



RIVER AND MERCANTILE

# ES RIVER AND MERCANTILE UK DYNAMIC EQUITY FUND

Quarterly report to 30 June 2022

*For unitholders only*

# ES River and Mercantile UK DYNAMIC EQUITY FUND

Quarter 2, 2022

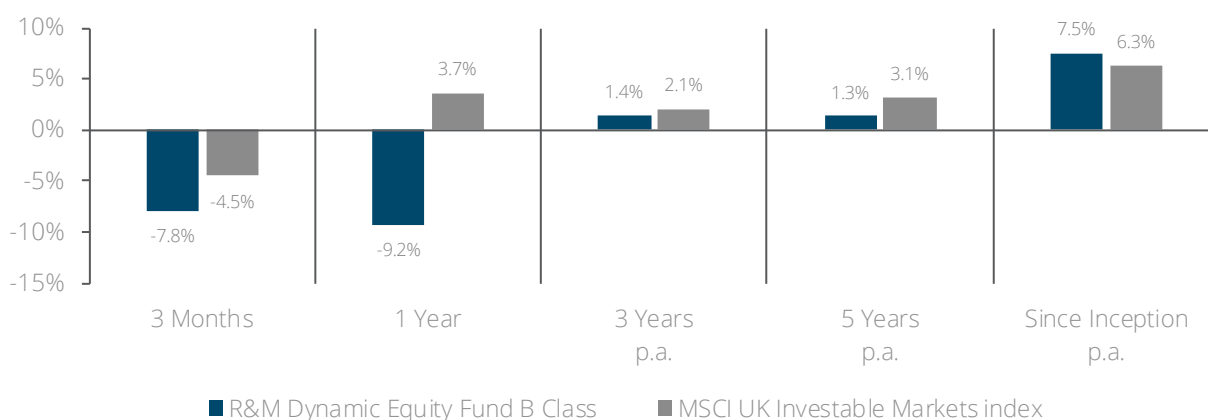
RIVER AND MERCANTILE

## INVESTMENT OBJECTIVE

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 fees

## PERFORMANCE (NET OF FEES)

	Fund	Benchmark	Difference
3 months	-7.8%	-4.5%	-3.4%
1 year	-9.2%	3.7%	-12.9%
3 years (p.a.)	1.4%	2.1%	-0.6%
5 years (p.a.)	1.3%	3.1%	-1.8%
Since Inception (p.a.)	7.5%	6.3%	1.2%



	Fund	Benchmark	Difference
3 years (cumulative)	4.3%	6.3%	-2.0%
5 years (cumulative)	6.9%	16.7%	-9.8%
Since inception (cumulative)	100.9%	80.0%	20.9%

Source: River and Mercantile Asset Management LLP. Benchmark is the MSCI UK Investable Market Index, net GBP. Fund performance shown is of B share class (accumulation units) and is calculated using the midday published price, net of an annual management charge of 0.75% per annum. Please note that 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	£64.5m	Portfolio volatility	15.6 %
Strategy capacity	£2bn	Benchmark volatility	13.7 %
Inception date	22/03/2007	Portfolio beta	1.07
Number of stocks	48	Tracking error	5.6 %
		Active money	76.3 %

Source: River and Mercantile Asset Management LLP, StyleAnalytics

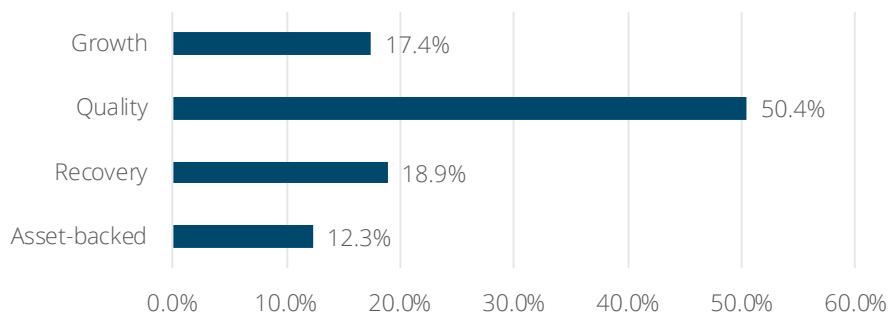
## SYNTHETIC RISK AND REWARD INDICATOR



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.

## PVT CATEGORIES OF POTENTIAL

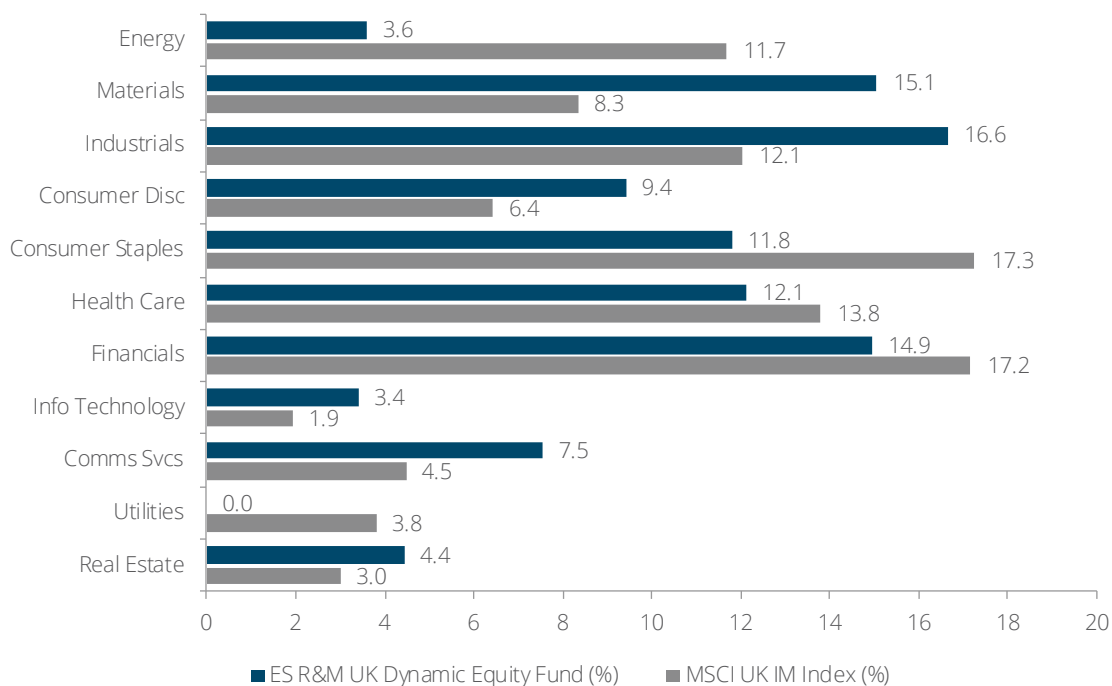
This chart shows the weighting of the fund's holdings across the four categories of Potential, related to the stages of a company's life cycle, as defined within the R&M investment philosophy known as 'PVT' – Potential, Valuation, Timing.



Source: River and Mercantile Asset Management LLP

## INDUSTRIAL SECTOR WEIGHTS

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



Source: FactSet

## MARKET CAP DISTRIBUTION

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

		Fund	Benchmark	Active
Mega Cap	£20bn +	36.5%	64.9%	-28.4%
Large Cap	£4bn - £20bn	22.4%	20.5%	1.9%
Mid Cap	£2bn - £4bn	12.7%	6.7%	6.0%
Small Cap	£100m - £2bn	27.4%	7.9%	19.4%

Source: River and Mercantile Asset Management LLP. Excludes cash and any applicable ETF positions.

## 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
Sanofi	Health Care	4.20	0.00	4.20
Natwest Group	Financials	3.96	0.58	3.38
Barrick Gold	Materials	3.35	0.00	3.35
Conduit Holdings	Financials	3.15	0.00	3.15
Serco	Industrials	3.10	0.10	3.00
Essentra	Materials	3.00	0.04	2.96
Auto Trader	Communication Services	2.90	0.25	2.66
WPP	Communication Services	2.92	0.45	2.48
Mondi	Materials	2.79	0.33	2.46
888 Holdings	Consumer Discretionary	2.33	0.03	2.30

Underweights	Sector	Fund	%	
			Benchmark	Active
HSBC Holdings	Financials	0.00	5.13	-5.13
Shell	Energy	3.34	7.68	-4.34
GlaxoSmithKline	Health Care	0.00	4.24	-4.24
Diageo	Consumer Staples	0.00	3.87	-3.87
British American Tobacco	Consumer Staples	0.00	3.62	-3.62
BP	Energy	0.00	3.58	-3.58
AstraZeneca	Health Care	4.76	7.91	-3.15
Rio Tinto	Materials	0.00	2.61	-2.61
Unilever	Consumer Staples	2.02	4.51	-2.49
Glencore	Materials	0.00	2.08	-2.08

Source: FactSet

## TOP 10 HOLDINGS

This table shows the fund's ten largest holdings.

	Weight (%)
AstraZeneca	4.8
Sanofi	4.2
Natwest Group	4.0
Reckitt Benckiser	3.5
Barrick Gold	3.4
Shell	3.3
Conduit Holdings	3.2
Serco	3.1
Essentra	3.0
WPP	2.9

Source: River and Mercantile Asset Management LLP

## 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
Sanofi	4.03%	0.53%
Serco	1.32%	0.48%
Rio Tinto	-2.87%	0.45%
Ashtead	-0.82%	0.23%
BAE Systems	1.11%	0.21%
Spirent Communications	1.86%	0.17%
Tate & Lyle	2.22%	0.17%
Natwest Group	3.11%	0.17%
Segro	-0.64%	0.17%
Diageo	-3.96%	0.16%

Greatest Negative Contribution	Average Active Weight	Contribution to Active Return
Barrick Gold	3.69%	-0.67%
Essentra	3.41%	-0.54%
GlaxoSmithKline	-3.99%	-0.47%
British American Tobacco	-3.37%	-0.45%
WPP	2.57%	-0.31%
BP	-3.63%	-0.30%
HSBC Holdings	-4.76%	-0.30%
AstraZeneca	-2.53%	-0.30%
Unilever	-2.38%	-0.30%
Anglo American	1.17%	-0.28%

Source: FactSet

## BROKER COMMISSIONS ANALYSIS

Counterparty	Total (£)	Commission Paid (£)	
			Execution Only
ABG SUNDAL COLLIER		0.00	0.00
ATLANTIC SECURITIES		0.00	0.00
BANCO ITAU		0.00	0.00
BARCAP	1,879,495.00		1,127.70
BERENBERG		0.00	0.00
BofA MERRILL LYNCH		0.00	0.00
BTG PACTUAL		0.00	0.00
CANACCORD ALGO	1,081,807.45		432.73
CANACCORD GENUITY		0.00	0.00
CENKOS		0.00	0.00
CITI PROG		0.00	0.00
CITIGROUP		0.00	0.00
CLSA		0.00	0.00
CREDIT SUISSE		0.00	0.00
DEUTSCHE BANK		0.00	0.00
EXANE		0.00	0.00
FINNCAP		0.00	0.00
GBM		0.00	0.00
GOLDMAN SACHS		0.00	0.00
GOODBODY		0.00	0.00
HSBC		0.00	0.00
ING		0.00	0.00
INSTINET		0.00	0.00
INVESTEC	142,867.50		114.29
ITG	129,063.88		77.44
ITG ALGO		0.00	0.00
J&E DAVY		0.00	0.00
JANE STREET		0.00	0.00
JEFFERIES		0.00	0.00
JEFFERIES ALGO		0.00	0.00
JPMORGAN CHASE		0.00	0.00
KEPLER CHEUVREUX	16,499.65		9.90
LIBERUM		0.00	0.00
LIQUIDNET	569,324.52		341.59
MEDIOBANCA		0.00	0.00
MIZUHO		0.00	0.00
MORGAN STANLEY	345,000.00		0.00
NORTHERN TRUST CORP		0.00	0.00
NPLUS1 SINGER		0.00	0.00
NUMIS	1,004,784.89		803.82
PANMURE GORDON	1,724,317.45		1,379.46
PEEL HUNT	894,080.84		715.26
RAYMOND JAMES		0.00	0.00
RBC		0.00	0.00
RBC ALGO		0.00	0.00
REDBURN		0.00	0.00
SANTANDER		0.00	0.00
SHORE CAPITAL		0.00	0.00
SOCIETE GENERALE		0.00	0.00
STIFEL EUROPE		0.00	0.00
STIFEL NICOLAUS		0.00	0.00
SUSQUEHANNA INTERNATIONAL GROUP		0.00	0.00
UBS		0.00	0.00
UBS PROG		0.00	0.00
WINTERFLOOD	265,857.67		212.69
FLOWTRADERS		0.00	0.00
CONFIRMED FUND PRICE		0.00	0.00
OPTIVER		0.00	0.00
LLOYDS CRE		0.00	0.00
BANK OF MONTREAL		0.00	0.00
BTIG		0.00	0.00
LIQUIDNET ALGO		0.00	0.00
JEFFRIES		0.00	0.00
	£	8,053,098.85	£ 5,214.88

### Firm Wide Comparators

All Equity Trading	£	728,291,722.26	£414,710.82
Trades:	£	8,053,098.85	£5,214.88
Average Firm-Wide Commission Rate (%)			0.06%
Average Commission Rate (%)			0.06%

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