

Rathbone Income Fund

Q2 investment update, 30 June 2018

Performance

	3 months	6 months	1 year	3 years	5 years	10 years
Rathbone Income Fund	7.72%	1.16%	1.12%	23.22%	52.54%	126.71%
Quartile	3	3	4	3	3	3
IA UK Equity Income sector	8.33%	1.71%	6.04%	24.24%	52.08%	119.70%
FTSE All-Share index	9.20%	1.69%	9.02%	31.62%	52.76%	111.17%

Based on Institutional Income units Total Return.

Portfolio attributes

	Rathbone Income Fund	FTSE All-Share index
Portfolio concentration		
Number of holdings	43	—
Percentage of fund in top 20	62.95%	—
Number of positions <1%	3 (4)	—
Number of positions >5%	0 (0)	—
Average 12 month rolling turnover	15.36%	—
Current dividend yield	3.88%	3.64%
Target dividend growth	Consumer Price Index (CPI)	—
Liquidity	89.07% (89.21%)	—
Quality		
Return on assets	7.12%	7.25%
Value		
Earnings yield	5.67%	5.47%
Financial strength		
Net debt to equity	72.02%	74.35%

Portfolio attributes (continued)

Risk statistics

	3 years		5 years	
	Rathbone Income Fund	FTSE All-Share index	Rathbone Income Fund	FTSE All-Share index
Alpha	-0.17	—	2.01	—
Beta	0.78	—	0.76	—
Downside risk	7.27%	8.22%	6.78%	8.50%
Information ratio (relative)	-0.42	—	-0.01	—
Jensens alpha	-0.28	—	1.88	—
Max drawdown	-8.82%	-7.91%	-8.82%	-11.12%
Max gain	11.98%	16.61%	11.98%	16.61%
Max loss	-6.09%	-7.91%	-6.09%	-7.91%
Negative periods	15	14	25	25
Positive periods	21	22	35	35
r ²	0.69	—	0.74	—
Relative return	-2.18%	—	-0.03%	—
Return	7.21%	9.59%	8.81%	8.84%
Sharpe	0.77	0.98	0.97	0.86
Sortino	0.93	1.11	1.22	0.98
Tracking error	5.20%	—	4.86%	—
Treynor	8.59	9.11	10.87	8.33
Volatility	8.77%	9.31%	8.58%	9.67%

Data to 30 June 2018. Source: FE Analytics.

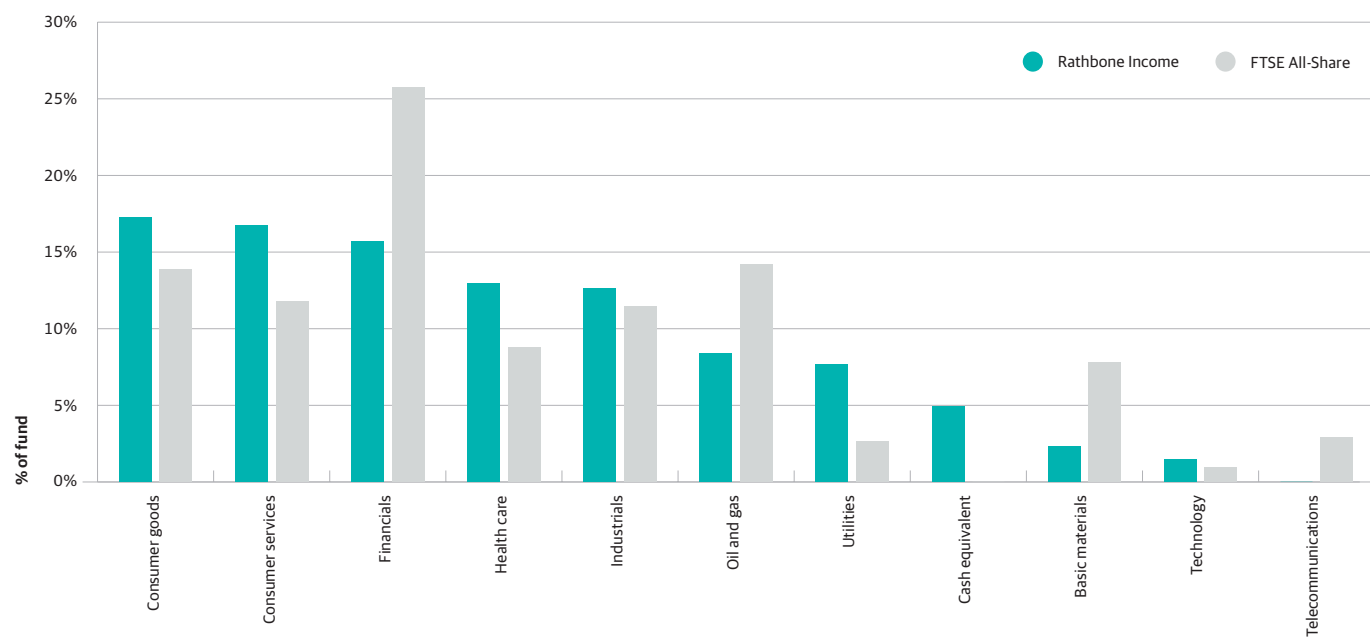
Top 20 holdings

Top 20		Top 20	
GlaxoSmithKline	4.56%	BAE	2.88%
Unilever	4.52%	HSBC	2.67%
BP	4.22%	National Grid	2.65%
Royal Dutch Shell 'B'	4.18%	Lockheed Martin	2.56%
AstraZeneca	3.74%	SSE	2.51%
Reckitt Benckiser	3.69%	WEC Energy	2.51%
RELX	3.33%	DCC	2.46%
Legal & General	3.23%	Carnival	2.39%
British American Tobacco	3.14%	Rio Tinto	2.32%
Bunzl	3.08%	ITV	2.31%

Data as at 30 June 2018.

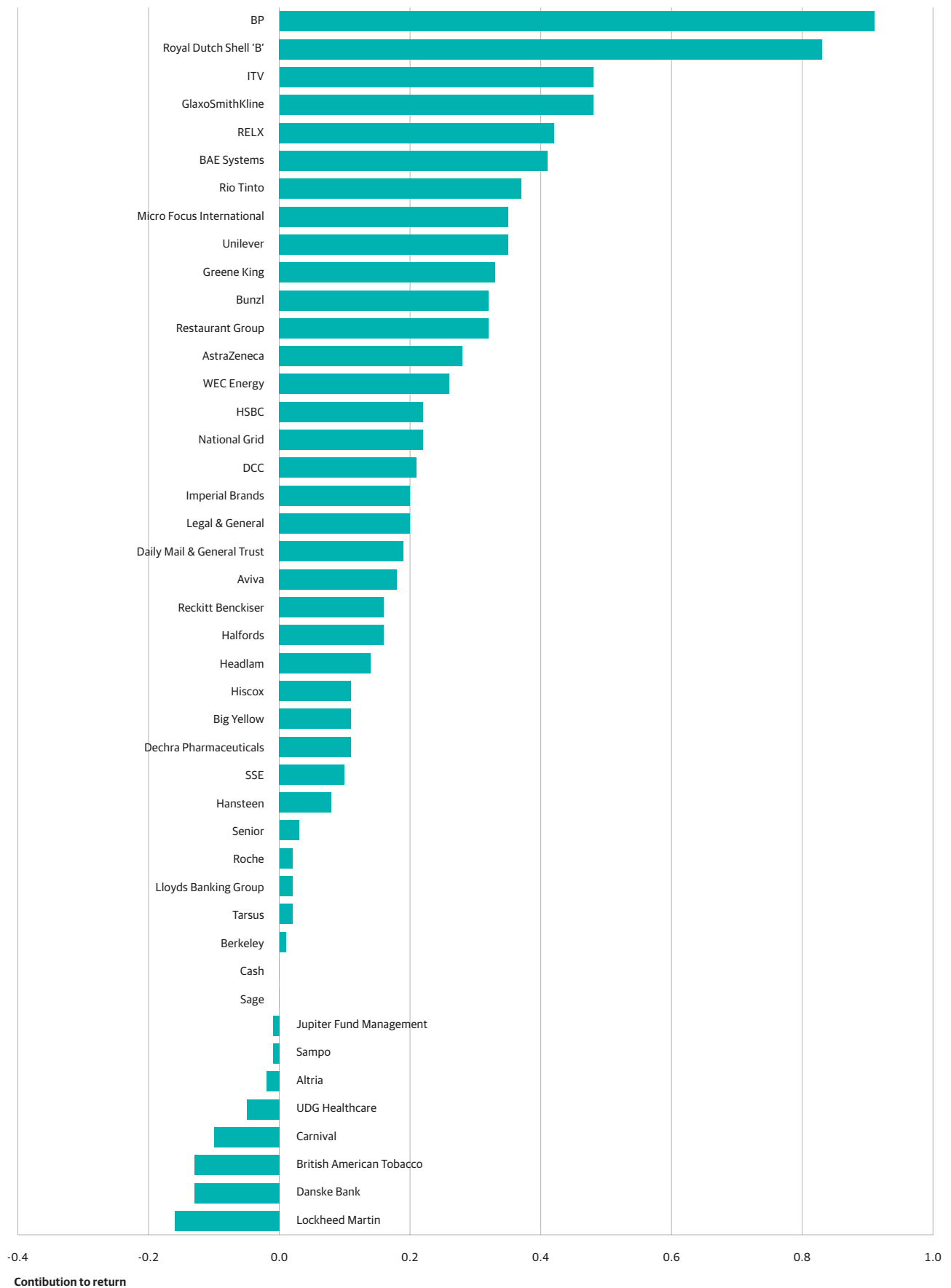
Portfolio attributes (continued)

ICB sector weightings (as at 30 June 2018)



Absolute performance attribution

By stock



3 months to 30 June 2018.

Absolute performance attribution (continued)

By index

	Contribution	Average portfolio weight	FTSE All-Share end weight
FTSE 100	6.49%	66.47%	80.29%
FTSE Mid Cap	0.80%	13.05%	16.02%
FTSE Small Cap	0.55%	5.24%	3.68%
Other UK	0.19%	1.27%	0.00%
Overseas	-0.05%	10.96%	0.00%
Cash	0.00%	3.01%	0.00%

Relative performance attribution

By stock

Top 10	Contribution	Average portfolio weight	Average index weight*
ITV	0.29%	2.16%	0.25%
Barclays	0.25%	0.00%	1.35%
Micro Focus International	0.21%	1.28%	0.21%
Prudential Ord	0.21%	0.00%	1.84%
Vodafone	0.20%	0.00%	2.06%
Greene King	0.17%	2.05%	0.07%
Restaurant Group	0.14%	2.01%	0.02%
British American Tobacco	0.14%	3.17%	3.42%
Glencore Xstrata	0.13%	0.00%	2.05%
Royal Bank of Scotland	0.13%	0.00%	1.25%

Bottom 10	Contribution	Average portfolio weight	Average index weight*
Lockheed Martin	-0.44%	2.79%	0.00%
Royal Dutch Shell 'A'	-0.37%	0.00%	4.46%
Carnival	-0.30%	2.67%	0.37%
Cash	-0.29%	3.01%	0.00%
UDG Healthcare	-0.26%	2.08%	0.09%
Danske Bank	-0.25%	1.14%	0.00%
Sampo	-0.18%	1.70%	0.00%
Altria	-0.16%	1.71%	0.00%
Berkeley	-0.16%	1.90%	0.21%
BHP Billiton	-0.15%	0.00%	1.30%

Data to 30 June 2018. Source: FE Analytics. *Index used for all attribution analysis is the Freedom UK 500 index.

Performance attribution is provided by StatPro Revolution.

The benchmark used for relative analysis is the Freedom UK 500 index. For further information on the benchmark and its provider, visit thefreedomindex.com.

Cash used for attribution analysis excludes that not at the discretion of the manager, such as accrued fees.

The Supplementary Information Document (SID) and application forms may be obtained from us free of charge.

For the Rathbone Income Fund 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, where 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.

The information contained in this note is for use by investment advisers and must not be circulated to private clients or to the general public.

The value of the investments and the income from them may go down as well as up and you may not get back your original investment.

Past performance is not necessarily a guide to future performance.