

# Rathbone Income Fund

## Investment objective

We aim to deliver an annual income that is in line with or better than that of the FTSE All-Share Index over any rolling three-year period. We also aim to increase the income we pay you in line with the Consumer Price Index (CPI) measure of inflation over any rolling five-year period.

We aim to generate a greater total return than the FTSE All-Share Index, after fees, over any five-year period. Total return means the return we receive from the value of our investments increasing (capital growth) plus the income we receive from our investments (dividend payments).

We use the FTSE All-Share Index as a target for our fund's return and the income we pay because we want to offer you a better income and higher returns than the UK stock market. Increasing your income payments at least in line with the CPI measure of inflation protects your future spending power.

We also compare our fund against the Investment Association (IA) UK Equity Income sector because the funds in it are similar to ours.

## Investment strategy

This is a stock-picking fund, which means we invest in a small number of UK-listed stocks. We invest in businesses which offer the best investment opportunities at the most attractive prices.

When choosing investments we use our own trinity of risk framework: price, business and financial. We look for businesses that offer good value and make strong and consistent profits with high quality earnings - those that are backed by real cash rather than accounting contrivance. Companies shouldn't have more debt than they can handle.

We buy these companies because we believe they should grow generate good earnings backed by cash over many years. A healthy cash flow gives companies the flexibility to repay debts, reinvest in their businesses, and pay a dividend that increases over time.

## Management



**Carl Stick**  
Fund Manager

Carl is a Board Director of Rathbone Unit Trust Management and plays a key role in the development of Rathbones' investment process and business strategy. He has been managing the Rathbone Income Fund, since January 2000. Carl is also Institute for Investment Management and Research qualified and a Fellow of the Securities Institute.



**Alan Dobbie**  
Fund Manager

Alan joined Rathbones in October 2005 and became co-manager of the Rathbone Income Fund in October 2018. He has previously managed and co-managed a number of UK, European and global equity funds for Rathbones. Alan holds the Investment Management Certificate (IMC) and is a Chartered Financial Analyst (CFA) charter-holder.

## Fund facts

<b>Manager</b>	Rathbone Unit Trust Management Limited
<b>Trustee</b>	NatWest Trustee and Depository Services
<b>Date Launched/Launch Price</b>	12 February 1971/25p (adjusted for 4:1 split)
<b>Size of fund</b>	Mid-market: £1,090.37m <sup>††</sup>
<b>Unit price</b>	Income (Inc): 890.36p Accumulation (Acc): 1622.55p
<b>Historical distribution yield*</b>	Inc: 4.26%/Acc: 4.12%
<b>Total no. of holdings</b>	40
<b>Initial charge</b>	None
<b>MiFID II charges</b>	
<b>Ongoing charges figure (OCF) as at 30.09.2019</b>	1.53%
<b>Transaction costs</b>	0.08%
<b>Total MiFID II charges</b>	1.61%
The MiFID II charges include the ongoing charges figure (OCF) and transaction costs. PRIIPs compliant*	
<b>Minimum initial investment</b>	£100,000,000
<b>Minimum additional investments</b>	£500

## 10 largest holdings

Data as at 31.01.20	%
GlaxoSmithKline	4.44
Reckitt Benckiser	4.40
Legal & General Group	4.06
BP	4.05
Royal Dutch Shell B	3.79
National Grid	3.78
British American Tobacco	3.39
SSE	3.25
Unilever	3.11
Carnival	2.91

## Dealing/valuation

Forward daily: 9.00am-5.00pm  
Valuation point: 12.00 midday  
Dealing/valuation: 0330 123 3810  
Information line: 020 7399 0399

## Fund codes

Sedol (Inc): 0122904  
Sedol (Acc): B06ZVC7  
ISIN (Inc): GB0001229045  
ISIN (Acc): GB00B06ZVC73

**\*\*Please note that the change in size of fund is as a result of the Luxembourg SICAV version of this fund converting from a master feeder structure to a directly managed fund. If you have any questions please contact your financial adviser.**

## Distributions per unit

Year paid	2015	2018
Interim	11.50p	12.25p
Final	20.14p	23.69p
Year paid	2016	2019
Interim	11.50p	12.50p
Final	21.01p	25.42p
Year paid	2017	
Interim	12.00p	
Final	23.80p	
	Ex div	Payment
Interim	01 Apr	31 May
Final	01 Oct	30 Nov
Year end 30 September		

## Product availability

For Investment Advisers, third party availability – all major platforms. For more information, please see our 'distribution partners' page on the 'How to Invest' section of our website rathbonefunds.com

## Awards

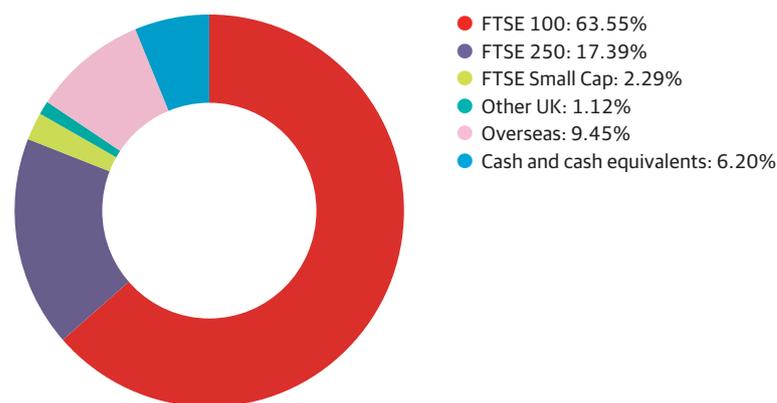


## Fund ratings



## Capitalisation split

Data as at 31.01.20



## R-class fund performance over 5 years



— Rathbone Income Fund: 26.75%  
 — IA UK Equity Income sector: 30.01%  
 — FTSE All Share Index: 35.61%

31 January 15 to 31 January 20, UK basic rate in UK Sterling, percentage change. Price performance based upon bid to bid prior to 21.01.19 and single price (mid) thereafter

## R-class fund performance

Data as at 31.01.20	1 year	3 years	5 years
Rathbone Income Fund	11.34%	13.18%	26.75%
IA UK Equity Income sector	11.39%	16.56%	30.01%
FTSE All Share Index	10.67%	18.44%	35.61%
Quartile rank	2	3	3

Discrete annual performance, quarter ending 31 December	2015	2016	2017	2018	2019
Rathbone Income Fund	8.53%	7.56%	7.41%	-9.24%	17.74%
IA UK Equity Income sector	6.20%	8.84%	11.32%	-10.54%	20.07%
FTSE All Share Index	0.98%	16.75%	13.10%	-9.47%	19.17%

	Alpha**	Beta**	Volatility**	Turnover***
Rathbone Income Fund	0.10	0.76	8.77%	26.33%
IA UK Equity Income sector	0.05	0.86	9.32%	

Price performance based upon bid to bid prior to 21.01.19 and single price (mid) thereafter. Past performance should not be seen as an indication of future performance. The value of investments and the income from them may go down as well as up and you may not get back your original investment.

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## Sector breakdown

Data as at 31.01.20	%
Oil and gas	7.83
Basic materials	1.50
Industrials	8.81
Consumer goods	22.40
Health care	10.03
Consumer services	13.97
Telecommunications	0.00
Utilities	9.52
Financials	18.30
Technology	1.44
Cash and cash equivalents	6.20

## You should know

### Important information

Copies of the Prospectus, the Key Investor Information Document (KIID), the Supplementary Information Document (SID), and application forms may be obtained, free of charge, from Rathbone Unit Trust Management Limited.

Emerging markets are volatile and may suffer from liquidity problems. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.

Details of tax levels and reliefs may change in the future. The value of any tax relief depends on individual circumstances. If you have doubts about your tax position, or the suitability of this investment, you should seek professional advice.

To meet the investment objective, the fund may also invest, at the Manager's discretion, in other transferable securities, money market instruments, warrants, cash and near cash, deposits and units in collective investment schemes. Use may be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted by the FCA Rules.

As the Manager's annual fee is taken from capital, this will mean that capital may be eroded or growth restricted to the extent of the charge and that, while there may as a result be a reduction in liability for Capital Gains Tax, there will be some increase in Income Tax liability for tax paying unitholders. All other income expenses are paid out of the fund's income.

<sup>†</sup>On 3 April 2017 the fund moved from IA All Companies to IA UK Equity Income sector.

### Information notes

\*Income and Accumulation yields may differ for this fund as the figure is expressed as a percentage of the unit price.

<sup>^</sup>From April 2018, the ongoing charges figure has been calculated according to PRIIPs regulations, which came into effect on 1 January 2018. Holdings are based on six monthly audited accounts. Changes to fund holdings within this period may result in higher or lower ongoing charges.

Source performance data Financial Express, price performance based upon bid to bid prior to 21.01.19 and single price (mid) thereafter. This is net of expenses and tax. Data using prices as at 31.01.2020. \*\*Alpha, Beta and Volatility statistics given on a 5 year rolling basis. Alpha and Beta are calculated using the FTSE All-Share Index as the benchmark. Alpha, Beta and Volatility shown is annualised standard deviation of monthly returns. \*\*\*Turnover is calculated on a 1 year rolling basis.

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Authorised and regulated by the Financial Conduct Authority

A member of the Investment Association (IA)

A member of the Rathbone Group. Registered No. 02376568

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