

ES River and Mercantile EUROPEAN FUND

CLASS B GBP (Income)

PAST PERFORMANCE

The chart and tables below show the performance of the fund's GBP B (Inc) share class since the launch of the share class on 16 October 2020.

Source: River and Mercantile Asset Management LLP. Fund performance is calculated using midday published prices. Benchmark performance is calculated using close of business mid-market prices.

Past performance is not a reliable guide to future results.

PERFORMANCE SINCE INCEPTION



CUMULATIVE PERFORMANCE

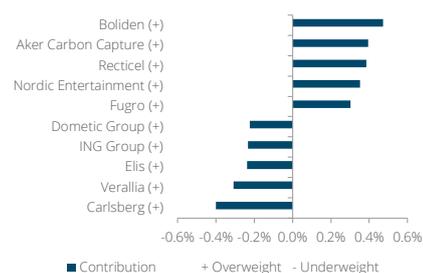
	1 month %	3 months %	1 year %	3 years %	Since inception %
B share class (Inc)	5.7	-5.7	8.7	-	25.8
Benchmark	1.9	-7.5	5.3	-	17.3

DISCRETE 12 MONTH PERFORMANCE

	12 months to 31/03/2018	12 months to 31/03/2019	12 months to 31/03/2020	12 months to 31/03/2021	12 months to 31/03/2022
B share class (Inc)	-	-	-	-	8.7%
Benchmark	-	-	-	-	5.3%

TOP 5 PERFORMANCE CONTRIBUTORS & DETRACTORS

The best and worst contributors to the portfolio's performance relative to the benchmark



Source: Factset

TOP 5 OVERWEIGHTS & UNDERWEIGHTS

The securities in which the portfolio weight differs most from that of the benchmark



Source: Factset

TOP 10 COUNTRY WEIGHTS

The portfolio's ten largest country holdings by total weight.



Source: Factset

SECTOR WEIGHTS

Portfolio weightings within specific industrial sectors.



Source: Factset

RIVER AND MERCANTILE

INVESTMENT OBJECTIVE

To achieve a return (income and growth in the value of your investment (known as "capital growth") over a rolling period of at least five years, by investing in a core concentrated portfolio of shares of European companies.

PORTFOLIO MANAGER

James Sym

PORTFOLIO & RISK CHARACTERISTICS

Number of holdings	49
Fund Volatility	15.2%
Benchmark Volatility	13.3%
Beta	1.08
Tracking error	5.04
Active Money	80.7%

KEY FACTS

Fund launch date	30/09/2020
Share class launch date	16/10/2020
Benchmark	MSCI Europe (ex-UK) IM index
IA sector	Europe ex-UK
Total fund size	£245.6m
Domicile	UK
Fund type	UK UCITS
SEDOL	BMX64P1
ISIN	GB00BMX64P13
Bloomberg	ESRMEBI
Distribution type	Income

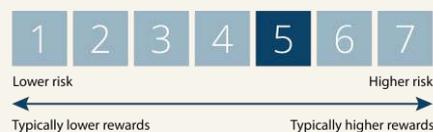
FEES & CHARGES

Initial charge	Up to 5.25%
AMC	0.75%
Ongoing charge (including AMC)	0.95%

DEALING INFORMATION

Dealing frequency	Daily
Dealing cut-off time	12pm (UK)
Valuation point	12pm (UK)
Settlement	T+4
Minimum investment	£1000

SYNTHETIC RISK & REWARD INDICATOR (SRRI)



CONTACT DETAILS

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TOP 10 HOLDINGS

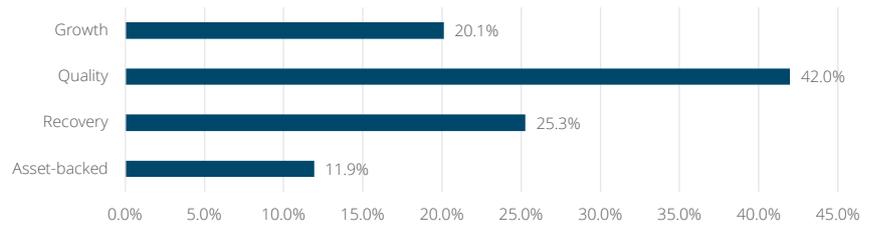
The ten largest positions by weight held in the portfolio.

	Weight (%)
Bakkafrost	3.9
KPN	3.6
Air Liquide	3.6
Banco Santander	3.4
Roche Holdings	3.3
Verallia	3.3
Elis	3.1
Sanofi	3.1
Recticel	3.0
Sopra Steria Group	2.9

Source: River and Mercantile Asset Management LLP

CATEGORIES OF POTENTIAL

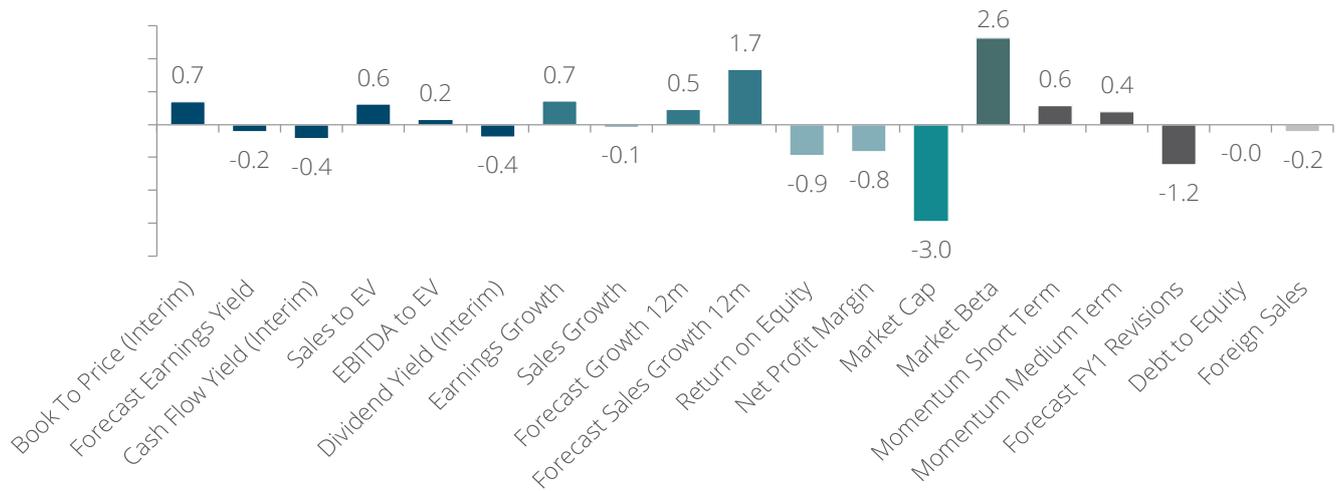
The weighting of the portfolio across the four categories of potential, related to stages of a company's life cycle.



Source: River and Mercantile Asset Management LLP

PORTFOLIO STYLE SKYLINE

This chart shows the Style Tilts of the portfolio against the benchmark as calculated by StyleAnalytics.



Source: StyleAnalytics

FUND RATINGS



OTHER INFORMATION

Authorised Corporate Director: Equity Trustees Fund Services Limited
 Investment manager: River and Mercantile Asset Management LLP
 Depository: The Bank of New York Mellon (International) Limited

MANAGER'S REVIEW

In the face of 7% inflation, tightening monetary policy and a war, and with commodity prices at all-time highs, from a business cycle perspective it seems appropriate to take some tactical profits from the 'inflation trade' in the short term. This is only a tactical move because we are likely to avoid a recession owing to the strong consumer balance sheet coupled with the positive seasonal effect (i.e. lower prices) in the energy market. We are presumably somewhere near peak disruption to supply chains which means that industrials with reasonable pricing power should sooner or later be able to recover the hit to profitability the input price spike has caused, and robust consumer businesses represent bargain basement – we are selectively finding cases of March 2020 valuation levels on through-cycle metrics, even if aggregate markets are perhaps surprisingly within 10% of all-time highs.

In the more medium term, my view is hardening that, for at least this economic cycle if not the next ones as well, we are moving into a new investment regime. It will be characterised by deglobalisation, more capital investment, higher inflation and a much less powerful central bank 'put'. Ultimately, this is not a disastrous mix for all equities, but it will certainly be a more difficult ride. It is probably easier to deduce which equities are at risk from this paradigm shift than those which clearly benefit, even if our goal is to do both. The good news for the contrarians is that the former seem (surprisingly?) still well-owned, whereas within the areas of the market potentially awash with candidates who probably benefit from these shifting sands, investors enter "Liberty Hall".

James Sym

Portfolio Manager

April 2022

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