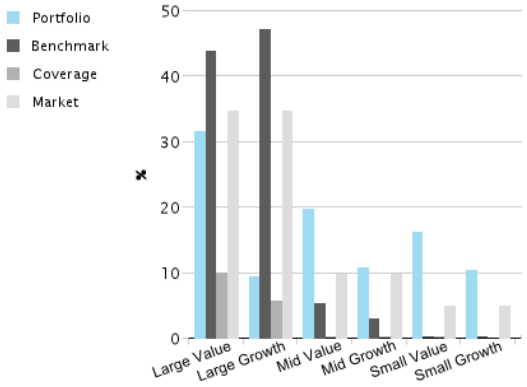
The portfolio continues to have a very clear Value bias, with reasonable absolute valuation support including a 1.5x price to book valuation and high single digit normalised earnings and cashflow yields. Recently the style bias of the portfolio has shifted a bit in favour of earnings growth being superior to benchmark, delivered by the recovery stocks in the portfolio starting to recover. There is a robust multi-cap bias, including an overweight position in undiscovered smaller growth stocks.

Style Skyline (StyleAnalytics) – clear commitment to Value, Recovery and multi-cap investing

Source: StyleAnalytics

Portfolio allocation to value and growth stocks by size and versus benchmark (Style Analytics), big exposure to large, mid and small Value, big underweight large Growth, focus of Growth is undiscovered small cap:

Allocations to Growth and Value by capitalisation and versus the benchmark



Source: StyleAnalytics

We remain high conviction regarding our key themes of i) the return to Value has only just begun, especially given the recent retracement and ii) Value and recovery stocks are ideally positioned for the economic and profits recovery that has just started. Our portfolio positioning remains very committed to these themes, with a continued strong style bias towards Value, Recovery and Multi-Cap stocks. In addition, we are well placed for a more inflationary world, where bond yields trend upwards or at least no-longer continue to fall; shorter duration value stocks will be the main beneficiaries of this and are now oversold rather than overbought. We remain committed to a truly global PVT portfolio, far less US centric than the benchmark.

Looking at the component parts of the portfolio: stocks with traditional value characteristics have pulled back recently and we see that as a significant opportunity and have been adding, such as banks (East West Bancorp, Unicredit), insurance (Japan Post, Berkshire Hathaway (more below), Prudential) and energy (Royal Dutch); high scoring MoneyPenny recovery stocks (such as Bed Bath and Beyond, Stericycle (more below), Capita, Titan Cement, Qualicorp (see below), Treasury Wines and Tadana); attractively valued and currently out of favour quality and growth franchises, such as Smith & Nephew, Walt Disney, Pfizer, Baidu, Prosus, Almawave, Allfunds (more below), Alibaba, GAN, Sprouts Farmers Market (below) and Ping-An Insurance; classic global cyclicals, in particular reflation plays that have corrected over the last few months, most notably mining and precious metal stocks (Anglo American, Antofagasta, Industrias Penoles, Ocean Wilsons, ThyssenKrupp); domestic stocks that are temporarily disliked, have also pulled back recently and look really attractive again (Knight Swift, Neinor Homes,

Sleep Country Canada, Wickes and Viacom); we remain overweight, and have been adding on recent weakness stocks that would benefit from a post-COVID world i.e. those that have been negatively impacted by social distancing requirements (Restaurant Group, Whitbread, Marriott, Capital & Counties), we think that the survivors here will be able to strengthen their market positions and medium-term economics; and as we continue to roll-out S(ustainable)-PVT we are allocating increased capital to this area, including Aker Carbon Capture, Owens Corning (leading insulation product manufacturer), Kendrion and Meyer Burger; and lastly we continue to think about strategic value, especially at this time of increasing M&A activity, adding to Playtech and Sage, the latter being far more valuable to its much larger global peers than the current share price discounts.

Our purchases over the last quarter have focused on adding as described above.

Sales have included taking full profits where our PVT thesis has been delivered, most notably the continued recipients of M&A activity (Sicit, Pax), stocks that were starting to discount full recovery (typically earlier in the quarter) such as Cargotec and China Resources Medical; reducing into relative strength (Tremor, NXP, Resideo, Mega Manunggal Property, PPC); taking profit in some of the capital added to defensives / mega cap growth earlier in the year, this following a strong rebound (Facebook, Amazon, Greentown Service), and exiting some of the growth stocks that had been de-rated last year but have had a very robust share price recovery and now look fully valued (LVMH, CBRE); and re-focusing capital towards higher conviction ideas (Landis & Gyr).

Sprouts Farmers Market is a US-based grocery retailer with strong top line growth historically driven by store expansion programme. Shares have materially de-rated due to like-for-like (LFL) sales contraction and we bought them at the bottom of its valuation trading range since IPO. With LFL growth restored, its strategy is now focused on re-acceleration of store opening programme which has superior store economics delivered by a revised format. A return to normalised double-digit earnings growth would warrant a higher multiple than the ~11x earnings we paid.

We participated in the Allfunds IPO. It is the leading European B2B platform connecting fund managers with distributors, operating a differentiated business model – free to the distributor – which has proved highly successful. Significant growth potential, with historic organic revenue CAGR of 19% since 2012 and similar growth forecast. This growth has multiple drivers: 1) increased market share, 2) underlying growth in European funds (typically ~2-3x GDP), 3) increased penetration of third party services and opening up of distribution, 4) additional services around data & analytics, 5) international expansion and 7) M&A. Valuation is attractive taking into account this growth runway and the high incremental return on capital.

Berkshire Hathaway needs little introduction. There is increasing Timing support for the valuation gap to the sum of the parts for the holding company components to close. Its insurance businesses are entering an attractive pricing cycle and are also correlated to rising bond yields, while other listed and non-listed holdings are well placed for the current macro backdrop. Finally, its famed management has ~$145 billion in cash to deploy on a combination of buybacks (at prices below intrinsic value) and M&A.

US-listed waste management company Stericycle is reaching the end of a deep and costly restructuring process over the last 5 years. The current management team is focused on five strategic initiatives: shrink to the core, de-lever, drive quality growth, lower costs and roll out the new ERP system. We believe timing is turning increasingly supportive given the company is now in a position to start delivering better organic growth rates and profitability, demonstrated by its regulated waste division delivering the third straight quarter of positive organic growth with overall increased margins in 1Q21. In addition, its document destruction segment should benefit from office reopening. The current valuations skews risk-reward attractively, with material upside should Stericycle return to prior margin levels.

Brazil's largest benefits administrator Qualicorp acts predominantly as an intermediary between health plan operators and professional associations to sell affinity group plans, enabling volume discounts for members of 30% to 50% compared to individual plans. It has underappreciated Quality characteristics, with high and increasing return on capital owing to low capital-intensity sales growth and driving costs down by increasing efficiency throughout its cost base. Investors' focus on short-term volatility in the P&L (including several one-off costs) and weakness in the Brazilian economy means the longer-term attractions are under-appreciated on ~15x earnings. The catalyst to closing the value gap is the new management's actions to stimulate the underlying 'net adds' via a ramp-up of commercial partnerships, new product launches, plus both enhanced existing sales channels and the acquisition of new distribution channels.

Perhaps it would be useful to describe one of our classic recovery stocks that we have held over the last few years – Somero. This is a small cap company with a very strong market position in a niche area of construction equipment – kit that is used to make sure that when concrete is laid it is very flat, vital for large warehouses in particular. We first started buying the stock during the GFC, when its revenue and share price fell dramatically as the construction industry shut-up-shop. At the low point the market cap was $10m and the great management team had to cut costs and conserve cash to make sure they survived. We started buying aggressively as they started to deliver improving cash flow and the shares appeared towards the top of our Recovery screen. Fast forward a few years and demand for their kit had recovered. Because costs had been reduced during the tough times, operational gearing kicked in and the business was able to deliver much higher margins than it had in the past and was now generating more in profits than its market cap at the low point. The shares meanwhile had done very well indeed, but in 2018/19 we were worried that the cycle was running out of steam and reduced our position quite aggressively. Then along came Covid, the construction industry stopped again for a short period of time, and the shares fell sharply. We took this as an opportunity to re-build our holding, as the business went into the downturn in much better shape than the GFC and was exposed to one part of the construction industry that would not pause for breath for long, namely warehouses for ecommerce. Somero is again one of our biggest positions today.

Are we following our PVT Philosophy & Process and a consistently articulated style and factor bias?

Yes. The portfolio remains clearly skewed towards high scoring *MoneyPenny* stocks; it has a clear Value bias; it has exposure to all four of our categories of Potential but with a greater tilt to Recovery and Asset-backed due to the richer anomaly set in this part of the market; it is a multi-cap portfolio which is sensibly diversified around the world.

Engagement

In this section, we will some highlights from the engagement we have had with portfolio companies during the quarter around sustainability issues, including key outcomes. Note that this is not an exhaustive list of engagement activity during the quarter.

There will be two aspects to our ongoing engagement programme with mid cap French cement company Vicat: governance structures and decarbonisation efforts. On the latter, our analysis suggested – and the meeting confirmed – that although Vicat have an optically high carbon emissions intensity and less aggressive reduction targets relative to some European peers, it is not a structurally challenged business within the industry from an Environment perspective. Much of the relative emissions intensity can be explained by the location of its assets (clinker factor is the key variable and this varies widely by geography), it has been investing in a range of carbon capture and other mitigation technologies behind the scenes, and its emissions reductions targets have been set at levels that it would expect to surpass

as opposed to being aspirational. It should be a beneficiary of carbon regulation in the EU based on the surplus credits it has stored which can cover the company to 2030. A sustainability focused investor day later this year will bring additional focus on its emissions strategy. On the governance side, while we recognise that this is a family-owned business – which we believe brings a number of positives regarding longevity of strategy, for example – we have made a number of recommendations which we think would align it more with best practice. Some of these objectives should have shorter-term results, while others may take longer to be enacted. We were encouraged by the tone of conversation in our initial meeting, which confirmed the company as an S3 'improver'.

We had separate meetings with Bayer's Chief Sustainability Officer and its Head of IR to discuss People & Environment and Innovation, respectively. In 2019 RAMAM voted at the AGM Against the Approval of the Management Board for Fiscal 2018, as we believed Bayer's management board misjudged the legal and reputational risks of the Monsanto acquisition[1] . Subsequently, the supervisory board resolved to reduce the size of the management board from seven to five members as of the start of 2020, with two directors departing. In addition, a new Chair of the supervisory board was appointed after the 2020 AGM, succeeding the previous Chair who was expected to serve until 2022. In this respect our voting had a positive effect in forcing changes to both the supervisory and management boards. Post this meeting we feel Bayer has stepped up their efforts regarding sustainability, with greater Board oversight in particular. In terms of RAMAM's four main goals from engagement – disclosure of ESG metrics, inclusion of ESG KPIs in executive remuneration, companies to set Net Zero targets and increase female representation in senior management – Bayer are moving in the right direction.

Source: Bayer, company presentation

We had initial engagements with several US holdings, such as Raytheon Technologies, Las Vegas Sands, Southwestern Energy and Resideo Technologies. We assess a solid culture of sustainability at each, but it is evident that disclosure and reporting is playing catch-up with UK, European and, to an extent Japanese, companies. A meeting with UK budget hotel operator Whitbread's CEO and CFO reinforced its credentials as an S1 sustainability leader, while it also appears evident to us that from meeting Citigroup's Chief Sustainability Officer and our S-PVT research that there is a route to it being perceived as sustainability leader in the banking sector.

Outlook

It is strange how expensive some investments are and how easy it remains to find good value equities - in addition to being beneficiaries of reflation, value stocks do not have the permanent loss of capital risk

[1] *55% of shareholders voted Against.*

associated with some of the 'hotter' investments at the moment, those that have re-attracted the liquidity associated with Central Bank activity and excess consumer savings (as deflation consensus returns), whether it be negative yielding sovereign debt or US Tech stocks. There remain many very clearly very expensive investments, whose main attribute is that they have done well in the past rather than their fundamental valuation. Surely it makes sense to be wary of these? The good news is that there remain many very modestly valued equities, i.e. shares in good companies that for various reasons have been left behind; and the other piece of good news is that many of these cheap companies remain at the beginning of their cycle of improving returns, so the catalysts for a re-rating (the T of PVT) have moved into place.

After a difficult recent period (including early July) Value has retraced much of its out-performance since the middle of last year. Linked with this, many recovery stocks, especially those that are geared to re-opening of economies or higher interest rates, have re-traced a substantial part of their relative one-year rally. Earlier this year there was a short period of over-enthusiasm for the 'inflation trade' and this led to some Value and Recovery stocks becoming over-bought. With the short term rally in global bond markets this has now more than unwound with Value and Recovery stocks trading close to the relative lows they reached a year ago and the market returning to its default playbook of deflation, low bond yields, growth and quality stocks and the safety of US growth equities rather than UK or Rest of the World value stocks. Once more Value investors are being tested and once more, we need to stick to our approach. From my perspective the relative stock picking opportunity I see today is as great as previous nadirs because starting valuations are modest, but the outlook is positive and more certain. We are closer to the beginning of the economic and profits recovery than the end, our stocks are highly geared to this recovery cycle and will as a result generate strong profits growth over the next few years, and the reflationary world of higher nominal GDP growth and interest rates trending upwards has not suddenly gone away. As you would expect I am sticking to my approach, Value, Recovery and Multi-Cap investing and continue to commit my own capital to my funds.

Thank you for your continued support.

Hugh Sergeant
Head of Value and Recovery strategies
July 2021

FUND HOLDINGS AND PORTFOLIO WEIGHT

Holding	Weight (%)
Wells Fargo & Co.	0.82
Baidu	0.73
PayPal	0.71
State Street Corp	0.70
Alibaba Group	0.69
Citigroup	0.66
Devon Energy	0.66
Alphabet class A	0.58
Somero Enterprises	0.57
Facebook	0.56
Bank of America	0.55
Criteo	0.54
PPC	0.52
Aumann	0.50
Berkshire Hathaway	0.50
Tremor International	0.48
General Electric Company	0.48
Cemex	0.47
Lloyds Bank	0.46
Marriott International	0.45
Amazon.com	0.45
Baker Hughes	0.45
Bank of Ireland	0.44
Anglo American	0.44
Enerplus	0.43
Stericycle	0.43
Mega Manunggal Prop.	0.43
Antofagasta	0.43
Harley Davidson	0.43
Citizens Financial Group	0.40
Playtech	0.40
Apple	0.40
NOV	0.39
Titan Cement International	0.39
Walt Disney Company	0.39
Pfizer	0.39
Gresham House	0.39
Banco Santander	0.38
Owens Corning	0.38
Capri Holdings	0.37
BNP Paribas	0.37
Allfunds Group	0.36
JPMorgan Chase	0.36
Yageo	0.36
Mediaset	0.36
Digital Value	0.36
Ginko International	0.36
Bayer	0.36
Las Vegas Sands	0.36
Marathon Oil	0.36
Richemont	0.36
Omnicom Group	0.36
Intel	0.35
Heidelberg Cement	0.35
GAN	0.35
ING Group	0.35
Prosus	0.35
JD.com, Inc. Class A	0.34
Longyuan Power	0.34
Societe Generale	0.34
Bed Bath & Beyond	0.33
Tenaris	0.33
Modern Times Group	0.33
Resideo Technologies	0.33
Sumitomo Mitsui Financial	0.33
Prada	0.33
Mediaset Espana	0.32
Swire	0.32
Raiffeisen Bank International	0.32
Whitbread	0.32

Holding	Weight (%)
Intesa	0.32
ThyssenKrupp	0.31
eBay	0.31
Hunting	0.31
Prudential	0.31
Wiit	0.31
Treasury Wine Estates	0.31
Mosaic	0.30
Spotify	0.30
Eni	0.30
Pearl Abyss	0.30
American Express	0.30
Naspers	0.30
Cegedim	0.30
UBS Group	0.29
Johnson Controls	0.29
ViacomCBS	0.29
China Everbright International	0.29
Axa	0.29
Booking Holdings	0.29
Parker-Hannifin	0.29
Knight-Swift Transportation	0.29
Viatris	0.29
Carnival	0.28
Zooplus	0.28
Samsonite	0.28
Natwest Group	0.28
Tune Protect	0.27
MakeMyTrip	0.27
Galp Energia	0.27
Deutsche Lufthansa	0.27
FLSmidth & Co	0.27
Rio Tinto	0.27
General Motors	0.27
Frankfurt Airport	0.27
Tinexta	0.27
CK Hutchinson Holdings	0.26
Spirit Aerosystems	0.26
EFG Eurobank Ergasias	0.26
Avnet	0.26
Airbus	0.26
Affiliated Mgers Grp	0.26
Samsung Electronics	0.26
Nikon	0.26
Kendrion	0.26
Genting Berhad	0.26
Banco Bilbao Vizcaya	0.26
Western Union	0.26
D R Horton	0.26
Standard Chartered	0.25
AP Moller Maersk	0.25
Lojas Americanas	0.25
Raytheon Technologies	0.25
Industria De Diseno Textil	0.25
Banca Farmafactoring	0.25
DeNA	0.25
Bank of Kyoto	0.25
East West Bank	0.25
Vicat	0.25
Unilever	0.25
Mediobanca	0.25
Total	0.24
Naver	0.24
Cars.com	0.24
Kitz Corp	0.24
Vroom	0.24
Rakuten	0.24
JAPEX	0.24
FNAC Darty	0.24
Cisco Systems	0.24

Holding	Weight (%)
Zions Bancorporation	0.24
China Lesso Group	0.24
Swatch Group	0.24
Aryzta	0.23
Boeing	0.23
Applied Materials	0.23
Charles Schwab	0.23
Societe TV Francaise 1	0.23
South32	0.23
Mohawk Industries	0.23
Saint-Gobain Group	0.23
FinecoBank	0.23
Samsung Life Insurance	0.23
Capital & Counties	0.23
RWS Holdings	0.23
Aker Carbon Capture	0.22
Prosiebensat.1 Media	0.22
Nomura Holdings	0.22
TraXion	0.22
Dufry	0.22
Sony Corp	0.22
Applus Services	0.22
Uber Technologies	0.22
Elis	0.22
Fiserv	0.22
Corporacion America	0.22
Nokia (AB)	0.22
Oracle	0.22
IBM	0.22
Chinasoft International	0.22
Capita	0.22
Vistry Group	0.21
Blsa De Vals De Colombia	0.21
The Restaurant Group	0.21
MS&AD Insurance	0.21
Roche Holdings	0.21
B2W Companhia Digital	0.21
ASE Technology Holding	0.21
Nintendo	0.21
Indira Sistemas	0.21
Veeco Instruments	0.21
Vienna Insurance Group	0.21
Japan Post Holdings	0.21
RHI Magnesita	0.21
Siemens Energy	0.21
Valid	0.21
SKF	0.21
CIMB Group	0.21
Sage	0.21
Zynga	0.21
Mattel	0.20
Wynn Macau	0.20
Westrock	0.20
Ping an Insurance	0.20
H&R Block	0.20
Siemens	0.20
Ceconomy	0.20
Fedex Corp	0.20
Ontex Group	0.20
Datalogic	0.20
Dai-ichi Life Insurance	0.20
Nvent Electric	0.20
Jefferies Financial Group	0.20
Fluor Corporation	0.20
Link Net	0.20
SBI Group	0.20
Gruppo MutuiOnline	0.20
Toyota Industries	0.20
CGG	0.20
ABSA Group	0.20

Source: River and Mercantile Asset Management LLP

FUND HOLDINGS AND PORTFOLIO WEIGHT (CONTINUED)

Holding	Weight (%)
Eckoh	0.20
Van Lanschot	0.20
MediaTek	0.19
Consorcio ARA	0.19
Smith & Nephew	0.19
Qualicorp	0.19
Exor	0.19
Saipem	0.19
Unipol	0.19
Bangkok Bank	0.19
Trip.Com Group	0.19
BorgWarner	0.19
Andritz	0.19
Neinor Homes	0.19
Poste Italiane	0.19
Borussia Dortmund	0.19
China Merchants Bank	0.18
Sansei Technologies	0.18
TomTom	0.18
Shop Apotheke	0.18
Royal Dutch Shell 'B'	0.18
Re/Max Holdings	0.18
Moneygram Int'l	0.18
Hi Sun Technology	0.18
Amadeus IT Holdings	0.18
Ping Identity Holding	0.18
Kraft Heinz Co	0.18
Mercadolibre	0.18
Veolia Environment	0.18
ams	0.18
Novabase	0.18
Imax	0.18
Starbucks	0.18
Tencent	0.18
Cielo	0.18
Maisons Du Monde	0.18
Sonae	0.18
Gourmet Master Co	0.18
GAM	0.18
Northbridge	0.18
Arcos Dorados Class A	0.18
CJ Group	0.18
Profarma	0.18
Grupo Sura	0.18
Legal & General	0.18
Yunnan Baiyao Group	0.18
DBS Holdings	0.17
Bpost	0.17
Tsubaki Nakashima	0.17
IJM Corporation	0.17
Coca-Cola Icecek	0.17
Vivendi	0.17
Sime Darby Property	0.17
Snap-On	0.17
Salvatore Ferragamo	0.17
Aston Martin Lagonda	0.17
Tsubakimoto Chain	0.17
Dropbox	0.17
Manchester United	0.17
Hutchison Port Holdings	0.17
Fresenius	0.17
Herige	0.17
Hyundai Motor Company	0.17
Sime Darby	0.17
Southwest Airlines	0.17
Hongkong Land Holdings	0.17
Haitong Securities	0.17
Yahoo Japan	0.17
Veon	0.17
Bang & Olufsen	0.17

Holding	Weight (%)
Schlumberger	0.17
iQIYI	0.17
WP Inwestor	0.16
Filtronic	0.16
HDFC Bank	0.16
Hong Kong Exchanges	0.16
Sydney Airport	0.16
Coca-Cola West Company	0.16
Fukuda Denshi	0.16
Minwise	0.16
DXC Technology	0.16
Artisan Partners A.M.	0.16
Fourlis Holdings	0.16
Scor	0.16
Almawave	0.16
Nordic Entertainment	0.16
Infineon	0.16
Continental AG	0.16
LG Chem	0.16
HSBC Holdings	0.16
Eurazeo	0.16
Canada Goose Holdings	0.16
Adecco	0.15
ABB Ltd	0.15
Atresmedia Corp	0.15
CEB Greentech	0.15
Value Partners	0.15
Heijmans	0.15
Solocal Group	0.15
Tata Motors	0.15
Toyota	0.15
Chow Sang Sang	0.15
Bristol-Myers Squibb	0.15
Knowit	0.15
Eucatex	0.15
KG Inicis	0.15
Subsea 7	0.15
Sabre Corp	0.15
Blue Apron	0.15
Axalta	0.15
Geely Automobile Holdings	0.15
Trend Micro Japan	0.15
Toyo Tanso	0.15
Schaeffler	0.15
Corp Financiera Alba	0.14
LG Corp	0.14
Alkemy	0.14
Adevinta	0.14
Nippon Indosari Corpindo	0.14
TKH Group	0.14
Shangri-La Asia	0.14
Eastman Chemical	0.14
3M	0.14
CJ O Shopping	0.14
Take-Two Interactive	0.14
Ipsos	0.14
Multichoice Group	0.14
Bankinter	0.14
China Yongda Auto	0.14
Ibersol	0.14
Anima	0.14
Lafarge Malaysia	0.14
Henkel	0.14
Mail.ru	0.14
Greentown Service Group	0.14
Marisa Lojas	0.14
Industrias Penoles	0.14
Jardine Cycle & Carriage	0.14
Noah Holdings	0.14
Aixtron	0.14

Holding	Weight (%)
Volkswagen	0.14
AGC	0.14
Genting Singapore	0.14
Beyond Meat	0.14
Harbour Energy	0.13
Tsumura & Co	0.13
JAFCO Co	0.13
Darden Restaurants	0.13
BASF	0.13
UniCredit Bank	0.13
SGX	0.13
Porsche Automobil	0.13
Sprouts Farmers Market	0.13
Jnby Design	0.13
Hyundai Mobis	0.13
McKesson	0.13
Nippon Parking Dev.	0.13
Unilever Indonesia	0.13
WW Grainger	0.13
Antares Vision	0.13
SATS	0.13
21Vianet	0.13
Dormakaba Holding	0.13
Gilead Sciences	0.13
Sanlorenzo	0.13
Dowa	0.13
FANUC	0.13
Linea Directa Aseguradora	0.13
HollySys	0.13
TripAdvisor	0.13
Wal Mart Stores	0.12
GEA Group	0.12
Kerlink	0.12
Momo	0.12
Chanjet Info Technology	0.12
Qiwi	0.12
Eiffage	0.12
Seco Tools	0.12
Inversiones La Construcción	0.12
Hutchison China Meditech	0.12
Fraser and Neave	0.12
Beijing Capital Intl Airport	0.12
Accor	0.12
Semen Indonesia	0.12
Imerys	0.12
Seino Holdings	0.12
NKT	0.12
Okamoto Industries	0.12
NS Solutions	0.12
Cosco Pacific	0.12
Nichi-Iko Pharmaceutical	0.12
Aena	0.12
DoubleUGames	0.11
Volvo	0.11
STMicroelectronics	0.11
ASOS Holdings	0.11
Hyundai Glovis	0.11
Melia Hotels International	0.11
Kyocera Corp	0.11
Taiheiyo Cement	0.11
Royal BAM Group	0.11
Wing Tai	0.11
Nitto Denko	0.11
IG Holdings	0.11
WW International	0.11
Navinfo	0.11
ZipRecruiter	0.11
Valeo	0.11
Samsung C&T	0.10
Kinepolis Group	0.10

Source: River and Mercantile Asset Management LLP

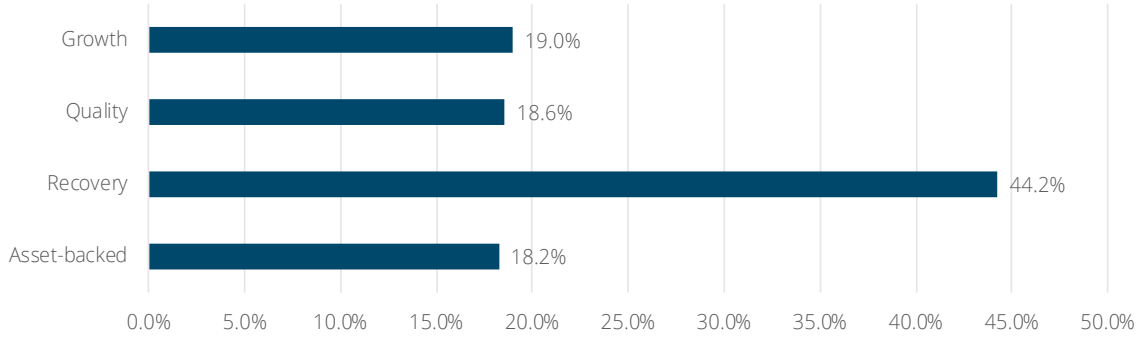
FUND HOLDINGS AND PORTFOLIO WEIGHT (CONTINUED)

Holding	Weight (%)
Tencent Music Ent.	0.10
Acerinox	0.10
Meyer Burger	0.10
Lenzing AG	0.10
Société Bic	0.10
Jumbo	0.10
Tosei	0.10
Mixi	0.10
Cosco Capital	0.10
Sleep Country Canada	0.10
Stellantis	0.10
AssetMark	0.10
Genomma Lab	0.10
KION Group	0.10
SAP	0.10
Autohome Inc	0.10
Koninklijke Philips	0.09
Coca-Cola	0.09
Great Western Bank	0.09
Delta Air Lines	0.09
Piraeus Port Authority	0.09
Bancolombia	0.09
Malaysia Airports Hldgs	0.09
Tadano	0.08
Daibiru	0.08
Kingsoft Cloud	0.08
3D Systems	0.08
Marvelous	0.08
Cie des Alpes	0.07
Falabella	0.07
Wickes	0.07
Vital KSK	0.07
Alfen Beheer	0.06
Tachi-S Co	0.06
Atos	0.05
Ping An Good Doctor	0.05
Sohu	0.05
L Brands	0.05
Zozo	0.05
Yum China	0.05
Netease	0.05
Essilorluxottica	0.04
Rangers International FC	0.04
Haitong Int'l Secs	0.04
UPM-Kymmene	0.04
Ocean Wilson Holdings	0.03
LX Holdings	0.02
Valid	0.01
CIE Financiere Richemont	0.00
iFAST	0.00
Banco Espirito Santo	0.00
Cash	0.63
TOTAL	**100.00**

Source: River and Mercantile Asset Management LLP

PVT CATEGORIES OF POTENTIAL

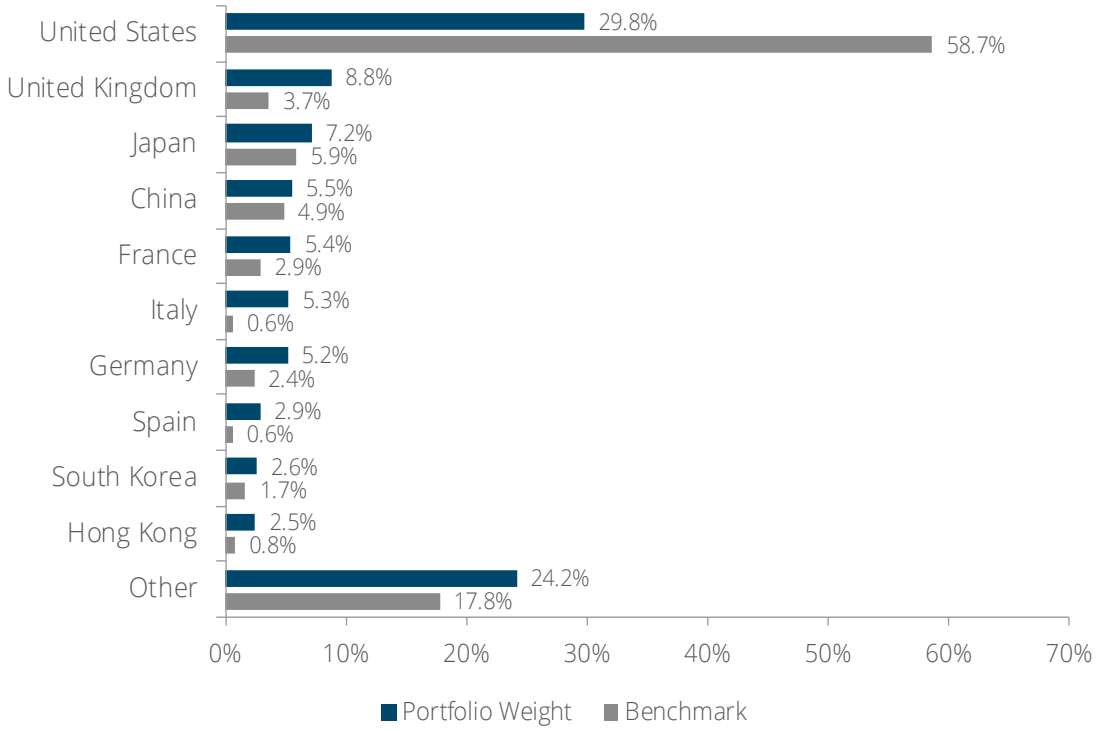
This chart shows the weighting of the fund's holdings across the four categories of Potential, related to the stages of a company's life cycle, as defined within the R&M investment philosophy known as 'PVT' – Potential, Valuation, Timing.



Source: River and Mercantile Asset Management LLP

COUNTRY WEIGHTS

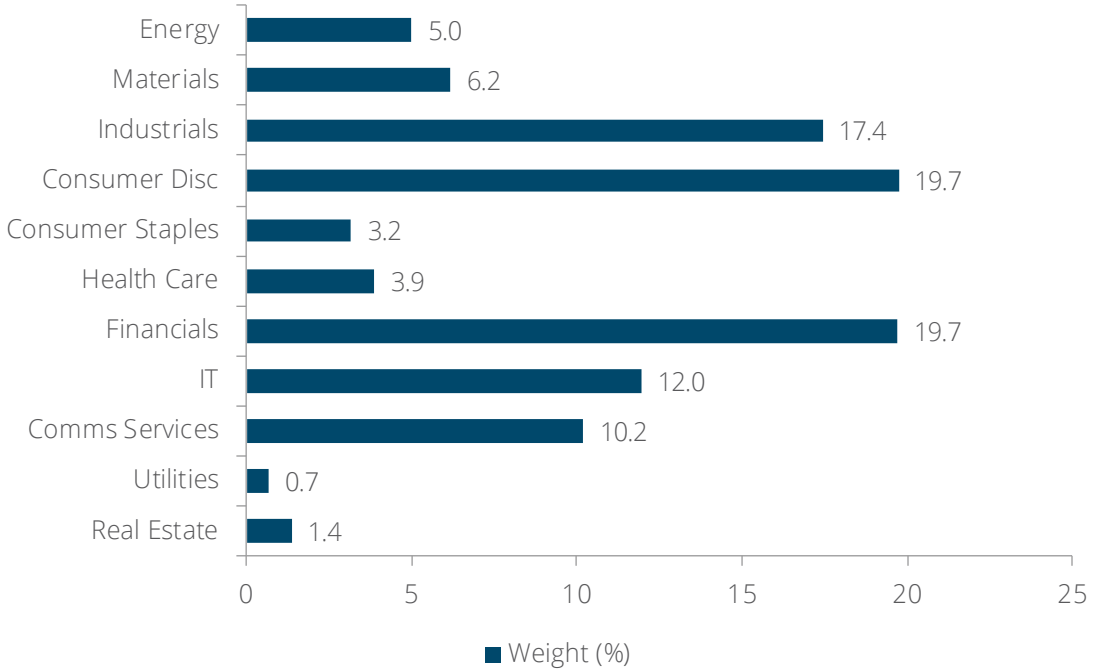
This table shows a comparison of fund and benchmark weightings across a range of company values



Source: FactSet

INDUSTRIAL SECTOR WEIGHTS

This graph shows fund weightings across the industrial sectors classified by the MSCI Global Industry Classification Standard (GICS).



Source: FactSet

TOP 10 ACTIVE POSITIONS VS THE BENCHMARK

This table highlights the securities in which the fund weight differs most from that of the benchmark, with the 'overweights' showing 10 securities with the greatest weight difference above the benchmark's position, and the 'underweights' showing 10 securities with the greatest weight difference below the benchmark's position. The difference is known as the 'active weight'.

Overweights	Sector	Fund	% Benchmark	Active
State Street Corp	Financials	0.70	0.04	0.65
Baidu	Communication Services	0.73	0.08	0.64
Devon Energy	Energy	0.66	0.03	0.63
Somero Enterprises	Industrials	0.57	0.00	0.57
Wells Fargo & Co.	Financials	0.82	0.28	0.54
Criteo	Information Technology	0.54	0.00	0.54
PPC	Materials	0.52	0.00	0.52
Aumann	Industrials	0.51	0.00	0.51
Tremor International	Communication Services	0.48	0.00	0.48
Cemex	Materials	0.47	0.02	0.45

Underweights	Sector	Fund	% Benchmark	Active
Apple	Information Technology	0.40	3.46	-3.06
Microsoft	Information Technology	0.00	2.92	-2.92
Amazon.com	Consumer Discretionary	0.45	2.21	-1.77
Alphabet class A	Communication Services	0.58	2.22	-1.64
Taiwan Semi Mfng	Information Technology	0.00	0.79	-0.79
Tesla Inc	Consumer Discretionary	0.00	0.78	-0.78
Nvidia Corp	Information Technology	0.00	0.74	-0.74
Facebook	Communication Services	0.56	1.26	-0.70
Johnson & Johnson	Health Care	0.00	0.65	-0.65
VISA	Information Technology	0.00	0.60	-0.60

Source: FactSet

PORTFOLIO STYLE SKYLINE

This graph shows the Style Tilts™ of the fund against the benchmark as calculated by StyleAnalytics, highlighting stylistic differences between the fund and its benchmark.

Source: StyleAnalytics

STOCK LEVEL PERFORMANCE ATTRIBUTION

This table shows the best and worst contributors to the fund's performance relative to the benchmark. The average active weight highlights whether the fund held a larger or smaller position in a stock than the benchmark did, on average over the period. As performance is relative to the benchmark, outperformance of the benchmark can come from the fund holding a larger position than the benchmark in a stock that performs well, or a lower position than the benchmark (or even a zero holding) in a stock that performs poorly. The contribution to active return is the return that the position has contributed relative to the benchmark.

Greatest Positive Contribution	Average Active Weight	Contribution to Active Return
Mega Manunggal Prop.	0.30%	0.25%
PPC	0.52%	0.24%
Enerplus	0.45%	0.14%
Devon Energy	0.57%	0.13%
Ginko International	0.27%	0.13%
Digital Value	0.36%	0.11%
Criteo	0.55%	0.10%
Somero Enterprises	0.58%	0.10%
Chinasoft International	0.20%	0.08%
Tinexta	0.26%	0.08%

Greatest Negative Contribution	Average Active Weight	Contribution to Active Return
Nvidia Corp	-0.61%	-0.22%
Microsoft	-2.80%	-0.20%
Alphabet class A	-1.59%	-0.18%
Apple	-2.98%	-0.14%
Solocal Group	0.22%	-0.11%
Bank of Kyoto	0.26%	-0.10%
ThyssenKrupp	0.30%	-0.10%
CGG	0.24%	-0.09%
Baidu	0.66%	-0.09%
Las Vegas Sands	0.38%	-0.08%

Source: FactSet

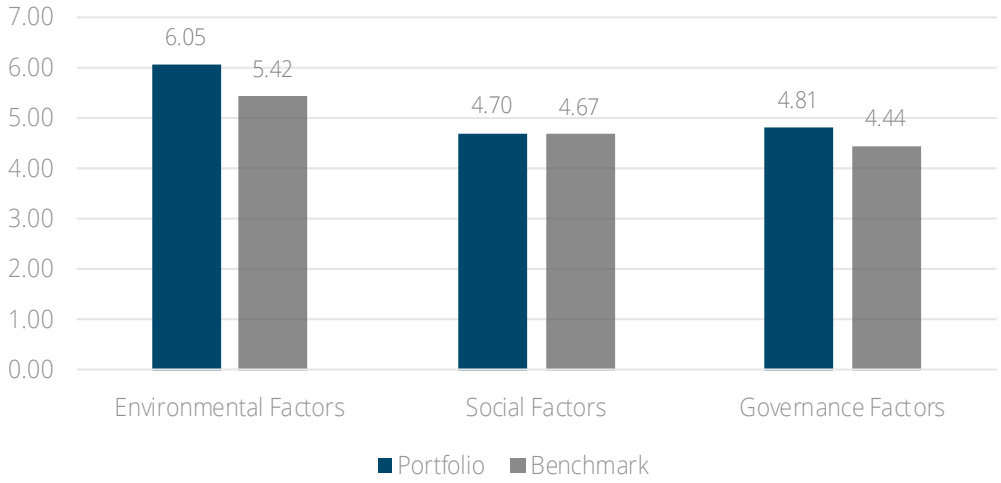
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTOR ANALYSIS

This report is designed to give a broad overview of the portfolio from the perspective of Environmental, Social and Governance factors. Whilst the portfolio is not run to be optimised with these factors in mind, we may expect to take major risks into consideration when analysing stocks.

This table compares the portfolio and benchmark asset weightings by value with data from MSCI ESG Research.

	Portfolio	Benchmark
Assets covered by MSCI ESG Research	86.0%	99.7%
Assets scoring in the bottom decile	0.6%	0.7%

The chart below illustrates how the portfolio and its benchmark compare on average Environmental, Social and Governance scores. Scores are based on a 1 to 10 scale, where 1 is the lowest/worst and 10 is the highest/best.



10 highest rated ESG companies held by fund	Portfolio Weight	Benchmark Weight	Company Rating	Industry Adjusted Score
Intesa	0.3%	0.1%	AAA	10.0
Johnson Controls	0.3%	0.1%	AAA	10.0
Axa	0.3%	0.1%	AAA	10.0
Galp Energia	0.3%	0.0%	AAA	10.0
Banco Bilbao Vizcaya	0.3%	0.1%	AAA	10.0
Naver	0.2%	0.1%	AAA	10.0
Sony Corp	0.2%	0.2%	AAA	10.0
Sydney Airport	0.2%	0.0%	AAA	10.0
3M	0.1%	0.2%	AAA	10.0
Société Bic	0.1%	0.0%	AAA	10.0

10 lowest rated ESG companies held by fund	Portfolio Weight	Benchmark Weight	Company Rating	Industry Adjusted Score
KG Inicis	0.1%	0.0%	CCC	0.0
Toyo Tanso	0.1%	0.0%	CCC	0.4
Carnival	0.3%	0.0%	CCC	0.7
Porsche Automobil	0.1%	0.0%	B	1.4
Pfizer	0.4%	0.3%	B	1.5
Hutchison Port Holdings	0.2%	0.0%	B	1.5
Facebook	0.6%	1.3%	B	1.6
Toyota Industries	0.2%	0.0%	B	1.6
Hyundai Motor Company	0.2%	0.0%	B	1.7
Tata Motors	0.2%	0.0%	B	1.7

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BROKER COMMISSIONS ANALYSIS

Counterparty	Total (£)	Commission Paid (£)
		Execution Only
ABG SUNDAL COLLIER	1,037,832.78	644.21
ATLANTIC SECURITIES	4,548,270.57	3,078.48
BANCO ITAU	987,016.75	987.02
BARCAP	0.00	0.00
BERENBERG	171,732.80	108.08
BMO	2,631,781.71	1,579.10
BTG PACTUAL	490,311.39	490.31
CANACCORD ALGO	1,638,477.04	655.39
CANACCORD GENUITY	0.00	0.00
CENKOS	0.00	0.00
CITI PROG	423,758.10	84.75
CITIGROUP	2,146,413.00	1,366.29
CLSA	2,088,107.30	1,998.09
CREDIT SUISSE	2,508,130.59	1,694.76
DEUTSCHE BANK	0.00	0.00
EXANE	1,933,339.85	1,127.15
FINNCAP	558,960.57	447.21
GBM	472,556.90	472.55
GOLDMAN SACHS	0.00	0.00
GOODBODY	56,451.29	33.87
HSBC	721,987.70	490.77
ING	173,934.49	104.36
INSTINET	102,770.16	88.22
INVESTEC	732,731.65	589.94
ITG	1,419,061.80	854.36
ITG ALGO	288,887.74	422.91
ITG EURO	0.00	0.00
J&E DAVY	54,916.49	32.95
JANE STREET	0.00	0.00
JEFFERIES	13,772,035.43	11,477.27
JEFFERIES ALGO	2,430,268.87	1,135.62
JPMORGAN CHASE	3,467,654.78	2,657.10
KEPLER CHEUVREUX	706,708.92	441.54
LIBERUM	254,155.00	203.32
LIQUIDNET	2,917,757.97	1,830.16
MEDIOBANCA	2,593,952.38	1,556.32
MIZUHO	1,891,886.86	1,135.12
MORGAN STANLEY	4,587,260.60	3,151.53
NORTHERN TRUST CORP	0.00	0.00
NPLUS1 SINGER	0.00	0.00
NUMIS	438,490.11	350.79
PANMURE GORDON	10,876.12	8.70
PEEL HUNT	26,651.28	21.32
RAYMOND JAMES	4,994,292.75	2,996.62
RBC	117,546.11	94.04
RBC ALGO	885,199.01	533.27
REDBURN	0.00	0.00
SANFORD BERNSTEIN	211,691.65	260.69
SANTANDER	953,572.54	1,401.23
SHORE CAPITAL	17,165.04	78.33
SOCIETE GENERALE	0.00	0.00
STIFEL EUROPE	0.00	0.00
STIFEL NICOLAUS	201,239.64	120.74
SUSQUEHANNA INTERNATIONAL GROU	0.00	0.00
UBS	4,633,328.93	3,070.00
UBS PROG	154,793.71	30.96
WINTERFLOOD	198,794.83	159.04
FLOWTRADERS	0.00	0.00
CONFIRMED FUND PRICE	0.00	0.00
OPTIVER	0.00	0.00
BANK OF MONTREAL	2,033,209.55	1,415.95
BTIG	398,731.05	239.24
CITADEL INVESTMENT GROUP L.L.C.	0.00	0.00
BRBNPMBS	0.00	0.00
STIFEL FINANCIAL CORP	0.00	0.00
CITI UK	87,736.83	120.07
LIQUIDNET ALGO	258,768.15	77.63
	£ 73,431,198.78	**£ 51,917.37**

Firm Wide Comparators

All Equity Trading	**£**	**2,262,236,036.54**	**£638,966.08**
Trades:	**£**	**73,431,198.78**	**£51,917.37**
Average Firm-Wide Commission Rate (%)			0.03%
: Average Commission Rate (%)			0.07%

Source: River and Mercantile Asset Management LLP

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