

RIVER AND MERCANTILE
ASSET MANAGEMENT

River and Mercantile Funds ICVC
Interim Long Report for the Period Ended
30 September 2019 (unaudited)

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*Collectively these comprise the Authorised Corporate Director's Report.

The Authorised Corporate Director's Report

The Authorised Corporate Director presents its report and financial statements of the Company for the period ended 30 September 2019.

Incorporation

The Company is an investment company with variable capital incorporated under the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC000489. The head office of the Company is 30 Coleman Street, London, EC2R 5AL. This is also the address for the service on the Company of notices or other documents required or authorised to be served on it.

The Company shall issue shares in the following Funds:

- River and Mercantile UK Equity High Alpha Fund
- River and Mercantile UK Equity Smaller Companies Fund
- River and Mercantile UK Dynamic Equity Fund
- River and Mercantile UK Recovery Fund
- River and Mercantile UK Equity Income Fund
- River and Mercantile Global Recovery Fund
- River and Mercantile Dynamic Asset Allocation Fund
- River and Mercantile Global High Alpha Fund

Company Information

Company	River and Mercantile Funds ICVC
Registered Office	30 Coleman Street, London, EC2R 5AL
Administrator and Registrar	The Bank of New York Mellon (International) Limited One Canada Square London, E14 5AL
Authorised Corporate Director ('ACD')	River and Mercantile Asset Management LLP
Designated Members of River and Mercantile Asset Management LLP	James Edward Ellis Barham River and Mercantile Holdings Limited
Depository	The Bank of New York Mellon (International) Limited One Canada Square London, E14 5AL

Company Information continued

Principal Activities

The Company is a UCITS scheme under the OEIC regulations as defined in the Collective Investment Schemes sourcebook (the COLL) and also an umbrella company for the purposes of the OEIC Regulations. The property attributable to each of the sub-funds is managed as if such sub-fund belonged to the "UCITS Scheme" category as specified in the COLL. Holders of shares in a sub-fund are entitled to receive (or, in the case of accumulation shares, to have re-invested) the net revenue derived from the sub-fund and to redeem their shares at a price linked to the value of the property of the sub-fund. Shareholders do not have any proprietary interest in the underlying assets of any sub-fund.

Each sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance. The shareholders of the Company will not be liable for the debts of the Company.

The base currency for the Company is pounds sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1.

The Company was authorised by an order made by FCA with effect from 2 October 2006. The operation of the Company is governed by the Regulations, the Company's Instrument of Incorporation and its Prospectus.

Holdings in other Sub-Funds of the Company

As at 30 September 2019, no sub-funds held shares in any other sub-fund of the Company.

Securities Financing Transactions Regulation


The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) will be required on all report & accounts published after 13 January 2017. During the period to 30 September 2019 and at the balance sheet date, the River and Mercantile Funds ICVC did not engage in SFTs.

Additional information

During the fourth quarter of 2019, the Authorised Corporate Director (ACD) role for the River and Mercantile Funds ICVC will transition to Equity Trustees Fund Services, with River and Mercantile Asset Management LLP and River and Mercantile Investments Limited continuing as the Investment Managers to the funds.

Authorised Corporate Director's Statement

In accordance with COLL 4.5.8BR, the Interim Report and the unaudited statements were approved by the ACD of the Company.



Mr James Barham
for and on behalf of River and Mercantile Asset Management LLP
Authorised Corporate Director
20 November 2019

Notes Applicable to the Financial Statements of all sub-funds of the River and Mercantile Funds ICVC

Notes applicable to the Financial Statements

Accounting policies

Basis of accounting

The Financial Statements of the Company comprise the Financial Statements of each sub-fund and have been prepared on a going concern basis in accordance with Financial Reporting Standard (“FRS”) 102 and the Statement of Recommended Practice ‘Financial Statements of UK Authorised Funds’ issued by the IMA (now known as the Investment Association) in May 2014 (the “SORP”).

All other accounting and distribution policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2019.

River and Mercantile UK Equity High Alpha Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth by investing in a focused portfolio of investments which shall primarily consist of UK equities which offer the prospect of superior long term growth.

Investment Manager's Review

Portfolio review

For the six month period to 30 September 2019, the Z share class of the River and Mercantile UK Equity High Alpha Fund returned 1.9% compared to the benchmark MSCI UK Investable Market index return of 4.1%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

Performance and activity

We performed positively in absolute terms during the period as the market continued to rally, however we struggled in relative terms as lower global interest rates supported stocks that have very different characteristics from our portfolio and a very difficult August impacted returns. Global economic and Brexit related uncertainty continued to impact on our key factors: value, recovery and smaller companies. Over the six month period, performance was behind the benchmark (-2.2%).

Our underweight to bond proxies, which included AstraZeneca, RELX and Unilever, detracted from performance over the period, as did the drag of anti-risk sentiment and stock disappointments. Tremor International was also a large detractor from performance due to a double discounting of warnings. Our overweight to the technology sector contributed to performance (Learning Technologies, EU Supply and Micro Focus), as did positive **PVT** stock picks (Chemring). M&A activity also added to performance (Amerisur Resources and Cobham).

River and Mercantile UK Equity High Alpha Fund

Investment Manager's Review continued

Performance and activity continued

During the period, we continued to increase the aggressiveness of the portfolio positioning, adding value, small cap and out-of-favour stocks, all of which, in aggregate, have attractive medium term growth characteristics. We continued to buy back in the e-gaming operators, all of which have been weak over the last couple of years, this despite the opening up of a major long-term market opportunity in the US as that country moves to allow regulated sports betting (888 Holdings, Playtech and GVC). We also purchased growth cyclicals as they de-rate aggressively alongside weakening PMIs (Purchasing Managers' Index) and short term demand; we look for strong market positions, attractive through-the-cycle growth and returns, and valuations that discount a 'normal' (not Global Financial Crisis) downturn (Carnival and PageGroup). We also added to our UK domestic exposure. This included adding to Foxtons as the London housing market showed signs of stabilisation, adding to our UK real estate exposure including adding to Capital & Counties Properties and re-building our UK housing exposure, purchasing Berkeley, Taylor Wimpey and Crest Nicholson. Sales focused on M&A (Cobham, Low & Bonar), taking profits in a number of strong performers where valuations now looked less inviting (Ferguson, Learning Technologies) and cutting stocks where the thesis was not playing out or we had worries about the Timing aspect of **PVT** (AO World, Senior and McCarthy & Stone) in the context of the market double-discounting weak trading updates.

Outlook

In the later stages of the stock market cycle it requires a nimble approach to stock selection to take opportunities in a fast changing market environment. We have a fund and an investment philosophy structured to enable this. I continue to judge each stock on its own merits against this philosophy, focused on finding firms with the potential to create significant shareholder value from various stages of the corporate lifecycle (with many opportunities today in Recovery), when bought at a valuation offering a margin of safety with timing support. I have conviction that the Fund's holdings have the balanced **PVT** characteristics that will deliver attractive absolute and relative returns for us over the medium term. Thank you for your patience, ongoing support and partnership while the material anomalies we are exploiting correct themselves.

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 99.42% (2019 - 99.23%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 93.41% (2019 - 81.32%)			
Oil & Gas Producers - 12.04% (2019 - 9.16%)			
3,195,159	Amerisur Resources*	538,704	0.64
728,369	BP	3,755,471	4.45
199,240	Cairn Energy	381,744	0.45
117,400	Diversified Gas & Oil*	128,553	0.15
113,823	Eland Oil & Gas*	143,645	0.17
1,150,332	Enquest	219,138	0.26
858,858	JKX Oil & Gas	255,940	0.30
529,300	Premier Oil	412,007	0.49
146,579	Royal Dutch Shell 'B'	3,511,300	4.16
159,981	Serica Energy*	216,614	0.26
348,474	SOCO International	222,675	0.26
178,927	Tullow Oil	382,546	0.45
Oil Equipment, Services & Distribution - 0.57% (2019 - 1.52%)			
69,277	Hunting	317,427	0.38
42,740	Wood (John)	162,369	0.19
Chemicals - 0.74% (2019 - 0.48%)			
14,403	Johnson Matthey	440,156	0.52
8,700	Victrex	187,746	0.22
Mining - 5.67% (2019 - 2.21%)			
72,567	Anglo American	1,357,874	1.61
63,710	Antofagasta	572,753	0.68
66,450	BHP	1,151,180	1.36
142,922	Centamin	179,653	0.21
79,535	KAZ Minerals	344,625	0.41
28,070	Rio Tinto (UK Regd.)	1,181,466	1.40
Construction & Materials - 1.24% (2019 - 1.75%)			
280,370	Breedon*	182,240	0.22
57,600	Ibstock	135,821	0.16
122,610	Melrose Industries	247,059	0.29
59,223	Polypipe	239,853	0.28
100,138	Tyman	240,331	0.29
Aerospace & Defence - 1.89% (2019 - 2.23%)			
48,600	BAE Systems	276,923	0.33
292,333	Chemring	573,557	0.68
55,841	Rolls-Royce	442,484	0.52
15,063	Ultra Electronics	304,574	0.36
Industrial Transportation- 0.25% (2019 - 0.00%)			
70,537	Global Ports	211,611	0.25

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	General Industrials - 0.94% (2019 - 1.07%)		
449,084	Coats	333,669	0.40
567,763	Gocompare.Com	456,481	0.54
	Electronic & Electrical Equipment - 2.69% (2019 - 1.83%)		
37,675	Dialight	122,820	0.15
139,592	Morgan Advanced Materials	363,498	0.43
26,898	Oxford Instruments	343,756	0.41
3,320	Renishaw	121,578	0.14
352,738	Strix*	599,655	0.71
111,620	TT Electronics	277,934	0.33
423,704	Volex*	366,928	0.43
181,255	Xaar	75,402	0.09
	Industrial Engineering - 1.66% (2019 - 1.47%)		
256,981	MPAC*	467,705	0.56
630,935	Renold*	137,544	0.16
73,433	Rotork	228,744	0.27
39,740	Weir	566,295	0.67
	Automobiles & Parts - 0.45% (2019 - 0.00%)		
198,930	TI Fluid Systems	382,741	0.45
	Support Services - 7.27% (2019 - 5.99%)		
50,473	Aggreko	419,027	0.50
149,032	Biffa	352,461	0.42
378,311	Blancco Technology*	472,889	0.56
539,796	Capita	781,895	0.92
130,117	De La Rue	289,510	0.34
107,217	Equiniti	232,018	0.27
87,187	Essentra	371,068	0.44
2,590	Ferguson	153,846	0.18
138,060	Hays	207,780	0.25
183,880	Learning Technologies*	207,417	0.25
154,768	MITIE	226,116	0.27
49,870	PageGroup	219,029	0.26
915,400	Renewi	274,620	0.32
146,597	RPS	216,084	0.26
399,886	Serco	595,430	0.70
225,570	SIG	283,541	0.34
70,163	Smart Metering Systems*	282,055	0.33
494,904	Speedy Hire	254,381	0.30
23,566	Travis Perkins	304,237	0.36
	Beverages - 0.31% (2019 - 0.30%)		
110,948	Stock Spirits	257,954	0.31
	Food Producers - 0.93% (2019 - 1.05%)		
17,397	Associated British Foods	400,479	0.47
205,600	Devro	386,528	0.46

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
Household Goods & Home Construction - 2.09% (2019 - 1.89%)			
4,400	Berkeley	183,876	0.22
34,500	Crest Nicholson	130,548	0.16
88,692	Galliford Try	593,349	0.70
10,840	Reckitt Benckiser	687,581	0.81
105,700	Taylor Wimpey	170,705	0.20
Personal Goods - 0.78% (2019 - 1.01%)			
15,176	Burberry	329,774	0.39
163,329	PZ Cussons	329,925	0.39
Tobacco - 3.55% (2019 - 4.21%)			
65,922	British American Tobacco	1,982,604	2.34
55,789	Imperial Brands	1,019,934	1.21
Health Care Equipment & Services - 0.46% (2019 - 0.53%)			
41,889	Consort Medical	315,843	0.37
42,770	ConvaTec	74,783	0.09
Pharmaceuticals & Biotechnology - 3.27% (2019 - 2.37%)			
7,229	AstraZeneca	524,825	0.62
128,367	GlaxoSmithKline	2,239,234	2.65
Food & Drug Retailers - 0.71% (2019 - 0.72%)			
100,796	Morrison (Wm.) Supermarkets	201,894	0.24
166,794	Tesco	401,974	0.47
General Retailers - 2.23% (2019 - 2.50%)			
10,770	Asos*	266,558	0.32
100,556	B&M European Value Retail	381,509	0.45
23,570	CVS*	239,236	0.28
40,660	Inchcape	256,565	0.31
174,561	Kingfisher	360,818	0.43
881,757	Pendragon	80,240	0.09
142,378	Pets at Home	296,146	0.35
Media - 4.50% (2019 - 3.58%)			
72,205	Ascential	273,224	0.32
35,943	Daily Mail & General Trust 'A'	305,875	0.36
257,879	Ebiquity*	128,940	0.15
15,199	Euromoney Institutional Investor	224,641	0.27
16,551	Future	202,584	0.24
537,240	Hyve	456,654	0.54
402,775	ITV	507,094	0.60
74,700	Pearson	550,838	0.65
368,503	Reach*	325,757	0.39
396,960	ULS Technology*	182,602	0.22
47,000	WPP	478,460	0.57
271,699	XLMedia*	163,019	0.19

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Travel & Leisure - 4.12% (2019 - 3.11%)		
17,402	Carnival	586,447	0.70
90,780	Domino's Pizza	231,217	0.27
262,790	FirstGroup	361,336	0.43
51,190	GVC	380,444	0.45
79,100	Gym	199,728	0.24
73,300	International Consolidated Airlines	348,175	0.41
147,405	Playtech	628,093	0.74
885,104	Rangers International Football**	159,319	0.19
167,720	Restaurant	237,995	0.28
185,296	William Hill	347,615	0.41
	Fixed Line Telecommunications - 0.48% (2019 - 0.26%)		
225,313	BT	402,364	0.48
	Mobile Telecommunications - 1.74% (2019 - 1.50%)		
909,595	Vodafone	1,473,544	1.74
	Electricity - 0.77% (2019 - 0.39%)		
1,706,492	OPG Power Ventures*	254,267	0.30
31,725	SSE	395,135	0.47
	Gas, Water & Multiutilities - 0.48% (2019 - 0.40%)		
547,429	Centrica	403,674	0.48
	Banks - 11.16% (2019 - 11.91%)		
920,319	Barclays	1,384,160	1.64
522,200	HSBC	3,261,661	3.86
4,303,048	Lloyds Banking	2,328,810	2.76
555,369	Royal Bank of Scotland	1,152,946	1.36
190,455	Standard Chartered	1,302,712	1.54
	Non-life Insurance - 0.49% (2019 - 0.38%)		
12,100	Lancashire	89,177	0.11
110,282	Sabre Insurance	324,780	0.38
	Life Insurance - 3.59% (2019 - 3.05%)		
102,097	Aviva	407,673	0.48
548,932	Just	289,013	0.34
140,485	Legal & General	348,965	0.42
134,589	Prudential	1,984,515	2.35
	Real Estate Investment & Services - 1.88% (2019 - 1.14%)		
145,360	Capital & Counties Properties	341,887	0.41
498,770	Foxtons	244,397	0.29
126,887	Grainger Trust	312,142	0.37
151,900	Purplebricks*	169,824	0.20
22,307	Savills	195,967	0.23
207,093	U and I	324,308	0.38

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Real Estate Investment Trusts - 1.31% (2019 - 0.62%)		
107,953	British Land	631,093	0.75
55,140	Hammerson	156,377	0.18
35,090	Shaftesbury	318,793	0.38
	Financial Services - 9.10% (2019 - 8.31%)		
305,762	ADVFN*	88,671	0.10
33,103	Ashmore	167,336	0.20
83,244	Brewin Dolphin	263,717	0.31
8,844	Brooks MacDonald*	173,785	0.21
64,367	Charles Stanley	167,354	0.20
24,533	Close Brothers	345,425	0.41
351,928	CMC Markets	373,044	0.44
19,523	Gresham House Strategic*	206,944	0.24
57,214	H&T*	213,408	0.25
6,500	Hargreaves Lansdown*	135,135	0.16
94,816	IG*	571,361	0.68
38,380	IMI	368,525	0.44
136,061	Impax Asset Management*	317,022	0.38
289,062	International Personal Finance	320,281	0.38
69,114	Investec*	289,380	0.34
471,926	IP	300,617	0.36
47,721	John Laing	175,136	0.21
218,606	Man	381,795	0.45
1,152,931	Mitton*	611,053	0.72
41,940	Polar Capital*	228,154	0.27
165,100	Premier Asset Management*	307,086	0.36
51,420	Provident Financial	209,279	0.25
136,098	RM	364,743	0.43
15,820	Schroders	486,465	0.58
101,766	Standard Life Aberdeen	290,847	0.34
39,530	TP ICAP	134,362	0.16
169,530	XPS Pensions	196,655	0.23
	Equity Investment Instruments - 1.04% (2019 - 0.86%)		
204,855	Fidelity China Special Situations Investment Trust	443,511	0.53
44,470	Gresham House*	253,479	0.30
69,260	Majedie Investment Trust	175,920	0.21
	Software & Computer Services - 2.59% (2019 - 3.16%)		
21,830	Accesso Technology*	189,921	0.22
55,700	Avast	215,893	0.26
118,275	Codemasters*	260,205	0.31
879,450	Eckoh*	408,944	0.48
192,167	Maistro warrants 31/12/2049	-	-
228,421	NCC	396,996	0.47
31,350	Sage	216,691	0.26
92,366	SDL	495,082	0.59

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
563,773	Technology Hardware & Equipment - 0.42% (2019 - 0.36%) IQE*	352,922	0.42
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 6.01% (2019 - 17.91%)		
212,067	AUSTRALIA - 0.36% (2019 - 3.53%) South32	303,256	0.36
27,451	BERMUDA - 0.29% (2019 - 0.36%) Ocean Wilsons	244,314	0.29
	CHILE - 0.00% (2019 - 0.58%)		
247,177	GIBRALTAR - 0.45% (2019 - 0.00%) 888 Holdings	379,664	0.45
67,100	IRAQ - 0.18% (2019 - 0.00%) Gulf Keystone Petroleum	153,659	0.18
235,300	IRELAND - 1.32% (2019 - 1.49%) Cairn Homes	231,896	0.27
4,700	Flutter Entertainment	357,670	0.42
149,312	Mincon*	147,819	0.18
40,823	Ryanair	381,559	0.45
5,820	INDIA - 0.28% (2019 - 0.87%) Rhi Magnesita	236,059	0.28
	ISLE OF MAN - 0.00% (2019 - 0.49%)		
	ISRAEL - 0.00% (2019 - 0.39%)		
	JERSEY - 0.00% (2019 - 1.02%)		
	LUXEMBOURG - 0.00% (2019 - 0.35%)		
450,000	MAURITIUS- 0.33% (2019 - 0.00%) Capital Drilling	279,000	0.33
	MEXICO - 0.00% (2019 - 0.49%)		
481,221	NETHERLANDS - 0.49% (2019 - 4.45%) DP Eurasia	413,850	0.49
443,331	SOUTH AFRICA - 0.55% (2019 - 0.65%) Old Mutual	460,843	0.55

River and Mercantile UK Equity High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	SWITZERLAND - 0.88% (2019 - 1.34%)		
303,663	Glencore	743,215	0.88
	TURKEY - 0.00% (2019 - 0.30%)		
	UNITED STATES OF AMERICA - 0.88% (2019 - 1.60%)		
127,832	Somero Enterprises*	236,489	0.28
390,120	Tremor International*	511,057	0.60
	Portfolio of investments	83,974,810	99.42
	Net other assets	489,890	0.58
	Net assets	84,464,700	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

99.42% of the sub-fund's assets are listed in the UK.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

* Security listed on AIM.

** Delisted security.

River and Mercantile UK Equity High Alpha Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital (losses)/gains		(777,085)		14,506,060
Revenue	2,113,262		5,498,235	
Expenses	(215,246)		(290,830)	
Interest payable and similar charges	(48)		—	
Net revenue before taxation for the period	1,897,968		5,207,405	
Taxation	(6,998)		(27,409)	
Net revenue after taxation for the period		1,890,970		5,179,996
Total return before distributions		1,113,885		19,686,056
Distributions		(1,896,436)		(5,181,934)
Change in net assets attributable to Shareholders from investment activities		(782,551)		14,504,122

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		85,794,901		255,404,332
Amounts received on creation of shares	1,839,668		3,871,302	
Amounts paid on cancellation of shares	(4,119,261)		(9,793,594)	
		(2,279,593)		(5,922,292)
Dilution adjustment		—		(31,074)
Change in net assets attributable to Shareholders from investment activities		(782,551)		14,504,122
Retained distributions on accumulation shares		1,731,943		5,025,343
Closing net assets attributable to Shareholders		84,464,700		268,980,431

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile UK Equity High Alpha Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		83,974,810		85,137,588
Current assets				
Debtors	290,523		863,155	
Cash and bank balances	656,946		225,052	
Total other assets		947,469		1,088,207
Total assets		84,922,279		86,225,795
LIABILITIES				
Creditors				
Distribution payable	(139,525)		(65,205)	
Other creditors	(318,054)		(365,689)	
Total other liabilities		(457,579)		(430,894)
Total liabilities		(457,579)		(430,894)
Net assets attributable to Shareholders		84,464,700		85,794,901

River and Mercantile UK Equity High Alpha Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2019 is 2.9898p (2018: 2.3300p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2019 is 19.0883p (2018: 15.4442p) per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2019 is 31.8588p (2018: 26.7378p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
A-Class Distribution shares	5,921,194	175.63	3,371,479
B-Class Accumulation shares	30,816,482	867.34	3,552,983
Z-Class Accumulation shares	235,809,140	1,201.32	19,629,231
31 March 2018			
A-Class Distribution shares	7,255,246	178.31	4,068,838
B-Class Accumulation shares	32,199,404	902.22	3,568,918
Z-Class Accumulation shares	215,949,682	1,258.96	17,152,965
31 March 2019			
A-Class Distribution shares	8,400,070	179.50	4,679,634
B-Class Accumulation shares	27,764,123	933.40	2,974,518
Z-Class Accumulation shares	49,630,708	1,312.32	3,781,907
30 September 2019			
A-Class Distribution shares	8,301,039	177.88	4,666,641
B-Class Accumulation shares	24,212,251	944.01	2,564,828
Z-Class Accumulation shares	51,951,410	1,332.23	3,899,581

River and Mercantile UK Equity High Alpha Fund

Fund Facts continued

Operating Charges

	30 September 2019
A-Class Distribution shares	1.65%
B-Class Accumulation shares	0.90%
Z-Class Accumulation shares	0.15%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.15% above the annual management charge, with any costs above this amount absorbed by the ACD.

Synthetic Risk Reward Indicator (SRRI)



Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile UK Equity High Alpha Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
GlaxoSmithKline	799,156	British American Tobacco	793,650
Reckitt Benckiser	667,581	Wood (John)	508,230
Pearson	428,288	Cobham	481,730
Imperial Brands	396,680	Future	448,477
Prudential	380,213	Centamin	440,854
Carnival	352,183	Auto Trader	431,782
International Consolidated Airlines	351,780	CRH	412,230
British American Tobacco	324,494	Fresnillo	400,145
Premier Asset Management	323,158	Ferguson	389,669
Capital & Counties Properties	308,671	Burberry	387,081

River and Mercantile UK Equity Smaller Companies Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth by investing in a portfolio of investments which shall primarily consist of UK equities which reside in the bottom 10% of the UK stock market in terms of market capitalisation.

Investment Manager's Review

Portfolio review

For the six month period to 30 September 2019, the B share class (accumulation units) of the River and Mercantile UK Equity Smaller Companies Fund returned 2.5% compared to the benchmark Numis Smaller Companies plus AIM (excluding Investment Companies) index return of 1.4%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

River and Mercantile UK Equity Smaller Companies Fund

Investment Manager's Review continued

Performance and activity

The fund delivered positive returns in absolute and relative terms as global interest rates continued to fall, still supporting a number of the small cap growth stocks. The largest contributor to performance over the period was Learning Technologies, the largest supplier of e-learning solutions, which has been a long term Growth holding. The shares continued their strong performance as full year expectations were upgraded. Another large contributor was Future which delivered another earnings upgrade at its third quarter trading update. Future made an accretive acquisition in the period, expanding its potential to grow in the US business-to-business market and providing it with new technology that it can apply to its existing audience base to drive market growth. Quality holdings performed well with Strix, Johnson Service and Biffa gaining 17%, 8% and 15% respectively on well received updates to the market; importantly, all three remain attractively valued when compared to the market. GW Pharmaceuticals was the biggest detractor from performance over the period as it pulled back in line with the global medical cannabinoid sector despite delivering a strong update on sales of their approved US drug, Epidolex. McBride is a business that we initially invested in as a Recovery thesis and, in hindsight, should have exited as the margins recovered. Despite a large proportion of the supply chain in private label being loss making, the business struggled to pass on cost inflation and we exited following a profit warning and 35% fall in the shares in the quarter.

A key purchase during the period was Greencore, which holds a dominant position in the industrialised production of defensive and structurally advantaged convenience foods in the UK, a function of out-investing private peers and hard to replicate production efficiencies underpinned by sector leading scale. It has the hallmarks of a high quality business with the valuation at purchase attractive at a relative discount to history and peers. We also added to our position in Photo-Me, a leader and innovator in low cost self-service equipment, and took advantage of weakness to initiate a small position in the Restaurant Group, where we believe the market overreacted to softer trading and asset write-downs in its troubled Leisure portfolio despite its other divisions continuing to outperform the market. We reduced our holding in Clinigen, a global pharmaceutical and services company, given demanding second half earnings growth expectations following a soft organic performance in the first half of the year, as well as the language translation software and services company, SDL, given concerns about the group's cyclical end markets exposure following a period of strong performance and valuation multiple expansion. We exited long-standing Growth stock, Blue Prism, as we continue to reduce exposure to highly rated growth stocks in favour of noncyclical, inexpensive businesses; this exit was fortuitously timed ahead of their soft interim results.

Outlook

Weak global nominal GDP and stalled productivity has supported the continued outperformance of defensives over cyclicals currently. We are favouring a balanced portfolio as we believe the weakened economy and eventually stock markets will result in a strong policy response. We would rather own defensives that are not duration sensitive (e.g. Telecoms) or uncorrelated stocks such as non-life insurance and gold stocks at this juncture. We think the latest bubble in tech valuations and their over optimistic earnings growth expectations that we have written about this time is somewhere we have been before in previous cycles and it does not end well. We are buying a combination of short duration defensives where earnings forecasts are conservatively set and balance sheets are strong as well as a range of value stocks as, after all, UK small caps look exceptionally cheap given their potential to grow. We continue to expect global competitive currency devaluation as the next major tool in battling deflation globally and retain a position in high scoring gold equities.

In the later stages of the stock market lifecycle it requires a nimble approach to stock selection to take opportunities in an ever changing market environment. What does not change, however, is that stocks are selected via our **PVT** investment process which generates the opportunity to deliver alpha. Our investment philosophy provides a focus to investing in firms with high potential to create significant shareholder value, when bought at attractive low valuations and at the right time. We remain focused on **PVT** alpha generation within the diverse opportunity set that the UK stock market provides.

River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 92.60% (2019 - 96.25%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 89.05% (2019 - 81.27%)			
Oil & Gas Producers - 5.84% (2019 - 5.86%)			
33,858,669	Amerisur Resources*	5,708,572	1.40
1,600,000	Cairn Energy	3,065,600	0.75
11,209,264	Diversified Gas & Oil*	12,274,144	3.01
2,320,000	Premier Oil	1,805,888	0.44
3,928,151	SDX Energy*	962,397	0.24
Mining - 8.11% (2019 - 1.46%)			
12,625,995	Berkeley Energia	1,641,379	0.40
6,005,011	Centamin	7,548,299	1.85
2,998,036	Highland Gold Mining*	6,457,770	1.59
3,500,000	Hochschild Mining	7,175,000	1.76
60,000,000	Pan African Resources*	6,648,000	1.63
4,336,111	Serabi Gold*	3,598,972	0.88
Construction & Materials - 1.93% (2019 - 3.83%)			
3,330,000	lbstock	7,852,140	1.93
Aerospace & Defence - 4.96% (2019 - 4.91%)			
180,000	Avon Rubber	2,991,600	0.73
2,000,000	Chemring	3,924,000	0.96
3,000,000	QinetiQ	8,664,000	2.13
228,916	Ultra Electronics	4,628,682	1.14
Electronic & Electrical Equipment - 2.98% (2019 - 0.00%)			
7,150,000	Strix*	12,155,000	2.98
Industrial Engineering - 0.00% (2019 - 0.85%)			
Support Services - 13.63% (2019 - 14.18%)			
2,900,000	Biffa	6,858,500	1.68
680,000	Essentra	2,894,080	0.71
4,700,000	Johnson Service*	8,178,000	2.01
7,450,000	Learning Technologies*	8,403,600	2.06
810,000	PayPoint	7,371,000	1.81
4,000,000	Serco	5,956,000	1.46
3,186,512	Smart Metering Systems*	12,809,778	3.14
6,000,000	Speedy Hire	3,084,000	0.76
Beverges - 2.17% (2019 - 3.03%)			
135,000	Fever-Tree Drinks*	3,271,050	0.80
2,400,000	Stock Spirits	5,580,000	1.37
Food Producers - 1.63% (2019 - 0.00%)			
2,950,000	Greencore	6,661,100	1.63
Household Goods & Home Construction - 1.31% (2019 - 1.60%)			
800,000	Galliford Try	5,352,000	1.31
Leisure Goods - 1.43% (2019 - 0.41%)			
6,063,095	Photo-Me	5,838,760	1.43

River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Health Care Equipment & Services - 1.82% (2019 - 2.72%)		
275,000	Consort Medical	2,073,500	0.51
4,265,791	Medica	5,332,239	1.31
	Pharmaceuticals & Biotechnology - 4.05% (2019 - 2.67%)		
17,086,224	Allergy Therapeutics*	2,050,347	0.50
7,500,000	Alliance Pharma*	5,362,500	1.32
97,500	GW Pharmaceuticals ADR	9,094,092	2.23
	Food & Drug - 0.49% (2019 - 1.66%)		
230,000	Clinigen*	1,982,600	0.49
	General Retailers - 0.00% (2019 - 0.55%)	—	—
	Media - 5.33% (2019 - 4.39%)		
1,700,000	Ascential	6,432,800	1.58
725,000	Future	8,874,000	2.18
4,518,663	Reach*	3,994,498	0.98
3,997,784	XLMedia*	2,398,670	0.59
	Travel & Leisure - 5.28% (2019 - 7.41%)		
2,900,000	Ei	8,149,000	2.00
1,630,299	Gym	4,116,505	1.01
2,775,000	Hollywood Bowl	6,438,000	1.58
526,215	On the Beach	2,002,774	0.49
560,032	Restaurant	794,685	0.20
	Mobile Telecommunications - 2.82% (2019 - 2.42%)		
1,050,000	Gamma Communications*	11,497,500	2.82
	Electricity - 1.56% (2019 - 1.81%)		
1,525,000	Drax	4,202,900	1.03
8,450,000	Fulcrum Utility Services*	2,154,750	0.53
	Banks - 1.67% (2019 - 1.88%)		
1,842,071	OneSavings Bank	6,800,926	1.67
	Non-Life Insurance - 4.30% (2019 - 1.66%)		
2,300,000	Hastings	4,724,200	1.16
700,000	Lancashire	5,159,000	1.27
2,591,935	Sabre Insurance	7,633,249	1.87
	Real Estate Investment & Services - 0.80% (2019 - 0.00%)		
3,000,000	Summit Germany	3,237,935	0.80
	Real Estate Investment Trust - 5.12% (2019 - 5.01%)		
1,862,643	CLS	4,405,151	1.08
850,000	Great Portland Estates	6,368,200	1.56
1,750,000	Primary Health Properties	2,320,500	0.57
7,487,687	Supermarket Income REIT	7,787,194	1.91
	Financial Services - 4.96% (2019 - 4.70%)		
2,400,000	Charter Court Financial Services	7,260,000	1.78
1,800,000	John Laing	6,606,000	1.62
600,000	Premier Asset Management*	1,116,000	0.27
5,195,000	Sigma Capital*	5,246,950	1.29

River and Mercantile UK Equity Smaller Companies Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Equity Investment Instruments - 1.58% (2019 - 0.00%)		
4,110,768	River & Mercantile UK Micro Cap Investment Company**	6,453,906	1.58
	Software & Computer Services - 4.03% (2019 - 7.19%)		
3,900,000	Codemasters*	8,580,000	2.11
520,133	EMIS*	5,274,149	1.29
475,000	SDL	2,546,000	0.63
	Technology Hardware & Equipment - 1.25% (2019 - 1.07%)		
2,575,000	Spirent Communications	5,098,500	1.25
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 3.55% (2019 - 14.98%)		
	AUSTRALIA - 0.00% (2019 - 0.64%)		
	CANADA - 0.00% (2019 - 0.29%)		
	CAYMAN ISLANDS - 0.00% (2019 - 0.30%)		
	GIBRALTAR - 0.75% (2019 - 0.00%)		
2,000,000	888 Holdings	3,072,000	0.75
	GUERNSEY - 0.00% (2019 - 2.46%)		
	ISLE OF MAN - 0.00% (2019 - 2.51%)		
	ISRAEL - 0.00% (2019 - 1.37%)		
	JERSEY - 0.00% (2019 - 2.06%)		
	PERU - 0.00% (2019 - 1.78%)		
	UNITED STATES OF AMERICA - 2.80% (2019 - 3.57%)		
6,107,067	Boku*	5,923,855	1.45
2,617,500	MaxCyte*	3,010,125	0.74
300,410	MaxCyte Reg 'S'*	345,472	0.09
1,619,699	Tremor International*	2,121,806	0.52
	Portfolio of investments	377,401,789	92.60
	Net other assets	30,151,753	7.40
	Net assets	407,553,542	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.
92.60% of the sub-fund's assets are listed in the UK.

* Security listed on AIM.

** This is a related party investment

River and Mercantile UK Equity Smaller Companies Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital gains		3,348,650		53,769,449
Revenue	7,873,398		8,683,204	
Expenses	(2,086,773)		(2,891,371)	
Net revenue before taxation for the period	5,786,625		5,791,833	
Taxation	(10,696)		(148,211)	
Net revenue after taxation for the period		5,775,929		5,643,622
Total return before distributions		9,124,579		59,413,071
Distributions		(5,789,125)		(5,658,535)
Change in net assets attributable to Shareholders from investment activities		3,335,454		53,754,536

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		482,425,040		708,564,566
Amounts received on creation of shares	1,781,705		2,635,671	
Amounts paid on cancellation of shares	(83,344,903)		(178,262,639)	
		(81,563,198)		(175,626,968)
Dilution adjustment		505,818		1,012,466
Change in net assets attributable to Shareholders from investment activities		3,335,454		53,754,536
Retained distributions on accumulation shares		2,850,362		2,823,748
Unclaimed distributions		66		110
Closing net assets attributable to Shareholders		407,553,542		590,528,458

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile UK Equity Smaller Companies Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		377,401,789		464,321,233
Current assets				
Debtors	2,008,025		1,339,673	
Cash and bank balances	31,881,339		21,000,408	
Total other assets		<u>33,889,364</u>		<u>22,340,081</u>
Total assets		<u>411,291,153</u>		<u>486,661,314</u>
LIABILITIES				
Creditors				
Distribution payable	(2,302,199)		(662,805)	
Other creditors	(1,435,412)		(3,573,469)	
Total other liabilities		<u>(3,737,611)</u>		<u>(4,236,274)</u>
Total liabilities		<u>(3,737,611)</u>		<u>(4,236,274)</u>
Net assets attributable to Shareholders		<u>407,553,542</u>		<u>482,425,040</u>

River and Mercantile UK Equity Smaller Companies Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2019 is 2.9063p (2018: 1.7855p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2019 is 25.5570p (2018: 19.0789p) per share for accumulation shares.

B-Class Distribution shares

The distribution payable on 30 November 2019 is 6.0006p (2018: 4.5297p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2019 is 2.1342p (2018: Nil) per share for distribution shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
A-Class Distribution shares	41,433,351	294.47	14,070,482
B-Class Accumulation shares	356,124,359	1,787.68	19,921,036
B-Class Distribution shares	368,028,029	429.05	85,777,930
31 March 2018			
A-Class Distribution shares	41,429,347	325.46	12,729,663
B-Class Accumulation shares	332,842,707	1,995.38	16,680,702
B-Class Distribution shares	334,292,512	474.21	70,494,040
31 March 2019			
A-Class Distribution shares	31,113,779	314.49	9,893,308
B-Class Accumulation shares	263,194,154	1,952.68	13,478,635
B-Class Distribution shares	188,117,107	458.45	41,033,704
30 September 2019			
A-Class Distribution shares	27,211,364	316.91	8,586,540
B-Class Accumulation shares	222,300,275	1,993.20	11,152,941
B-Class Distribution shares	158,009,612	461.98	34,202,860
S-Class Distribution shares	32,291	246.49	13,100

The S-Class Distribution share class launched on 3 May 2019.

River and Mercantile UK Equity Smaller Companies Fund

Fund Facts continued

Operating Charges

	30 September 2019
A-Class Distribution shares	1.62%
B-Class Accumulation shares	0.87%
B-Class Distribution shares	0.87%
S-Class Distribution shares	0.61%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.20% above the annual management charge, with any costs above this amount absorbed by the ACD.

Synthetic Risk Reward Indicator (SRRI)



Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile UK Equity Smaller Companies Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
GW Pharmaceuticals	7,815,228	Blue Prism	7,039,707
Greencore	6,902,308	Clinigen	6,001,943
Lancashire	4,877,721	SDL	5,266,741
Hastings	4,769,055	On the Beach	4,982,031
Photo-Me	3,508,649	Diploma	4,888,208
Spirent Communications	2,470,378	Gym	4,566,256
Smart Metering Systems	2,139,013	Consort Medical	4,559,084
Galliford Try	1,667,956	Fever-Tree Drinks	4,535,397
Gem Diamonds	1,493,619	Learning Technologies	4,313,423
Fulcrum Utility Services	1,039,224	Millennium & Copthorne Hotels	4,223,115

River and Mercantile UK Dynamic Equity Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth through investing in a concentrated portfolio which will primarily consist of UK equities. The sub-fund will not be restricted by reference to a benchmark, sector constraints or company size.

Investment Manager's Review

Portfolio review

For the six month period to 30 September 2019, the Z share class of the River and Mercantile UK Dynamic Equity Fund returned 5.4% compared to the benchmark MSCI United Kingdom Investable Market index return of 4.1%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

River and Mercantile UK Dynamic Equity Fund

Investment Manager's Review continued

Performance and activity

Over the six month period, the fund outperformed the benchmark by 1.3%. Encouragingly, the source of returns was varied and, in many cases, from parts of the market that might be considered unfashionable. JD Sports Fashion bucked a difficult retail environment on the UK high street with an impressive like-for-like revenue growth figure and a very impressive set of results that showcased the business' increasing international breadth. FirstGroup's award of the West Coast rail franchise on attractive terms (in partnership with Trenitalia) suggests other investors, like us, may have been overly conservative in their assessment of the value of the rail business; the shares rose during the period, contributing to the portfolio. Outsourcer Capita didn't get much help from the UK economy or Brexit uncertainty but still managed to rise during the period as investors digested a better than expected operational performance. A zero weighting in AstraZeneca detracted from relative performance, as did our domestic UK exposure. The UK infrastructure business, Costain, profit warned at the end of June citing delays to three projects and the cancellation of one in what is an operationally geared business. Fever-Tree Drinks was another detractor from performance during the period as data for the UK showed slowing sales in May. We believe there is a significant growth opportunity in the US and the dynamic of slowing UK growth has left sell-side expectations materially lower than what has been realised in any year since 2011.

Key purchases during the period included Fresnillo, the world's largest silver producer and Mexico's second largest gold miner. Its asset base includes six world-class low cost mines and last year silver and gold production hit record highs. The balance sheet is also prudently managed, with a relatively low level of gross debt and none maturing before 2023. Despite this, the share price had fallen by more than 50% over the previous two years due to a combination of lower commodity prices, and investor concerns over lower ore grades in some older mines – offering Recovery potential as operational issues are fixed – and tail-risks presented by a new, left-wing government in Mexico. I also used volatility or share price weakness to increase the weightings in easyJet, Prudential and 888 Holdings. Sales during the period included HSBC. We exited HSBC as the share price approached my estimate of fair value – which assumes the group meets its medium term return on equity targets – and risks to Timing emerged via some pressures to near-term profitability building in its core Asian markets as well as broader softness in global trade, which is an important driver of HSBC's top line. BP's weight in the Fund was also materially reduced – although we continue to believe there is a value gap, timing has weakened recently and so we chose to re-allocate to other high conviction ideas. We took some profits in a number of shares that performed well – positions in Meggitt, Capita, Roche Holding, JD Sports Fashion, RELX, BAE Systems and FirstGroup were all trimmed into strength.

Outlook

In the UK market, the key development was nothing related to Boris Johnson – not directly, at least – but rather the uptick in bid activity, with corporates and investors with longer time horizons moving on the opportunity set being created by Brexit uncertainty. They are merely confirming the opportunity set about which we have previously written. The Fund has only moderately participated in this so far, but features a number of viable candidates for bids from either trade or private equity. When Warren Buffett says he would “love to put more money in the UK” and is “ready to buy something in the UK tomorrow” regardless of Brexit, perhaps other investors should take note.

In the later stages of the stock market cycle it requires a nimble approach to stock selection to take opportunities in a fast changing market environment. We have a fund and an investment philosophy structured to enable this. I continue to judge each stock on its own merits against this philosophy, focused on finding firms with the potential to create significant shareholder value from various stages of the corporate lifecycle (with many opportunities today in Recovery), when bought at a valuation offering a margin of safety with timing support. I have conviction that the Fund's holdings have the balanced **PVT** characteristics that will deliver attractive absolute and relative returns for us over the medium term. Thank you for your patience, ongoing support and partnership while the material anomalies we are exploiting correct themselves.

River and Mercantile UK Dynamic Equity Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 94.35% (2019 - 94.97%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 89.18% (2019 - 84.80%)			
Oil & Gas Producers - 10.03% (2019 - 7.16%)			
410,000	BP	2,113,960	2.99
525,000	Cairn Energy	1,005,900	1.43
125,000	Royal Dutch Shell 'A'	2,980,000	4.22
460,000	Tullow Oil	983,480	1.39
Chemicals - 1.43% (2019 - 1.74%)			
33,000	Johnson Matthey	1,008,480	1.43
Mining - 5.38% (2019 - 1.01%)			
47,000	Anglo American	879,464	1.25
40,000	BHP Billiton	692,960	0.98
1,225,000	Centamin	1,539,825	2.18
100,000	Fresnillo	683,600	0.97
Construction & Materials - 3.59% (2019 - 4.78%)			
188,009	Costain	293,670	0.42
600,000	Melrose Industries	1,209,000	1.71
255,000	Polypipe	1,032,750	1.46
Aerospace & Defence - 7.98% (2019 - 7.04%)			
285,000	BAE Systems	1,623,930	2.30
580,000	Chemring	1,137,960	1.61
200,000	Meggitt	1,270,000	1.80
240,000	QinetiQ	693,120	0.98
115,000	Rolls-Royce	911,260	1.29
Electronic & Electrical Equipment - 1.44% (2019 - 0.00%)			
600,000	Strix*	1,020,000	1.44
Support Services - 4.71% (2019 - 5.61%)			
875,000	Capita	1,267,437	1.79
225,000	Essentra	957,600	1.36
273,564	Smart Metering Systems*	1,099,727	1.56
Beverages - 2.26% (2019 - 2.60%)			
25,000	Fever-Tree Drinks*	605,750	0.86
425,000	Stock Spirits	988,125	1.40
Food Producers - 0.00% (2019 - 1.25%)			
Household Goods & Home Construction - 0.95% (2019 - 1.04%)			
100,000	Galliford Try	669,000	0.95
Tobacco - 5.28% (2019 - 5.71%)			
60,000	British American Tobacco	1,804,500	2.56
105,000	Imperial Brands	1,919,610	2.72
Pharmaceuticals & Biotechnology - 4.57% (2019 - 4.91%)			
185,000	GlaxoSmithKline	3,227,140	4.57

River and Mercantile UK Dynamic Equity Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Food & Drug Retailers - 5.72% (2019 - 6.45%)		
450,000	Morrison (Wm.) Supermarkets	901,350	1.28
1,300,000	Tesco	3,133,000	4.44
	General Retailers - 3.15% (2019 - 3.24%)		
250,000	B&M European Value Retail	948,500	1.34
170,000	JD Sports Fashion	1,275,000	1.81
	Media - 2.13% (2019 - 2.63%)		
78,000	RELX	1,506,960	2.13
	Travel & Leisure - 4.52% (2019 - 4.88%)		
10,000	Carnival	337,000	0.48
90,000	easyJet	1,035,000	1.46
550,000	FirstGroup	756,250	1.07
250,000	Playtech	1,065,250	1.51
	Mobile Telecommunications - 3.44% (2019 - 2.49%)		
1,500,000	Vodafone	2,430,000	3.44
	Gas, Water & Multiutilities - 2.00% (2019 - 1.88%)		
160,000	National Grid	1,411,040	2.00
	Banks - 7.11% (2019 - 10.34%)		
2,600,000	Lloyds Banking	1,407,120	1.99
220,000	OneSavings Bank	812,240	1.15
690,000	Royal Bank of Scotland	1,432,440	2.03
200,000	Standard Chartered	1,368,000	1.94
	Non-life Insurance - 4.01% (2019 - 1.97%)		
160,000	Lancashire	1,179,200	1.67
560,000	Sabre Insurance	1,649,200	2.34
	Life Insurance - 5.57% (2019 - 4.46%)		
425,000	Legal & General	1,055,700	1.50
195,000	Prudential	2,875,275	4.07
	Financial Services - 1.72% (2019 - 2.45%)		
330,000	John Laing	1,211,100	1.72
	Software & Computer Services - 2.19% (2019 - 1.16%)		
185,000	Avast	717,060	1.01
155,000	SDL	830,800	1.18
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 5.17% (2019 - 10.17%)		
	AUSTRALIA - 0.00% (2019 - 1.59%)		
	GIBRALTAR - 2.72% (2019 - 0.00%)		
1,250,000	888 Holdings	1,920,000	2.72
	IRELAND - 2.45% (2019 - 1.58%)		
62,000	CRH	1,727,940	2.45

River and Mercantile UK Dynamic Equity Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	JERSEY - 0.00% (2019 - 1.83%)		
	NETHERLANDS - 0.00% (2019 - 4.01%)		
	UNITED STATES OF AMERICA - 0.00% (2019 - 1.16%)		
	OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 2.76% (2019 - 2.60%)		
	SWITZERLAND - 2.76% (2019 - 2.60%)		
8,250	Roche Holding	1,950,043	2.76
	FORWARD CURRENCY CONTRACTS - 0.00% (2019 - (0.03%))		
£922,951	Forward Currency Contract 13/12/2019: UK Sterling 922,951 vs Swiss Franc 1,126,000	3,425	0.00
	Portfolio of investments	68,557,141	97.11
	Net other assets	2,037,848	2.89
	Net assets	70,594,989	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

94.35% of the sub-fund's assets are listed in the UK.

* Security listed on AIM.

River and Mercantile UK Dynamic Equity Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital gains		2,002,558		9,651,388
Revenue	1,709,649		3,225,280	
Expenses	(369,280)		(652,729)	
Net revenue before taxation for the period	1,340,369		2,572,551	
Taxation	(9,177)		(24,149)	
Net revenue after taxation for the period		1,331,192		2,548,402
Total return before distributions		3,333,750		12,199,790
Distributions		(1,336,726)		(2,556,331)
Change in net assets attributable to Shareholders from investment activities		1,997,024		9,643,459

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		81,267,405		214,066,582
Amounts received on creation of shares	2,865,516		1,117,929	
Amounts paid on cancellation of shares	(16,686,628)		(102,732,684)	
		(13,821,112)		(101,614,755)
Dilution adjustment		16,437		99,285
Change in net assets attributable to Shareholders from investment activities		1,997,024		9,643,459
Retained distributions on accumulation shares		1,135,235		2,032,830
Closing net assets attributable to Shareholders		70,594,989		124,227,401

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile UK Dynamic Equity Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		68,557,141		79,290,597
Current assets				
Debtors	843,974		1,491,791	
Cash and bank balances	1,745,515		1,770,491	
Total other assets		2,589,489		3,262,282
Total assets		71,146,630		82,552,879
LIABILITIES				
Investment liabilities		—		(23,289)
Creditors				
Distribution payable	(65,690)		(41,110)	
Other creditors	(485,951)		(1,221,075)	
Total other liabilities		(551,641)		(1,262,185)
Total liabilities		(551,641)		(1,285,474)
Net assets attributable to Shareholders		70,594,989		81,267,405

River and Mercantile UK Dynamic Equity Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2019 is 2.1689p (2018: 2.2143p) per share for distribution shares.

B-Class Accumulation shares

The distribution payable on 30 November 2019 is 8.5886p (2018: 8.6012p) per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2019 is 24.5085p (2018: 24.5239p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
A-Class Distribution shares	7,490,310	155.68	4,811,387
B-Class Accumulation shares	152,138,746	461.57	32,960,877
Z-Class Accumulation shares	2,571,775	1,068.50	240,690
31 March 2018			
A-Class Distribution shares	7,998,676	154.18	5,187,906
B-Class Accumulation shares	203,157,552	466.94	43,508,320
Z-Class Accumulation shares	2,910,354	1,089.01	267,247
31 March 2019			
A-Class Distribution shares	5,524,176	153.19	3,606,027
B-Class Accumulation shares	72,943,341	477.31	15,282,330
Z-Class Accumulation shares	2,799,888	1,121.76	249,597
30 September 2019			
A-Class Distribution shares	4,774,744	157.65	3,028,668
B-Class Accumulation shares	64,652,584	499.81	12,935,333
Z-Class Accumulation shares	1,167,661	1,179.32	99,011

River and Mercantile UK Dynamic Equity Fund

Fund Facts continued

Operating Charges

	30 September 2019
A-Class Distribution shares	1.71%
B-Class Accumulation shares	0.96%
Z-Class Accumulation shares	0.21%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.18% above the annual management charge, with any costs above this amount absorbed by the ACD. This change came into effect on 1 June 2019, if this had been in place for the entire period under review the Operating Charges would have been 1.68%, 0.93% and 0.18% respectively.

Synthetic Risk Reward Indicator (SRRRI)

◀ Lower Risk Higher Risk ▶

Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Concentration risk: the sub-fund invests in a limited number of securities and hence experiences higher levels of volatility than more diverse funds.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile UK Dynamic Equity Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Fresnillo	1,410,448	HSBC	1,949,270
Lancashire	1,115,403	BP	1,397,237
Rolls-Royce	971,441	Auto Trader	1,377,745
Strix	932,183	GlaxoSmithKline	1,212,842
Prudential	867,213	BAE Systems	1,085,566
B&M European Value Retail	863,710	Tate & Lyle	1,053,117
888 Holdings	833,253	RELX	999,909
easyJet	695,870	DCC	972,762
Avast	692,292	Ferguson	937,055
Vodafone	670,379	Carnival	911,837

River and Mercantile UK Recovery Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth by investing in a portfolio which will primarily consist of UK equities that meet the Investment Manager's recovery criteria of a turnaround in company profitability over the longer term.

Investment Manager's Review

Performance review

For the six month period to 30 September 2019, the Z share class of the River and Mercantile UK Recovery Fund returned 1.9% compared to the benchmark MSCI United Kingdom Investable Market index return of 4.1%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

Performance and activity

We performed positively in absolute terms during the period as the market continued to rally, however we struggled in relative terms as lower global interest rates supported stocks that have very different characteristics from our portfolio and a very difficult August impacted returns. Global economic and Brexit related uncertainty continued to impact on our key factors: value, recovery and smaller companies. Over the six month period, performance was behind the benchmark (-2.2%). Our underweight to bond proxies, which included AstraZeneca, RELX and Unilever, detracted from performance over the period, as did the drag of anti-risk sentiment and stock disappointments. Tremor International was also a large detractor from performance due to a double discounting of warnings. Our overweight to the technology sector contributed to performance (Learning Technologies and Micro Focus), as did positive PVT stock picks (Chemring, Capital Drilling and non-UK Alpha Bank). M&A activity also added to performance (Amerisur Resources and Cobham).

River and Mercantile UK Recovery Fund

Investment Manager's Review continued

Performance and activity continued

During the period, we continued to increase the aggressiveness of the portfolio positioning, adding value, small cap and out-of-favour stocks, all of which, in aggregate, have attractive medium term growth characteristics. We continued to buy back in the e-gaming operators, all of which have been weak over the last couple of years, this despite the opening up of a major long-term market opportunity in the US as that country moves to allow regulated sports betting (888 Holdings, Playtech and Flutter Entertainment). We also purchased growth cyclicals as they de-rate aggressively alongside weakening PMIs (Purchasing Managers' Index) and short term demand; we look for strong market positions, attractive through-the-cycle growth and returns, and valuations that discount a 'normal' (not Global Financial Crisis) downturn (Carnival and PageGroup). We also added to our UK domestic exposure. This included adding to Foxtons as the London housing market showed signs of stabilisation and adding to Restaurant, a leading UK restaurant operator which historically has been highly rated for its consistent growth and return record but which is now lowly rated as UK growth has slowed. Outside of the UK we bought Prada, an iconic brand with significant strategic value, trading at half the sales of its larger, multi-brand peers and going through a period of self-help to ensure that it can participate in the continued growth of the global luxury market. Sales focused on M&A (Cobham, Low & Bonar), taking profits in a number of strong performers where valuations now looked less inviting (Ecorodovias Infraestruturas e Logística, Learning Technologies) and cutting stocks where the thesis was not playing out or we had worries about the Timing aspect of **PVT** (AO World, Senior and McCarthy & Stone) in the context of the market double-discounting weak trading updates.

Outlook

In the later stages of the stock market cycle it requires a nimble approach to stock selection to take opportunities in a fast changing market environment. We have a fund and an investment philosophy structured to enable this. I continue to judge each stock on its own merits against this philosophy, focused on finding firms with the potential to create significant shareholder value from various stages of the corporate lifecycle (with many opportunities today in Recovery), when bought at a valuation offering a margin of safety with timing support. I have conviction that the Fund's holdings have the balanced **PVT** characteristics that will deliver attractive absolute and relative returns for us over the medium term. Thank you for your patience, ongoing support and partnership while the material anomalies we are exploiting correct themselves.

River and Mercantile UK Recovery Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM LISTED COMPANIES - 83.81% (2019 - 85.02%)			
UNITED KINGDOM (UK LISTED COMPANIES) - 78.20% (2019 - 68.62%)			
Oil & Gas producers - 10.33% (2019 - 8.47%)			
10,334,709	Amerisur Resources*	1,742,432	0.65
1,727,000	BP	8,904,412	3.33
508,846	Cairn Energy	974,949	0.36
726,800	Diversified Gas & Oil*	795,846	0.30
900,532	Eland Oil & Gas*	1,136,471	0.43
4,167,540	Enquest	793,916	0.30
1,535,040	JKX Oil & Gas	457,442	0.17
1,553,700	Premier Oil	1,209,400	0.45
4,128,857	Rockhopper Exploration*	797,695	0.30
328,535	Royal Dutch Shell 'B'	7,870,056	2.94
493,362	Serica Energy*	668,012	0.25
1,057,726	SOCO International	675,887	0.25
4,675,000	Trinity Exploration and Production*	502,563	0.19
509,605	Tullow Oil	1,089,535	0.41
Oil Equipment, Services & Distribution - 0.43% (2019 - 1.18%)			
166,565	Hunting	763,201	0.28
103,690	Wood (John)	393,918	0.15
Chemicals - 0.67% (2019 - 0.39%)			
39,240	Johnson Matthey	1,199,174	0.45
28,000	Victrex	604,240	0.22
Mining - 5.61% (2019 - 3.08%)			
229,348	Anglo American	4,291,560	1.60
187,120	Antofagasta	1,682,209	0.63
212,127	BHP	3,674,888	1.37
462,967	Centamin	581,950	0.22
247,271	KAZ Minerals	1,071,425	0.40
88,188	Rio Tinto (UK Regd.)	3,711,833	1.39
Construction & Materials - 1.13% (2019 - 1.59%)			
4,915,000	Aukett Swanke	66,352	0.02
226,400	Breedon*	147,160	0.06
189,100	Ibstock	445,898	0.17
396,630	Melrose Industries	799,209	0.30
157,743	Polypipe	638,859	0.24
650,950	Tekmar*	911,330	0.34
Aerospace & Defence - 1.49% (2019 - 1.76%)			
152,850	BAE Systems	870,939	0.33
850,055	Chemring	1,667,808	0.62
89,458	Rolls-Royce	708,865	0.26
36,690	Ultra Electronics	741,872	0.28
General Industrials - 0.82% (2019 - 0.99%)			
1,396,848	Coats	1,037,858	0.39
1,433,650	Gocompare.Com	1,152,655	0.43

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Electronic & Electrical Equipment - 2.32% (2019 - 1.81%)		
120,362	Dialight	392,380	0.15
344,566	Morgan Advanced Materials	897,250	0.34
65,328	Oxford Instruments	834,892	0.31
7,180	Renishaw	262,932	0.10
958,490	Strix*	1,629,433	0.61
313,502	TT Electronics	780,620	0.29
1,282,481	Volex*	1,110,629	0.41
695,897	Xaar	289,493	0.11
	Industrial Engineering - 1.71% (2019 - 1.64%)		
930,410	MPAC*	1,693,346	0.63
648,412	Northbridge*	875,356	0.33
2,612,125	Renold*	569,443	0.21
100,918	Weir	1,438,082	0.54
	Industrial Transportation - 0.48% (2019 - 0.24%)		
4,941,832	DX*	617,729	0.23
217,813	Global Ports	653,439	0.25
	Support Services - 6.44% (2019 - 5.81%)		
136,691	Aggreko	1,134,809	0.42
1,017,269	Augean*	1,118,996	0.42
360,952	Biffa	853,651	0.32
1,066,629	Blancco Technology*	1,333,286	0.50
1,587,005	Capita	2,298,777	0.86
300,043	De La Rue	667,596	0.25
485,464	Driver*	242,732	0.09
241,977	Essentra	1,029,854	0.39
374,090	Hays	563,005	0.21
1,333,651	Kin and Carta	1,085,592	0.41
764,274	Learning Technologies*	862,101	0.32
458,795	MITIE	670,300	0.25
161,390	PageGroup	708,825	0.26
2,340,500	Renewi	702,150	0.26
473,212	RPS	697,514	0.26
1,063,291	Serco	1,583,240	0.59
467,280	SIG	587,371	0.22
271,394	Smart Metering Systems*	1,091,004	0.41
	Automobiles & Parts - 0.45% (2019 - 0.00%)		
622,825	TI Fluid Systems	1,198,315	0.45
	Beverages - 0.33% (2019 - 0.33%)		
377,050	Stock Spirits	876,641	0.33
	Food Producers - 0.76% (2019 - 0.81%)		
40,260	Associated British Foods	926,785	0.34
593,844	Devro	1,116,427	0.42

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Household Goods & Home Construction - 1.63% (2019 - 1.36%)		
10,800	Berkeley	451,332	0.17
111,300	Crest Nicholson	421,159	0.16
257,690	Galliford Try	1,723,946	0.64
27,880	Reckitt Benckiser	1,768,428	0.66
	Personal Goods - 0.78% (2019 - 0.76%)		
49,247	Burberry	1,070,137	0.40
507,773	PZ Cussons	1,025,701	0.38
	Tobacco - 2.40% (2019 - 2.38%)		
138,800	British American Tobacco	4,174,410	1.56
123,434	Imperial Brands	2,256,620	0.84
	Health Care Equipment & Services - 0.06% (2019 - 0.00%)		
95,570	ConvaTec	167,104	0.06
	Pharmaceuticals & Biotechnology - 1.03% (2019 - 0.57%)		
158,221	GlaxoSmithKline	2,760,007	1.03
	Food & Drug Retailers - 0.56% (2019 - 0.59%)		
333,700	Morrison (Wm.) Supermarkets	668,401	0.25
348,400	Tesco	839,644	0.31
	General Retailers - 2.07% (2019 - 2.59%)		
35,830	Asos*	886,793	0.33
262,825	B&M European Value Retail	997,158	0.37
76,290	CVS*	774,344	0.29
125,370	Inchcape	791,085	0.30
471,015	Kingfisher	973,588	0.37
2,879,058	Pendragon	261,994	0.10
402,276	Pets at Home	836,734	0.31
	Media - 3.91% (2019 - 3.70%)		
74,566	Daily Mail & General Trust 'A'	634,557	0.24
1,735,141	Ebiquity*	867,571	0.32
48,754	Euromoney Institutional Investor	720,584	0.27
1,381,040	Hyve	1,173,884	0.44
910,560	ITV	1,146,395	0.43
231,700	Pearson	1,708,556	0.64
1,041,002	Reach*	920,246	0.34
620,000	Time out*	775,000	0.29
1,791,500	ULS Technology*	824,090	0.31
103,700	WPP	1,055,666	0.39
1,048,574	XLMedia*	629,144	0.24
	Travel & Leisure - 3.45% (2019 - 2.63%)		
42,432	Carnival	1,429,958	0.53
232,770	Domino's Pizza	592,865	0.22
742,110	FirstGroup	1,020,401	0.38
165,040	GVC	1,226,577	0.46
194,500	Gym	491,113	0.18
218,820	International Consolidated Airlines	1,039,395	0.39
455,874	Playtech	1,942,479	0.73

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Travel & Leisure (continued)		
241,205	Rangers International Football**	43,417	0.02
474,800	Restaurant	673,741	0.25
411,950	William Hill	772,818	0.29
	Fixed Line Telecommunications - 0.27% (2019 - 0.00%)		
405,000	BT	723,249	0.27
	Mobile Telecommunications - 0.54% (2019 - 0.28%)		
898,900	Vodafone	1,456,218	0.54
	Electricity - 0.31% (2019 - 0.00%)		
5,643,478	OPG Power Ventures*	840,878	0.31
	Gas, Water & Multiutilities - 0.38% (2019 - 0.22%)		
1,378,156	Centrica	1,016,252	0.38
	Financials - 2.74% (2019 - 1.83%)		
263,320	Aviva	1,051,437	0.39
279,230	Legal & General	693,607	0.26
378,030	Prudential	5,574,052	2.09
	Banks - 10.51% (2019 - 11.03%)		
2,597,371	Barclays	3,906,446	1.46
1,478,742	HSBC	9,236,223	3.45
13,726,982	Lloyds Banking	7,429,043	2.78
1,797,131	Royal Bank of Scotland	3,730,844	1.40
557,055	Standard Chartered	3,810,256	1.42
	Non-Life Insurance - 0.46% (2019 - 0.34%)		
39,000	Lancashire	287,430	0.11
315,570	Sabre Insurance	929,354	0.35
	Life Insurance - 0.27% (2019 - 0.69%)		
1,370,560	Just	721,600	0.27
	Real Estate Investment & Services - 1.67% (2019 - 0.94%)		
416,580	Capital & Counties Properties	979,796	0.37
1,624,300	Foxtons	795,907	0.30
255,170	Grainger Trust	627,718	0.23
491,090	Purplebricks*	549,039	0.20
55,000	Savills	483,175	0.18
665,782	U and I	1,042,615	0.39
	Real Estate Investment Trusts - 1.05% (2019 - 0.40%)		
239,400	British Land	1,399,532	0.52
178,850	Hammerson	507,219	0.19
99,430	Shaftesbury	903,322	0.34
	Financial Services - 6.50% (2019 - 5.55%)		
383,372	ADVFN*	111,178	0.04
107,090	Ashmore	541,340	0.20
209,858	Brewin Dolphin	664,830	0.25
170,000	City of London Investment	734,400	0.27

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Financial Services (continued)		
19,900	Close Brothers	280,192	0.11
1,079,128	CMC Markets	1,143,876	0.43
60,340	Gresham House Strategic*	639,604	0.24
86,144	H&T*	321,317	0.12
13,900	Hargreaves Lansdown*	288,981	0.11
262,562	IG*	1,582,199	0.59
100,633	IMI	966,278	0.36
332,500	Impax Asset Management*	774,725	0.29
831,129	International Personal Finance	920,891	0.34
182,670	Investec*	764,839	0.29
1,224,324	IP	779,894	0.29
2,687,576	Miton*	1,424,415	0.53
130,760	Polar Capital*	711,334	0.27
444,100	Premier Asset Management*	826,026	0.31
166,390	Provident Financial	677,207	0.25
263,485	RM	706,140	0.26
36,090	Schroders	1,109,768	0.42
248,000	Shore Capital*	341,000	0.13
170,550	TP ICAP	579,699	0.22
414,990	XPS Pensions	481,388	0.18
	Equity Investment Instruments - 1.13% (2019 - 1.08%)		
639,248	Fidelity China Special Situations Investment Trust	1,383,972	0.52
213,075	Gresham House*	1,214,528	0.45
168,030	Majedie Investment Trust	426,796	0.16
	Software & Computer Services - 2.76% (2019 - 2.78%)		
70,230	Accesso Technology*	611,001	0.23
107,900	Avast	418,220	0.16
420,015	Codemasters*	924,033	0.35
3,306,718	Eckoh*	1,537,624	0.58
34,417	First Derivative*	760,616	0.28
823,351	NCC	1,430,984	0.53
40,500	Sage	279,936	0.10
265,214	SDL	1,421,547	0.53
	Technology Hardware & Equipment - 0.75% (2019 - 0.80%)		
5,628,754	Filtronic	422,157	0.16
1,401,605	IQE*	877,405	0.33
425,000	Telit Communications*	699,550	0.26
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 5.61% (2019 - 16.40%)		
	AUSTRALIA - 0.34% (2019 - 2.02%)		
638,119	South32	912,510	0.34
	BERMUDA - 0.00% (2019 - 0.20%)	—	—
	CHILE - 0.00% (2019 - 0.45%)	—	—
	GIBRALTAR - 0.45% (2019 - 0.00%)		
792,084	888 Holdings	1,216,641	0.45

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
16,800	INDIA - 0.25% (2019 - 0.74%) Rhi Magnesita	681,408	0.25
217,000	IRAQ - 0.19% (2019 - 0.00%) Gulf Keystone Petroleum	496,930	0.19
13,300	IRELAND - 1.00% (2019 - 0.98%) Flutter Entertainment	1,012,130	0.38
614,043	Mincon*	607,903	0.23
112,370	Ryanair	1,050,284	0.39
	ISLE OF MAN - 0.00% (2019 - 0.45%)	—	—
	JERSEY - 0.00% (2019 - 0.79%)	—	—
	KAZAKHSTAN - 0.00% (2019 - 0.87%)	—	—
2,671,638	MAURITIUS - 0.62% (2019 - 0.43%) Capital Drilling	1,656,416	0.62
	MEXICO - 0.00% (2019 - 0.40%)	—	—
1,275,500	NETHERLANDS - 0.41% (2019 - 3.66%) DP Eurasia	1,096,930	0.41
475,000	NIGERIA - 0.20% (2019 - 0.19%) SEPLAT Petroleum Development	534,375	0.20
920,447	SOUTH AFRICA - 0.36% (2019 - 0.71%) Old Mutual	956,805	0.36
	SPAIN - 0.00% (2019 - 0.65%)	—	—
978,538	SWITZERLAND - 0.90% (2019 - 1.39%) Glencore	2,394,972	0.90
	TURKEY - 0.00% (2019 - 0.31%)	—	—
	UNITED ARAB EMIRATES - 0.00% (2019 - 0.49%)	—	—
429,603	UNITED STATES OF AMERICA - 0.89% (2019 - 1.67%) Somero Enterprises*	794,766	0.30
1,213,626	Tremor International*	1,589,850	0.59
	OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 17.18% (2019 - 15.15%)		
3,249,886	AUSTRALIA - 0.00% (2019 - 0.00%) International Ferro Metals**	—	—
	BRAZIL - 0.00% (2019 - 0.62%)	—	—
12,500	CHINA - 1.98% (2019 - 1.79%) Baidu ADR	1,042,360	0.39
120,000	China Mobile	804,927	0.30
314,520	iShares MSCI China A UCITS ETF USD Acc	1,019,644	0.38
1,100,000	Kunlun Energy	768,594	0.29
105,000	Ping An Insurance	977,667	0.36
600,000	Tingyi (Cayman Islands)	684,437	0.26

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	FRANCE - 1.79% (2019 - 2.07%)		
21,000	BNP Paribas	829,893	0.31
72,500	Carrefour	1,030,079	0.39
40,000	Cegedim	902,375	0.34
725,000	CGG	1,317,424	0.49
20,000	Vicat	703,322	0.26
	GERMANY - 1.06% (2019 - 0.48%)		
22,700	Bayer (Regd.)	1,299,524	0.49
30,000	GEA	657,142	0.25
10,000	Siemens (Regd.)	870,084	0.32
	GREECE - 0.99% (2019 - 0.92%)		
475,000	Alpha Bank	719,843	0.27
190,000	Fourlis	926,173	0.35
65,000	Jumbo	998,275	0.37
	HONG KONG - 1.07% (2019 - 0.91%)		
355,000	Prada	837,845	0.31
900,000	Shangri-La Asia	744,371	0.28
650,000	Swire Pacific 'B'	767,041	0.29
2,700,000	Texwinca	497,490	0.19
	ITALY - 1.16% (2019 - 0.84%)		
400,000	Anima	1,237,139	0.46
165,000	Cerved Information Solutions	1,167,050	0.44
12,750	EXOR	693,475	0.26
	ISRAEL - 0.00% (2019 - 0.40%)		
	JAPAN - 2.75% (2019 - 3.14%)		
18,200	Fukuda Denshi	930,630	0.35
55,000	KDDI	1,163,963	0.44
45,000	Maxell	520,683	0.19
2,500	Nintendo	750,671	0.28
10,000	NuFlare Technology	575,158	0.22
50,000	SBI Holdings	867,242	0.32
16,500	Sony	785,226	0.29
60,000	Tachi-S	588,373	0.22
70,000	Toa Oil	1,177,347	0.44
	NETHERLANDS - 1.44% (2019 - 0.56%)		
26,000	Koninklijke Philips	976,883	0.37
19,000	Prosus	1,129,562	0.42
24,000	TKH	971,593	0.36
43,000	Van Lanschot	762,728	0.29
	NORWAY - 0.89% (2019 - 0.00%)		
200,000	Borr Drilling	841,323	0.31
20,500	SalMar	729,616	0.27
50,000	Telenor	815,199	0.31
	SINGAPORE - 0.23% (2019 - 0.23%)		
525,000	Wing Tai Holdings	628,466	0.23

River and Mercantile UK Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	SWEDEN - 0.25% (2019 - 0.39%)		
80,000	Epiroc	668,529	0.25
9,940,556	Trustbuddy**	—	—
	SWITZERLAND - 0.69% (2019 - 0.60%)		
12,000	Landis+Gyr	872,559	0.33
4,100	Roche Holding	969,112	0.36
	UNITED STATES OF AMERICA - 2.88% (2019 - 2.20%)		
15,000	Acushnet	321,350	0.12
75,000	CenturyLink	760,164	0.28
23,000	Citigroup	1,289,329	0.48
6,000	Facebook	867,062	0.32
4,200	Madison Square Garden	897,940	0.34
10,000	McKesson	1,108,659	0.42
16,000	Oracle	714,372	0.27
10,500	Ralph Lauren	813,041	0.30
23,000	Wells Fargo	941,427	0.35
	FORWARD CURRENCY CONTRACTS - 0.05% (2019 - (0.04%))		
£16,271,318	Forward Currency Contract 13/12/2019: UK Sterling 16,271,318 vs Euro 18,185,000	141,106	0.05
	Portfolio of Investments	270,265,365	101.04
	Net other liabilities	(2,776,878)	(1.04)
	Net assets	267,488,487	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

83.81% of the sub-fund's assets are listed in the UK.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

*Security listed on AIM.

**Delisted security.

River and Mercantile UK Recovery Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital (losses)/gains		(1,542,572)		12,111,905
Revenue	6,124,014		4,933,067	
Expenses	(1,431,988)		(1,447,425)	
Interest payable and similar charges	(2,421)		(963)	
Net revenue before taxation for the period	4,689,605		3,484,679	
Taxation	(92,560)		(91,771)	
Net revenue after taxation for the period		4,597,045		3,392,908
Total return before distributions		3,054,473		15,504,813
Distributions		(4,598,609)		(3,177,911)
Change in net assets attributable to Shareholders from investment activities		(1,544,136)		12,326,902

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		264,126,346		227,338,668
Amounts received on creation of shares	10,054,100		43,938,996	
Amounts paid on cancellation of shares	(5,204,215)		(8,668,819)	
		4,849,885		35,270,177
Dilution adjustment		468		375,007
Change in net assets attributable to Shareholders from investment activities		(1,544,136)		12,326,902
Retained distributions on accumulation shares		55,924		45,778
Closing net assets attributable to Shareholders		267,488,487		275,356,532

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile UK Recovery Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		270,265,365		264,574,234
Current assets				
Debtors	1,854,143		3,657,240	
Cash and bank balances	1,554,560		50,578	
Total other assets		3,408,703		3,707,818
Total assets		273,674,068		268,282,052
LIABILITIES				
Investment liabilities		—		(105,635)
Creditors				
Bank overdrafts		—	(473,406)	
Distribution payable	(4,566,189)		(2,240,870)	
Other creditors	(1,619,392)		(1,335,795)	
Total other liabilities		(6,185,581)		(4,050,071)
Total liabilities		(6,185,581)		(4,155,706)
Net assets attributable to Shareholders		267,488,487		264,126,346

River and Mercantile UK Recovery Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2019 is 3.6463p (2018: 2.6068p) per share for distribution shares.

B-Class Distribution shares

The distribution payable on 30 November 2019 is 17.3074p (2018: 13.7663p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2019 is 4.2193p (2018: 1.7061p) per share for distribution shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2019 is 39.9771p (2018: 33.2676p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
A-Class Distribution shares	3,046,129	270.48	1,126,173
B-Class Distribution shares	128,203,341	993.35	12,906,184
Z-Class Accumulation shares	2,134,073	1,657.22	128,774
31 March 2018			
A-Class Distribution shares	1,985,648	279.46	710,541
B-Class Distribution shares	223,003,794	1,026.07	21,733,786
Z-Class Accumulation shares	2,349,226	1,764.31	133,153
31 March 2019			
A-Class Distribution shares	1,310,120	278.31	470,738
B-Class Distribution shares	221,299,048	1,021.91	21,655,335
S-Class Distribution shares	39,111,538	231.57	16,889,665
Z-Class Accumulation shares	2,405,640	1,812.28	132,741
30 September 2019			
A-Class Distribution shares	1,076,718	276.81	388,969
B-Class Distribution shares	217,776,764	1,016.42	21,425,892
S-Class Distribution shares	46,057,815	230.33	19,996,822
Z-Class Accumulation shares	2,577,190	1,842.30	139,890

The S-Class Distribution share class launched on 20 July 2018.

River and Mercantile UK Recovery Fund

Fund Facts continued

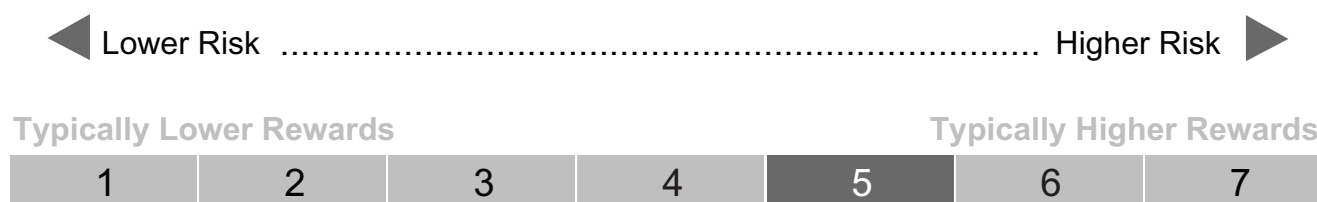
Operating Charges

	30 September 2019
A-Class Distribution shares	1.86%
B-Class Distribution shares	1.11%
S-Class Distribution shares	0.86%
Z-Class Accumulation shares	0.11%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.20% above the annual management charge, with any costs above this amount absorbed by the ACD.

Synthetic Risk Reward Indicator (SRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Forward FX risk: the sub-fund may use forward FX transactions for efficient portfolio management purposes only to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile UK Recovery Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
GlaxoSmithKline	1,829,053	Ferguson	1,361,870
Reckitt Benckiser	1,710,417	Cobham	1,289,969
Carrefour	1,232,888	Konica Minolta	1,260,725
Melrose Industries	1,201,298	BP	1,212,790
Pearson	1,159,955	Carrefour	1,164,262
TKH	1,103,074	Future	1,162,247
International Consolidated Airlines	1,065,745	China Pacific Insurance	1,147,771
Aviva	1,039,431	Sumitomo Mitsui Financial	1,097,388
Ping An Insurance	1,035,642	Ecorodovias Infraestrutura e Logistica	1,060,094
Telenor	976,042	Fresnillo	1,033,167

River and Mercantile UK Equity Income Fund

Investment Objective and Policy

The investment objective of the sub-fund is to generate a rising level of income combined with the potential for capital growth through investing in a portfolio which shall primarily consist of UK equities, however, it may also invest in other instruments such as government gilts, corporate fixed income securities and convertibles.

Investment Manager's Review

Portfolio review

For the six month period to 30 September 2019, the B share class of the River and Mercantile UK Equity Income Fund returned 1.9% compared to the benchmark MSCI United Kingdom Investable Market index return of 4.1%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

River and Mercantile UK Equity Income Fund

Investment Manager's Review continued

Performance and activity

Over the period, we delivered marginally positive returns on an absolute basis as the market continued to rally, but we struggled in relative terms as lower global interest rates continued to support too many of the large cap global growth stocks in which we have less exposure in this multi-cap portfolio. The largest contributors to performance were our gold stocks as gold reached a six year high of \$1550 per ounce during the period, driving strong share price appreciation in our gold mining names as the future cash flows from their asset bases were marked-to-market (Barrick Gold, Centamin and Polymetal International). Aerospace and defence supplier Meggitt delivered another upgrade to its organic sales growth guidance and reversed some of its unwarranted underperformance post a capital markets day that highlighted how it is building future value through its 'razor blade' model. A negative contributor to performance during the period was GW Pharmaceuticals as it pulled back sharply in line with the global medical cannabinoid sector, despite delivering a strong update on sales of its approved US drug Epidiolex. A zero weighting in AstraZeneca also negatively impacted relative performance. Smart Metering Systems contributed negatively in the period with the shares falling in price as management downgraded full year expectations with the interim results. Whilst timing is a key component of our investment philosophy, we recognise that SMS is building a business of RPI linked recurring revenues and are willing to look through the short term P&L impact of expensing a large, underutilised engineering force. The latest consultation from the Department for Business, Energy and Industrial Strategy shows that the government is intent on modernising the way that electricity is consumed; smart meters are integral to this and SMS is well placed to enable it. We added to our position as the shares were particularly weak following the interims.

Key purchases included Photo-Me, a leader and innovator in low cost self-service equipment. The company owns a global portfolio of steady, high return assets and, given the net cash balance sheet, returns that cash generation to shareholders (covered 9% dividend yield). British Land, which we had previously owned for a short period and then sold, was re-purchased as it slipped from 30% to 40% discount to stated NAV giving another useful entry point. We also bought ITV, a high quality integrated broadcaster with an unrivalled mass audience appeal and positively trending share of viewing underpinned by a unique ability to make programmes that command large audiences. Cyclically weak UK advertising revenue and mid-term structural concerns around disintermediation from streaming media were well documented at purchase price, in our view resulting in an attractive risk-reward opportunity, particularly given strategic value potential and yield of 5%. In terms of sales, we exited Standard Chartered during the period after it significantly outperformed the other UK listed banks simply because, as an Asian growth bank, it was trading at a large sector discount and had subsequently re-rated somewhat. We also exited Barratt Homes, still our preferred housebuilder, but our preference remains to play the UK housing market through the brick suppliers rather than the over-earning housebuilders themselves. We continued to reduce any longer duration exposure we still had, particularly to technology, including sales of both Sage and Ocado where we booked strong profits in both cases.

Outlook

Weak global nominal GDP and stalled productivity has supported the continued outperformance of defensives over cyclicals currently. We are favouring a balanced portfolio as we believe the weakened economy and, eventually, stock markets will result in a strong policy response. We would rather own defensives that are not duration sensitive (e.g. telecoms) or uncorrelated stocks such as non-life insurance and gold stocks at this juncture. We think the latest bubble in tech valuations and their over optimistic earnings growth expectations that we have written about this time is somewhere we have been before in previous cycles and it does not end well. We are buying a combination of short duration defensives where earnings forecasts are conservatively set and balance sheets are strong. We continue to expect global competitive currency devaluation as the next major tool in battling deflation globally and retain a position in high scoring gold equities.

In the later stages of the stock market lifecycle it requires a nimble approach to stock selection to take opportunities in an ever changing market environment. What does not change, however, is that stocks are selected via our **PVT** investment process which generates the opportunity to deliver alpha. Our investment philosophy provides a focus to investing in firms with high Potential to create significant shareholder value, when bought at attractive low Valuations and at the right Time. We remain focused on **PVT** alpha and income generation within the diverse opportunity set that the UK and global stock markets provide.

River and Mercantile UK Equity Income Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
	UNITED KINGDOM LISTED COMPANIES - 90.85% (2019 - 92.16%)		
	UNITED KINGDOM (UK LISTED COMPANIES) - 86.27% (2019 - 77.74%)		
	Oil & Gas Producers - 14.28% (2019 - 9.23%)		
1,650,000	BP	8,507,400	5.24
4,200,000	Diversified Gas & Oil*	4,599,000	2.83
340,000	Royal Dutch Shell 'B'	8,144,700	5.02
900,000	Tullow Oil	1,924,200	1.19
	Oil Equipment, Services & Distribution - 0.00% (2019 - 0.79%)		
	Chemicals - 0.00% (2019 - 1.23%)		
	Mining - 5.17% (2019 - 0.00%)		
2,820,000	Centamin	3,544,740	2.18
300,000	Fresnillo	2,050,800	1.26
1,300,000	Highland Gold Mining*	2,800,200	1.73
	Construction & Materials - 0.87% (2019 - 1.09%)		
600,000	Ibstock	1,414,800	0.87
	Aerospace & Defence - 4.82% (2019 - 4.48%)		
185,000	BAE Systems	1,054,130	0.65
430,000	Meggitt	2,730,500	1.68
550,000	QinetiQ	1,588,400	0.98
310,000	Rolls-Royce	2,456,440	1.51
	Electronic & Electrical Equipment - 1.94% (2019 - 0.00%)		
1,850,000	Strix*	3,145,000	1.94
	Support Services - 6.01% (2019 - 5.24%)		
650,000	Capita	941,525	0.58
180,000	Essentra	766,080	0.47
200,000	PayPoint	1,820,000	1.12
1,325,000	Serco	1,972,925	1.22
802,940	Smart Metering Systems*	3,227,819	1.99
2,000,000	Speedy Hire	1,028,000	0.63
	Beverages - 0.52% (2019 - 0.96%)		
35,000	Fever-Tree Drinks*	848,050	0.52
	Food Producers - 1.10% (2019 - 1.88%)		
400,000	Greencore	903,200	0.56
120,000	Tate & Lyle	883,200	0.54
	Household Goods & Home Construction - 0.00% (2019 - 1.16%)		
	Leisure Goods - 0.59% (2019 - 0.02%)		
1,000,000	Photo-Me	963,000	0.59
	Tobacco - 8.13% (2019 - 8.68%)		
280,000	British American Tobacco	8,421,000	5.19
261,026	Imperial Brands	4,772,077	2.94

River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Pharmaceuticals & Biotechnology - 6.65% (2019 - 5.28%)		
418,000	GlaxoSmithKline	7,291,592	4.49
37,500	GW Pharmaceuticals ADR	3,497,728	2.16
	Food & Drug Retailers - 5.09% (2019 - 5.65%)		
1,100,000	Morrison (Wm.) Supermarkets	2,203,300	1.36
2,513,000	Tesco	6,056,330	3.73
	Media - 3.18% (2019 - 2.32%)		
1,694,384	ITV	2,133,229	1.31
410,800	Pearson	3,029,239	1.87
	Travel & Leisure - 1.10% (2019 - 1.65%)		
300,000	International Consolidated Airlines	1,425,000	0.88
247,073	Restaurant	350,597	0.22
	Fixed Line Telecommunications - 1.65% (2019 - 2.32%)		
1,500,000	BT	2,678,700	1.65
	Mobile Telecommunications - 2.10% (2019 - 1.52%)		
2,100,000	Vodafone	3,402,000	2.10
	Electricity - 1.14% (2019 - 1.00%)		
4,908,097	OPG Power Ventures*	731,306	0.45
90,000	SSE	1,120,950	0.69
	Gas, Water & Multiutilities - 4.71% (2019 - 4.93%)		
1,700,000	Centrica	1,253,580	0.77
725,000	National Grid	6,393,775	3.94
	Banks - 4.83% (2019 - 5.63%)		
625,000	HSBC	3,903,750	2.41
4,583,779	Lloyds Banking	2,480,741	1.53
392,558	OneSavings Bank	1,449,324	0.89
	Non-Life Insurance - 2.18% (2019 - 1.87%)		
290,000	Direct Line	870,580	0.54
903,751	Sabre Insurance	2,661,547	1.64
	Life Insurance - 4.59% (2019 - 4.46%)		
658,480	Aviva	2,629,311	1.62
550,000	Legal & General	1,366,200	0.84
400,000	Phoenix*	2,765,200	1.70
46,745	Prudential	689,255	0.43
	Real Estate Investment & Services - 0.50% (2019 - 0.00%)		
750,000	Summit Germany	809,484	0.50
	Real Estate Investment Trusts - 3.67% (2019 - 2.51%)		
260,000	British Land	1,519,960	0.94
800,000	Primary Health Properties	1,060,800	0.65
3,250,000	Supermarket Income REIT	3,380,000	2.08

River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	Financial Services - 1.45% (2019 - 1.65%)		
150,000	Charter Court Financial Services	453,750	0.28
417,600	John Laing	1,532,592	0.94
200,000	Premier Asset Management*	372,000	0.23
	Software & Computer Services - 0.00% (2019 - 2.19%)		
	OVERSEAS COMPANIES (UK LISTED COMPANIES) - 4.58% (2019 - 14.42%)		
	CANADA - 1.77% (2019 - 2.63%)		
198,320	Barrick Gold (UK Listed)	2,875,640	1.77
	GIBRALTAR - 0.52% (2019 - 0.00%)		
550,000	888 Holdings	844,800	0.52
	GUERNSEY - 0.00% (2019 - 0.59%)		
	ISLE OF MAN - 0.00% (2019 - 1.64%)		
	JERSEY - 0.00% (2019 - 2.69%)		
	MEXICO - 0.00% (2019 - 1.22%)		
	NETHERLANDS - 0.00% (2019 - 4.29%)		
	RUSSIA- 1.86% (2019 - 0.76%)		
265,000	Polymetal International	3,017,025	1.86
	UNITED STATES OF AMERICA - 0.43% (2019 - 0.60%)		
545,400	MaxCyte*	627,210	0.39
61,530	MaxCyte Reg 'S'*	70,760	0.04
	OVERSEAS COMPANIES (NON-UK LISTED COMPANIES) - 10.68% (2019 - 6.47%)		
	CANADA - 3.71% (2019 - 1.03%)		
230,000	Barrick Gold (Non UK Listed)	3,229,529	1.99
750,000	Kinross Gold	2,799,643	1.72
	FRANCE - 2.96% (2019 - 3.63%)		
170,000	Orange	2,164,197	1.34
35,000	Sanofi	2,633,167	1.62
	GERMANY - 2.12% (2019 - 0.00%)		
60,000	Bayer (Regd.)	3,434,865	2.12
	SWITZERLAND - 1.89% (2019 - 1.81%)		
13,000	Roche Holding	3,072,795	1.89

River and Mercantile UK Equity Income Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	FORWARD CURRENCY CONTRACTS - 0.02% (2019 - (0.05%))		
1,457,377	Forward Currency Contract 13/12/2019: UK Sterling 1,457,377 vs Swiss Franc 1,778,000	5,408	0.00
4,260,875	Forward Currency Contract 13/12/2019: UK Sterling 4,260,875 vs Euro 4,762,000	36,950	0.02
3,618,040	Forward Currency Contract 13/12/2019: UK Sterling 3,618,040 vs US Dollar 4,476,000	(3,462)	0.00
	Portfolio of investments	164,827,533	101.55
	Net other liabilities	(2,513,644)	(1.55)
	Net assets	162,313,889	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

90.85% of the sub-fund's assets are listed in the UK.

*Security listed on AIM.

River and Mercantile UK Equity Income Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital (losses)/gains		(1,930,675)		15,603,206
Revenue	5,217,203		7,340,930	
Expenses	(863,715)		(1,315,073)	
Net revenue before taxation for the period	4,353,488		6,025,857	
Taxation	(53,561)		(53,501)	
Net revenue after taxation for the period		4,299,927		5,972,356
Total return before distributions		2,369,252		21,575,562
Distributions		(5,146,314)		(7,271,918)
Change in net assets attributable to Shareholders from investment activities		(2,777,062)		14,303,644

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		192,521,632		279,656,184
Amounts received on creation of shares	1,492,418		5,933,188	
Amounts paid on cancellation of shares	(28,977,199)		(15,768,647)	
		(27,484,781)		(9,835,459)
Dilution adjustment		54,100		(3)
Change in net assets attributable to Shareholders from investment activities		(2,777,062)		14,303,644
Closing net assets attributable to Shareholders		162,313,889		284,124,366

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile UK Equity Income Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		164,830,995		189,878,455
Current assets				
Debtors	707,913		963,426	
Cash and bank balances	1,878,451		7,244,307	
Total other assets		2,586,364		8,207,733
Total assets		167,417,359		198,086,188
LIABILITIES				
Investment liabilities		(3,462)		(94,073)
Creditors				
Distribution payable	(4,695,805)		(3,745,758)	
Other creditors	(404,203)		(1,724,725)	
Total other liabilities		(5,100,008)		(5,470,483)
Total liabilities		(5,103,470)		(5,564,556)
Net assets attributable to Shareholders		162,313,889		192,521,632

River and Mercantile UK Equity Income Fund

Fund Facts

Distribution information

A-Class Distribution shares

The distribution payable on 30 November 2019 is 5.3315p (2018: 4.9585p) per share for distribution shares.

B-Class Distribution shares

The distribution payable on 30 November 2019 is 14.4091p (2018: 13.2980p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2019 is 5.5128p (2018: Nil) per share for distribution shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
A-Class Distribution shares	5,538,583	197.68	2,801,862
B-Class Distribution shares	276,361,747	525.33	52,606,803
31 March 2018			
A-Class Distribution shares	5,485,865	188.58	2,909,029
B-Class Distribution shares	274,170,319	504.94	54,297,362
31 March 2019			
A-Class Distribution shares	4,255,426	187.13	2,274,101
B-Class Distribution shares	188,266,206	504.93	37,285,317
30 September 2019			
A-Class Distribution shares	4,006,465	183.89	2,178,778
B-Class Distribution shares	158,296,652	498.08	31,781,400
S-Class Distribution shares	10,772	248.83	4,329

The S-Class Distribution share class launched on 3 May 2019.

River and Mercantile UK Equity Income Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
GW Pharmaceuticals	4,211,866	Sage	4,272,523
ITV	1,958,196	Tate & Lyle	2,797,177
British Land	1,343,716	HSBC	2,681,819
Smart Metering Systems	1,293,949	GlaxoSmithKline	2,405,060
Tullow Oil	1,081,443	Wood (John)	1,978,730
Greencore	1,053,468	Barratt Developments	1,931,213
Polymetal International	1,046,925	BP	1,828,594
Photo-Me	988,453	Millennium & Copthorne Hotels	1,768,644
BP	960,014	Ocado	1,651,732
Lloyds Banking	948,029	Orange	1,602,609

River and Mercantile Global Recovery Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth through investing in a portfolio which will primarily consist of Global equities that the Investment Manager believes will benefit from a recovery in company profitability over the medium and longer term.

The sub-fund will not be restricted by reference to a benchmark, territory, sector constraints or company size.

Investment Manager's Review

Performance review

For the six month period to 30 September 2019, the Z share class of the River and Mercantile Global Recovery Fund returned 4.4% compared to the benchmark MSCI All Country World index return of 9.5%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

River and Mercantile Global Recovery Fund

Investment Manager's Review continued

Performance and activity

We performed modestly in absolute terms during the period as the market continued to rally, however we struggled in relative terms as lower global interest rates supported stocks that have very different characteristics from our portfolio and a very difficult August impacted returns. Global economic uncertainty continued to impact on our key factors: value, recovery and smaller companies. Over the six month period, performance was behind the benchmark (-5.1%). Our underweight to bond proxies, which included Microsoft, detracted from performance over the period, as did the drag of anti-risk sentiment and stock disappointments. Tremor International and Baidu were also large detractors from performance due to double discounting of warnings, as were weak energy stocks (Southwestern Energy, Transocean and Borr Drilling). Our overweight to Brazil (Banco BTG Pactual) contributed to performance, as did positive **PVT** stock picks (COLOPL, Qualicorp and PT Tower Bersama).

During the period, we struggled to keep up with the equity benchmark. In a world of ever-falling bond yields and global economic worries, the market is showing little interest in the types of stocks that I have favoured over many decades: good value stocks, recovery type stocks, small and mid-cap stocks and out-of-favour stocks which are clear **PVT** anomalies. Major purchases during the six month period focused on high scoring stocks, **PVT** anomalies and exploiting the bear market conditions in value equities. We continue to look for opportunities in the de-rated digital economy stocks. China remains a fruitful hunting ground for these stocks and we have added to both Baidu and SINA, both high scoring Recovery stocks. We continued to buy growth cyclicals as they de-rate aggressively alongside weakening PMIs (Purchasing Managers' Index) and short term demand: we look for strong market positions, attractive through-the-cycle growth and returns, and valuations that discount a 'normal' (not Global Financial Crisis) downturn (ProSiebenSat.1 Media – 1st decile Quality, Carnival – 2nd decile Asset-backed). Resources stocks were also impacted by the weakening global economy, providing an opportunity to start adding capital back into the mining (Anglo American, Freeport-McMoRan 'B') and energy (Exxon Mobil and Enerplus) sectors. Sales were focused on M&A (BitAuto ADS), taking profits in a number of strong performers where valuations now looked less inviting (Banco BTG Pactual, QIWI, Vina Concha, Ecorodovias Infraestrutura e Logistica) and cutting stocks where the thesis was not playing out or we had worries about the Timing aspect of **PVT** (ABB, 3D Sytems, Greenlight Capital) in the context of the market double-discounting weak trading updates.

Outlook

In the later stages of the stock market cycle it requires a nimble approach to stock selection to take opportunities in a fast changing market environment. We have a fund and an investment philosophy structured to enable this. I continue to judge each stock on its own merits against this philosophy, focused on finding firms with the potential to create significant shareholder value from various stages of the corporate lifecycle (with many opportunities today in Recovery), when bought at a valuation offering a margin of safety with timing support. I have conviction that the Fund's holdings have the balanced **PVT** characteristics that will deliver attractive absolute and relative returns for us over the medium term. Thank you for your patience, ongoing support and partnership while the material anomalies we are exploiting correct themselves.

River and Mercantile Global Recovery Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM - 4.94% (2019 - 5.08%)			
6,859,000	Amerisur Resources*	1,156,427	0.27
81,200	Anglo American	1,519,414	0.35
1,018,352	Capita	1,475,083	0.34
802,647	Chemring	1,574,793	0.37
2,044,477	Eckoh*	950,682	0.22
6,673,846	Filtronic	500,538	0.12
254,013	Gresham House*	1,447,874	0.34
212,268	IMImobile	691,994	0.16
1,460,500	Koovs	80,327	0.02
2,869,070	Lloyds Banking	1,552,741	0.36
109,430	Manchester United	1,457,231	0.34
636,730	Northbridge*	859,585	0.20
50,400	Pearson	371,650	0.09
413,060	Playtech	1,760,049	0.41
996,750	Rangers International Football**	179,415	0.04
591,691	Royal Bank of Scotland	1,228,351	0.29
332,499	SDL	1,782,195	0.41
216,623	Standard Chartered	1,481,701	0.34
543,862	Tullow Oil	1,162,777	0.27
ARGENTINA - 0.40% (2019 - 0.88%)			
220,611	America Airports	805,607	0.19
2,045	Mercadolibre	913,521	0.21
AUSTRALIA - 0.45% (2019 - 0.71%)			
22,400	Rio Tinto	1,136,122	0.26
566,530	South32	810,138	0.19
AUSTRIA - 0.63% (2019 - 0.69%)			
26,100	AMS	942,004	0.22
45,425	Raiffeisen International Bank	857,583	0.20
42,033	Vienna Insurance	888,741	0.21
BELGIUM - 0.45% (2019 - 0.34%)			
12,180	Anheuser-Busch InBev	941,988	0.22
22,847	D'ieteren	1,003,542	0.23
BRAZIL - 4.85% (2019 - 5.18%)			
121,518	B2W Cia Digital	1,135,960	0.26
90,290	Banco BTG Pactual	1,029,715	0.24
582,357	Brasil Brokers Participacoes	627,392	0.15
801,230	Cielo	1,248,739	0.29
449,000	Direcional Engenharia	1,079,409	0.25
588,600	Ecorodovias Infraestrutura e Logistica	1,616,828	0.38
359,200	Enauta Participacoes	776,055	0.18
782,200	Eucatex SA Industria e Comercio pref.	700,971	0.16
720,706	Gafisa	832,602	0.19
520,355	Gafisa Receipts September 2019	581,884	0.14
429,400	Industrias Romi	1,158,607	0.27
237,650	Lojas Americanas pref.	923,645	0.22
1,175,036	Marcopolo pref.	743,976	0.17

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
BRAZIL continued			
979,444	Marisa Lojas	1,812,707	0.42
310,000	Petroleo Brasileiro pref.	1,663,222	0.39
1,136,971	Profarma Distribuidora de Produtos Farmaceuticos	903,720	0.21
287,791	Qualicorp	1,743,661	0.41
1,435,280	Technos	601,173	0.14
390,735	Valid Solucoes	1,051,237	0.24
95,100	Wilson Sons BDR	613,799	0.14
BRITISH VIRGIN ISLANDS - 0.63% (2019 - 0.49%)			
47,820	Capri	1,286,402	0.30
116,290	Hollysys Automation Technologies	1,432,510	0.33
CANADA - 0.37% (2019 - 0.26%)			
265,818	Enerplus	1,604,748	0.37
CAYMAN ISLANDS - 0.00% (2019 - 0.34%)			
CHILE - 0.20% (2019 - 0.46%)			
67,568	Inversiones La Construccion	845,949	0.20
CHINA - 10.79% (2019 - 11.50%)			
20,310	58.com ADR	812,202	0.19
12,677	Alibaba ADS	1,720,340	0.40
8,410	Autohome ADR	566,718	0.13
35,736	Baidu ADR	2,979,982	0.69
3,214,170	Bank of China 'H'	1,021,428	0.24
32,442	BitAuto ADS	394,106	0.09
1,034,800	China Communications Construction	656,625	0.15
1,319,900	China Everbright International	821,138	0.19
1,898,700	China Lesso	1,458,346	0.34
514,300	China Life Insurance	965,727	0.22
2,205,000	China Longyuan Power	1,002,013	0.23
264,730	China Merchants Bank 'H'	1,020,775	0.24
91,800	China Mobile	615,769	0.14
4,003,064	China New Higher Education	1,267,986	0.30
1,053,009	China Oilfield Services	1,016,984	0.24
272,770	China Pacific Insurance	813,185	0.19
284,190	China Resources Pharmaceutical	215,926	0.05
1,714,300	China Resources Phoenix Healthcare	835,811	0.19
5,082,900	China Sanjiang Fine Chemicals	678,737	0.16
2,207,100	China Yongda Auto	1,478,178	0.34
2,863,782	Chinasoft International	1,016,797	0.24
822,300	CNOOC	1,018,033	0.24
43,080	Ctrip.com International ADS	1,023,600	0.24
721,160	Geely Automobiles	991,357	0.23
1,215,976	Greentown Service	966,689	0.23
1,390,460	Haitong Securities	1,181,686	0.28
77,420	iQIYI ADR	1,012,749	0.24
381,800	iShares MSCI China A UCITS ETF USD Acc	1,237,759	0.29
64,492	JD.com ADR	1,475,314	0.34
1,249,019	Kunlun Energy	872,717	0.20

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	CHINA continued		
36,050	Momo ADR	906,296	0.21
223,800	Ping An Healthcare and Technology	1,059,867	0.25
106,190	Ping An Insurance	988,747	0.23
10,808	Prosus	642,542	0.15
161,240	Qudian ADR	901,520	0.21
295,100	Shanghai Fosun Pharmaceutical	641,489	0.15
35,120	SINA	1,116,328	0.26
117,053	Sohu.com ADR	965,072	0.22
39,020	Tencent	1,332,912	0.31
801,250	Tingyi (Cayman Islands)	914,008	0.21
173,510	Tsingtao Brewery	848,646	0.20
1,327,100	Want Want China	859,960	0.20
975,331	Xiaomi	887,445	0.21
23,597	Yum China	869,545	0.20
51,977	Yunnan Baiyao	449,123	0.10
19,410	YY ADS	884,578	0.21
1,327,200	Zhejiang Expressway 'H'	930,091	0.22
	COLOMBIA - 1.08% (2019 - 1.54%)		
76,720	Bancolombia	705,183	0.17
478,980	Bolsa de Valores de Colombia	1,262,679	0.29
1,001,194	CEMEX LatAm	996,172	0.23
119,653	Gpo De Inversiones	918,926	0.21
130,483	Nutresa	771,361	0.18
	DENMARK - 0.21% (2019 - 0.23%)		
1,065	AP Moeller-Maersk 'A'	922,471	0.21
	FINLAND - 0.44% (2019 - 0.19%)		
143,379	Alma Media	887,913	0.21
241,340	Nokia	991,963	0.23
	FRANCE - 5.80% (2019 - 4.71%)		
107,910	Adevinta	1,002,321	0.23
18,780	Atos	1,074,282	0.25
45,414	BNP Paribas	1,794,704	0.42
118,158	Cegedim	2,665,572	0.62
967,400	CGG	1,757,898	0.41
82,573	Criteo	1,252,365	0.29
311,237	Etablissements Maurel et Prom	769,591	0.18
12,282	Eurazeo	740,495	0.17
12,460	Fnac Darty	639,342	0.15
42,104	Herige	1,076,486	0.25
12,840	Ingenico	1,016,659	0.24
41,040	Ipsos	947,622	0.22
76,070	Maisons du Monde	975,144	0.23
44,664	Peugeot	903,672	0.21
10,800	Publicis	431,102	0.10
32,150	Saint-Gobain	1,023,504	0.24
63,960	Société Générale	1,422,528	0.33

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	FRANCE continued		
2,181,373	Solocal	1,407,804	0.33
10,800	Sopra Steria	1,091,131	0.25
131,913	TF1	940,027	0.22
35,170	Valeo	925,649	0.22
29,199	Vicat	1,026,815	0.24
	GERMANY - 4.33% (2019 - 3.12%)		
71,245	Aumann	816,858	0.19
17,090	BASF	969,746	0.23
22,700	Bayer (Regd.)	1,299,524	0.30
11,200	Continental	1,165,430	0.27
95,490	Deutsche Lufthansa	1,232,538	0.29
13,300	Fraport	913,298	0.21
30,890	Fresenius	1,172,090	0.27
9,700	GEA	212,476	0.05
18,540	HeidelbergCement	1,090,077	0.25
13,830	Henkel	1,027,752	0.24
221,860	Home24	594,715	0.14
24,480	Kion	1,048,199	0.24
18,190	Porsche pref. (non-voting)	959,105	0.22
106,090	ProSiebenSat.1 Media	1,181,646	0.28
38,026	RWE	967,512	0.23
18,940	Siemens (Regd.)	1,647,940	0.38
8,200	Volkswagen pref. (non-voting)	1,132,555	0.26
12,249	zooplus	1,183,342	0.28
	GREECE - 1.64% (2019 - 2.08%)		
722,469	Alpha Bank	1,094,873	0.25
1,296,209	Eurobank Ergasias	1,014,858	0.24
307,993	Fourlis	1,501,342	0.35
76,704	Jumbo	1,178,026	0.27
67,951	Piraeus Port Authority	1,415,708	0.33
118,854	Sarantis	850,647	0.20
	HONG KONG - 1.86% (2019 - 2.91%)		
60,750	CK Hutchison	434,849	0.10
7,075,954	Hi Sun Technology	974,175	0.23
5,178,490	Hutchison Port Holdings Trust	651,356	0.15
12,252,780	Li & Fung	1,116,138	0.26
428,020	Melco International Development	824,981	0.19
1,467,580	Shangri-La Asia	1,213,805	0.28
1,375,570	SJM	1,059,390	0.25
2,755,256	Texwinca	507,671	0.12
2,694,744	Value Partners	1,099,042	0.26
178,133	Wing Tai Properties	88,509	0.02
	INDIA - 0.80% (2019 - 0.82%)		
26,440	HDFC Bank ADS	1,223,840	0.28
65,713	Makemytrip	1,208,356	0.28
147,420	Tata Motors ADR	1,002,499	0.24

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
INDONESIA - 1.36% (2019 - 1.25%)			
3,923,287	Link Net Tbk PT	910,593	0.21
46,551,200	Mega Manunggal Property	840,942	0.20
17,137,255	Nippon Indosari Corpindo	1,244,208	0.29
1,728,052	Semen Indonesia	1,141,003	0.26
4,907,254	Tower Bersama Infrastructure	1,711,262	0.40
IRELAND - 0.75% (2019 - 0.89%)			
289,856	Bank of Ireland	933,406	0.22
986,402	Cairn Homes	972,134	0.23
36,718	Johnson Controls International	1,307,462	0.30
ISRAEL - 0.22% (2019 - 0.20%)			
707,800	Tremor International*	927,218	0.22
ITALY - 5.51% (2019 - 5.07%)			
596,631	Anima	1,845,289	0.43
222,755	Banca Farmafactoring SpA	941,982	0.22
237,605	Cerved Information Solutions	1,680,587	0.39
131,006	Eni	1,626,521	0.38
232,951	ePrice	156,626	0.04
100,740	FinecoBank	865,561	0.20
78,071	Gruppo MutuiOnline	1,136,859	0.27
167,450	Immobiliare Grande Distribuzione SIIQ	829,584	0.19
943,265	Intesa Sanpaolo	1,815,014	0.42
632,900	Juventus F.C.	750,006	0.17
469,408	Mediaset	1,122,078	0.26
165,431	Mediobanca	1,466,465	0.34
1,117,270	Prada	2,636,898	0.61
325,374	Saipem	1,195,163	0.28
73,200	Salvatore Ferragamo Italia	1,097,984	0.26
89,497	Tinexta	948,533	0.22
168,670	UniCredit	1,614,552	0.38
36,240	Wiit SpA	1,923,652	0.45
JAPAN - 10.82% (2019 - 9.70%)			
37,950	AGC	951,736	0.22
69,080	Ajinomoto	1,055,800	0.25
46,850	Bank of Kyoto	1,484,501	0.35
44,430	Coca-Cola Bottlers	807,328	0.19
163,280	COLOPL	2,185,963	0.51
109,500	Daibiru	907,698	0.21
99,100	Dai-ichi Life	1,211,397	0.28
124,100	Dena	1,775,109	0.41
31,800	Dowa	878,685	0.20
3,150	Fanuc	479,782	0.11
31,455	Fukuda Denshi	1,608,404	0.37
85,300	Japan Petroleum Exploration	1,751,080	0.41
13,510	Kyocera	678,133	0.16
72,800	Mitsubishi Estate	1,137,801	0.26
46,300	Modec	912,923	0.21
44,000	MS&AD Insurance	1,154,341	0.27

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	JAPAN continued		
99,800	Nichi-iko Pharmaceutical	898,479	0.21
5,510	Nintendo	1,654,479	0.38
1,016,600	Nippon Parking	1,290,016	0.30
2,200	Nitori	261,164	0.06
26,100	Nitto Denko	1,017,498	0.24
500,150	Nomura	1,717,354	0.40
43,100	NS Solutions	1,139,143	0.26
24,058	Okamoto Industries	714,438	0.17
182,370	Rakuten	1,455,610	0.34
20,120	ROHM	1,243,329	0.29
62,230	SBI Holdings	1,079,370	0.25
67,810	Seino	686,853	0.16
27,840	SoftBank	884,863	0.21
5,000	Sony	237,947	0.05
61,380	Sumitomo Mitsui Financial	1,701,098	0.40
36,101	Sumitomo Mitsui Trust	1,054,995	0.25
45,701	Taiheiyo Cement	989,988	0.23
30,900	Takeda Pharmaceutical	855,441	0.20
151,832	Tosei	1,451,276	0.34
33,119	Toyota Industries	1,536,824	0.36
6,500	Trend Micro	249,886	0.06
38,800	Tsumura	839,623	0.20
43,570	UBE Industries	712,531	0.17
55,030	Universal Entertainment	1,435,862	0.33
121,681	Vital KSK	955,681	0.22
624,601	Yahoo Japan	1,421,031	0.33
	LUXEMBOURG - 0.33% (2019 - 0.34%)		
162,929	Tenaris	1,402,773	0.33
	MACAU - 0.49% (2019 - 0.60%)		
892,301	MGM China	1,128,712	0.26
607,510	Wynn Macau	960,898	0.23
	MALAYSIA - 2.11% (2019 - 2.39%)		
1,546,390	CIMB	1,507,547	0.35
1,042,400	Genting Berhad	1,157,639	0.27
2,092,500	IJM Corporation Berhad	884,109	0.21
795,870	Malaysia Airports	1,334,265	0.31
2,804,710	Sime Darby	1,223,079	0.28
7,907,500	Sime Darby Property	1,279,704	0.30
5,653,314	Tiong NAM Logistics	514,974	0.12
10,223,700	Tune Protect	1,149,265	0.27
	MEXICO - 1.47% (2019 - 1.39%)		
500,264	Cemex ADR	1,587,302	0.37
4,528,611	Consortio	755,684	0.18
704,401	Corporación Inmobiliaria Vesta	872,304	0.20
1,401,180	Genomma Lab Internacional	1,095,351	0.26
1,621,140	Genera	1,082,737	0.25
1,587,097	Grupo Traxion SAB de CV	911,926	0.21

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
NETHERLANDS - 2.48% (2019 - 2.55%)			
23,951	EXOR	1,302,700	0.30
172,268	Heijmans	1,170,450	0.27
189,008	ING	1,605,903	0.37
42,640	Intertrust	674,861	0.16
10,183	NXP Semiconductors	901,621	0.21
29,875	Shop Apotheke Europe	940,903	0.22
32,772	TKH	1,326,710	0.31
100,908	Van Lanschot	1,789,893	0.42
491,623	VEON ADR	953,485	0.22
NORWAY - 0.39% (2019 - 0.43%)			
751,441	Petroleum Geo-Services	829,852	0.20
34,540	Schibsted	829,825	0.19
PHILIPPINES - 0.21% (2019 - 0.56%)			
8,669,900	Cosco Capital	886,400	0.21
POLAND - 0.24% (2019 - 0.23%)			
77,100	Wirtualna Polska	1,036,229	0.24
PORTUGAL - 0.80% (2019 - 0.82%)			
1,853,080	Banco Espirito Santo*	-	-
208,941	Ibersol	1,489,861	0.35
328,036	Novabase SGPS	829,993	0.19
1,481,699	Sonae	1,120,106	0.26
RUSSIA - 0.86% (2019 - 0.95%)			
64,796	Mail.ru GDR	1,101,054	0.26
78,300	QIWI ADR	1,394,061	0.32
42,478	Yandex 'A'	1,206,812	0.28
SINGAPORE - 1.31% (2019 - 1.84%)			
866,300	Fraser and Neave	884,524	0.21
2,290,860	Genting Singapore	1,182,969	0.27
243,940	Keppel	848,848	0.20
874,400	OUE	743,996	0.17
697,630	Wing Tai Holdings	835,117	0.19
6,284,100	Yoma Strategic	1,143,134	0.27
SOUTH AFRICA - 0.99% (2019 - 1.06%)			
105,683	Absa	864,650	0.20
688,510	Life Healthcare	835,730	0.20
116,248	MultiChoice	733,956	0.17
7,608	Naspers 'N'	934,492	0.22
4,082,956	PPC	874,072	0.20
SOUTH KOREA - 2.68% (2019 - 3.01%)			
12,723	CJ	707,785	0.17
6,054	CJ O Shopping	693,287	0.16
22,469	DoubleUGames	839,911	0.20
12,952	Hyundai Glovis	1,366,360	0.32
19,021	Hyundai Motor pref. '2'	1,095,567	0.26

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
SOUTH KOREA continued			
52,253	Kangwon Land	1,047,530	0.24
94,743	Kginicis	996,269	0.23
3,840	LG Chemical	778,933	0.18
20,466	LG pref.	644,242	0.15
55,820	Minwise	651,353	0.15
7,920	Samsung C&T	481,428	0.11
41,590	Samsung Electronics	1,382,557	0.32
16,930	Samsung Life Insurance	816,628	0.19
SPAIN - 2.32% (2019 - 2.49%)			
159,811	Applus Services	1,681,030	0.39
433,740	Banco Santander (Regd.)	1,433,777	0.33
127,767	Bankinter	654,914	0.15
24,800	Bolsas y Mercados Españoles	506,816	0.12
27,407	Corporacion Financiera Alba	1,077,756	0.25
189,002	Indra Sistemas	1,327,621	0.31
90,260	Inmobiliaria Colonial	883,955	0.21
108,860	Neinor Homes	1,187,459	0.28
95,800	Repsol	1,214,503	0.28
SWEDEN - 0.63% (2019 - 0.92%)			
55,103	KNOW IT AB	834,994	0.19
176,680	Modern Times 'B'	1,186,990	0.28
35,580	Nordic Entertainment	680,111	0.16
16,136,126	Trustbuddy*	-	-
SWITZERLAND - 2.61% (2019 - 2.04%)			
20,300	Adecco (Regd.)	911,914	0.21
170,792	Credit Suisse (Regd.)	1,700,553	0.40
15,864	Dufry	1,077,740	0.25
361,670	GAM	1,174,368	0.27
20,684	Landis+Gyr	1,504,000	0.35
2,715,192	Meyer Burger Technology	904,622	0.21
5,410	Roche Holding	1,278,755	0.30
74,970	STMicroelectronics	1,175,935	0.27
160,239	UBS	1,477,464	0.35
TAIWAN - 0.69% (2019 - 0.86%)			
146,217	Ginko International	673,116	0.16
152,470	MediaTek	1,471,601	0.34
127,490	Yageo	820,334	0.19
THAILAND - 0.59% (2019 - 0.54%)			
326,400	Bangkok Bank (Bangkok Alien Market)	1,515,525	0.35
5,168,600	BEC World Public (Alien Market)	1,014,798	0.24
TURKEY - 0.42% (2019 - 0.39%)			
183,900	Coca-Cola Icecek	890,137	0.21
341,200	KOC	927,265	0.21

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	UNITED ARAB EMIRATES - 0.19% (2019 - 0.29%)		
191,338	Borr Drilling	804,885	0.19
	UNITED STATES OF AMERICA - 19.67% (2019 - 17.49%)		
25,570	Affiliated Managers	1,729,497	0.40
272,920	Alacer Gold	889,884	0.21
2,540	Alphabet 'A'	2,516,152	0.59
8,910	Apple	1,619,389	0.38
25,910	Applied Materials	1,049,184	0.24
50,210	Artisan Partners Asset Management 'A'	1,150,230	0.27
74,092	Baker Hughes GE	1,394,899	0.32
102,153	Bank of America	2,418,082	0.56
127,017	Blue Apron	867,876	0.20
1,012	Booking	1,611,094	0.38
38,420	BorgWarner	1,143,590	0.27
43,490	Carnival	1,465,613	0.34
21,000	Charles Schwab	712,838	0.17
47,045	Citigroup	2,637,238	0.61
54,864	Citizens Financial	1,574,730	0.37
25,273	CVS Health	1,293,285	0.30
58,272	Devon Energy	1,137,730	0.26
24,600	DR Horton	1,052,232	0.24
96,100	Dropbox	1,572,163	0.37
43,740	eBay	1,383,580	0.32
11,000	Exxon Mobil	630,204	0.15
23,230	Facebook	3,356,973	0.78
9,320	FedEx	1,100,733	0.26
9,056	Fiserv	761,121	0.18
60,190	Fluor	934,379	0.22
259,387	Freeport McMoRan 'B'	2,014,391	0.47
212,690	General Electric	1,543,008	0.36
21,230	General Mills	949,432	0.22
32,200	Harley-Davidson	939,635	0.22
14,070	IBM	1,660,130	0.39
32,580	Intel	1,362,105	0.32
16,712	JPMorgan Chase	1,595,797	0.37
44,330	Kraft Heinz Foods	1,004,737	0.23
19,460	Las Vegas Sands	911,808	0.21
14,531	McKesson	1,610,992	0.38
30,290	Micron Technology	1,053,009	0.25
39,721	Mosaic	660,781	0.15
111,992	Mylan	1,796,707	0.42
98,256	National Oilwell Varco	1,690,357	0.39
30,110	Oracle	1,344,358	0.31
19,064	PayPal	1,602,564	0.37
37,200	Pfizer	1,084,333	0.25
10,970	Ralph Lauren	849,434	0.20
96,690	Rubicon Technology	731,275	0.17
370,600	Samsonite International	636,049	0.15

River and Mercantile Global Recovery Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES OF AMERICA continued			
1,555,565	Selcuk Ecz Deposu	1,131,206	0.26
117,600	SLM	841,704	0.20
107,760	Snap	1,380,776	0.32
687,557	Somero Enterprises*	1,271,980	0.30
578,144	Southwestern Energy	905,476	0.21
12,300	Spotify Technology	1,138,172	0.27
34,150	State Street	1,640,297	0.38
23,750	Stericycle	981,569	0.23
11,600	Take-Two Interactive Software	1,179,580	0.27
51,501	Titan Cement International	865,678	0.20
53,752	Toyo Tanso	936,760	0.22
273,449	Transocean (Regd.)	989,680	0.23
37,100	Twitter	1,239,477	0.29
39,410	Uber Technologies	972,538	0.23
4,470	UnitedHealth	788,299	0.18
136,592	Veeco Instruments	1,294,648	0.30
53,150	Viacom 'B'	1,036,000	0.24
22,814	Voya Financial	1,007,496	0.23
45,814	Wells Fargo	1,875,240	0.44
27,834	Zions Bancorporation	1,005,575	0.23
197,985	Zynga	935,059	0.22
URUGUAY - 0.22% (2019 - 0.37%)			
174,732	Arcos Dorados 'A'	950,016	0.22
FORWARD CURRENCY CONTRACTS - 0.09% (2019 - 0.01%)			
£12,603,672	Forward Currency Contract 13/12/2019: UK Sterling 12,603,672 vs Euro 14,086,000	109,300	0.03
\$27,301,529	Forward Currency Contract 13/12/2019: US Dollar 27,301,529 vs Euro 24,650,000	224,777	0.05
\$13,272,708	Forward Currency Contract 13/12/2019: US Dollar 13,272,708 vs Japanese Yen 1,421,434,000	41,408	0.01
Portfolio of investments		430,808,694	100.32
Net other liabilities		(1,378,980)	(0.32)
Net assets		429,429,714	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

*Security listed in AIM.

**Delisted security.

River and Mercantile Global Recovery Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital gains		8,360,454		7,959,322
Revenue	7,967,467		7,049,906	
Expenses	(2,230,199)		(2,491,636)	
Interest payable and similar charges	(17,163)		(11,742)	
Net revenue before taxation for the period	5,720,105		4,546,528	
Taxation	(656,512)		(459,256)	
Net revenue after taxation for the period		5,063,593		4,087,272
Total return before distributions		13,424,047		12,046,594
Distributions		(5,072,624)		(3,473,385)
Change in net assets attributable to Shareholders from investment activities		8,351,423		8,573,209

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		422,615,434		438,426,404
Amounts received on creation of shares	45,282,069		37,145,945	
Amounts paid on cancellation of shares	(47,238,260)		(23,687,021)	
		(1,956,191)		13,458,924
Dilution adjustment		146,891		110,906
Change in net assets attributable to Shareholders from investment activities		8,351,423		8,573,209
Retained distributions on accumulation shares		272,157		242,095
Closing net assets attributable to Shareholders		429,429,714		460,811,538

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile Global Recovery Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		430,808,694		423,608,985
Current assets				
Debtors	7,416,577		4,909,070	
Cash and bank balances	3,133,976		1,083,428	
Total other assets		10,550,553		5,992,498
Total assets		441,359,247		429,601,483
LIABILITIES				
Investment liabilities		—		(98,973)
Creditors				
Bank overdrafts		—	(1,773,187)	
Distribution payable	(4,594,518)		(774,832)	
Other creditors	(7,335,015)		(4,339,057)	
Total other liabilities		(11,929,533)		(6,887,076)
Total liabilities		(11,929,533)		(6,986,049)
Net assets attributable to Shareholders		429,429,714		422,615,434

River and Mercantile Global Recovery Fund

Fund Facts

Distribution information

B-Class Distribution shares

The distribution payable on 30 November 2019 is 5.3731p (2018: 4.6134p) per share for distribution shares.

S-Class Distribution shares

The distribution payable on 30 November 2019 is 2.7995p (2018: 0.5839p) per share for distribution shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2019 is 17.6309p (2018: 15.8183p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
B-Class Distribution shares	264,446,653	491.96	53,753,827
Z-Class Accumulation shares	27,360,023	1,048.34	2,609,851
31 March 2018			
B-Class Distribution shares	412,855,573	512.49	80,558,281
Z-Class Accumulation shares	25,570,831	1,110.85	2,301,918
31 March 2019			
B-Class Distribution shares	224,624,811	500.57	44,873,619
S-Class Distribution shares	181,050,714	232.42	77,899,673
Z-Class Accumulation shares	16,939,909	1,107.21	1,529,966
30 September 2019			
B-Class Distribution shares	205,503,414	510.93	40,221,121
S-Class Distribution shares	206,207,939	237.23	86,923,434
Z-Class Accumulation shares	17,718,361	1,147.84	1,543,633

The S-Class Distribution share class launched on 20 July 2018.

River and Mercantile Global Recovery Fund

Fund Facts continued

Operating Charges

	30 September 2019
B-Class Distribution shares	1.17%
S-Class Distribution shares	0.93%
Z-Class Accumulation shares	0.18%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.35% above the annual management charge, with any costs above this amount absorbed by the ACD.

Synthetic Risk Reward Indicator (SRR)



Typically Lower Rewards

Typically Higher Rewards



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Emerging market risk: the sub-fund may invest in emerging markets which may be more volatile than developed markets and be more susceptible to unforeseen events such as devaluations, political instability, etc.
- Forward FX risk: the sub-fund may use forward FX transactions for efficient portfolio management purposes only to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile Global Recovery Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Baidu ADR	1,940,438	Banco BTG Pactual	2,195,956
Alphabet 'A'	1,802,669	Parques Reunidos Servicios Centrales	1,688,168
Siemens (Regd.)	1,784,900	Konica Minolta	1,457,571
Facebook	1,470,787	Fingerprint Cards	1,436,723
Booking	1,467,456	QIWI ADR	1,426,383
Ctrip.com International ADS	1,318,982	Coty	1,344,820
Oracle	1,304,725	Lafarge Malayan Cement	1,320,468
Aumann	1,274,011	Fufeng	1,288,399
Modern Times 'B'	1,240,725	AMS	1,209,978
Capita	1,183,310	Rocket Internet	1,126,323

River and Mercantile Dynamic Asset Allocation Fund

Investment Objective and Policy

The sub-fund aims to achieve a return of 4% per annum in excess of cash based on the 3 month sterling LIBOR interest rate by investing in a broad range of asset classes, including equities (up to a maximum of 80% of the portfolio), fixed interest securities, bonds, exchange traded funds (“ETFs”), units in collective investment schemes, cash and near cash. The sub-fund may also hold up to 50% of its net assets in non Investment Grade securities.

At least 60% of the assets of the sub-fund will be denominated in sterling or hedged back to sterling.

Investment Manager’s Review

Portfolio review

The River and Mercantile Dynamic Asset Allocation Fund Z share class returned 2.7% over the six months to 30 September 2019, compared with 3 month average LIBOR performance target which returned 0.4% over the same period.

Market background

Return-seeking assets generated muted positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US/China, thanks to the central banks easing monetary policy.

The period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a humiliating electoral defeat for Argentina’s president, a change in Italy’s ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates. But this was subsequently revised down. As were the initial jobs creation figures for March and April, and May’s job creation number was lower than expected. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. Common short-term indicators of US economic activity continued to drop in Q3 and economic sentiment was low. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the financial crisis in 2008.

US president Trump’s abrupt decision to halt the US/Sino trade talks at the start of May added to the sense of gathering gloom. Tensions were raised in August when, following a small but symbolically significant depreciation in the Chinese renminbi, the US government denounced its Chinese counterpart as a “currency manipulator” and Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

China, the world’s second largest economy, started the second half of the year well. But May saw disappointing data on retail sales and industrial production and, in June, the leading indicator of Chinese manufacturing activity showed a contraction was on the cards. In July it announced the slowest rate of economic growth in 27 years. Admittedly the rate was still a relatively impressive 6.2%, but it stoked anxieties about China’s ability to maintain its economic expansion without taking on too much debt.

The trade tensions also weighed heavily on emerging market equities, which fell over the period despite some recovery in September. The continued unrest in Hong Kong and fears of another sovereign debt default by Argentina have also impacted performance.

The eurozone was also affected by the resumption of US/Sino trade hostilities, with forward-looking economic reports for Germany in particular looking dull. Europe’s exporters also felt the chill of uncertainty in relation to the UK and US.

By June the domestic scene was also looking patchy, with Spain, for instance, forging ahead while Italy stood still. Eurozone inflation remained uncomfortably low. Overall prospects remained cloudy, with lukewarm growth, cooling activity measures and hesitating business confidence.

Europe’s growth remained weak in Q3, and as expected, the European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period. Christine Lagarde was named as Mario Draghi’s successor as president of the European Central Bank, from November. Her appointment is expected to mean the ECB will continue down the path of stimulating the eurozone economy with low interest rates and asset purchases.

River and Mercantile Dynamic Asset Allocation Fund

Investment Manager's Review continued

Market background continued

The US/Sino trade war hurt Japan's equity markets twice in Q2. First, because investors flocked to the yen as a safe haven, making the yen strengthen against all the major trading currencies (thus rendering Japan's exports more expensive). Second, fears rose of a drop in trade with China (a large export market for Japan). Japan's equity performance recovered in Q3. The Bank of Japan did not follow the global trend of rate cuts, but there were indications that rates would be closely considered in Q4.

The UK saw some surprisingly positive economic data in April. But this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister and perception was that this increased the probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum

Return-seeking bonds saw generally positive performance, boosted by falls in government bond yields, while credit spreads tightened over the six months as a whole.

Sterling fell against all the major trading currencies.

Performance and activity

Given the strong run in equity markets during the first half of the year we are cautious of a potential correction in the shorter term and have since slightly reduced our appetite for risk within the portfolio, slightly trimming our exposure to equities in favour of defensive assets.

Given the extent of the equity market rebound during the earlier part of the year, we increased the level of risk in our portfolio during that period, dialling down defensive assets in favour of equity and return seeking credit during this period. We believe that given the strong run in markets over the first half of the year, there is expected volatility in the shorter term. As a result, we have started to reduce exposure to niche allocations in our equity portfolio in order to bring in line with benchmark.

We reduced equity across all regions with more emphasis on areas such as Small Cap, Value and Emerging Market Equity, given the escalations in trade tensions between the US and China. Such allocations are typically impacted more in periods of negative market conditions and as such we moved to reduce exposure. Proceeds from these reductions were reallocated into shorted-dated government bonds, increasing our overall defensive positioning through the period.

In addition, in July we further diversified our alternatives portfolio, initiating a small position in the R&M Global Macro Fund utilising a zero-fee share class. This is an internally managed strategy which looks to take advantage of economically supported trends across a range of global markets systematically alongside our prevailing asset class views.

Outlook

Despite some challenging headlines, we still believe Stable market conditions are prevalent, although this doesn't mean markets are volatility free. Valuations still look reasonable; credit conditions are improving and we expect economic conditions to improve over a 12-18 months' time horizon.

Markets have been plagued by volatility driven by weaker economic numbers, changes in central bank policy and of course, escalating trade tensions between US and China. We don't believe a global recession is due imminently and believe the current slowdown will be curbed by central bank easing.

UK Politics have become challenging with the Brexit deadline looming and a no deal Brexit seemingly a real possibility. An undervalued sterling poses a risk to currencies we can't hedge, such as emerging markets.

We want to remain invested, but are a little more cautious in our positioning. With sterling already weak, and China weakening its currency, we've decided to reduce our overweight to emerging market equities for now. Similarly, as smaller cap and value stocks are most sensitive to growth prospects, we have reduced these allocations as well. Remaining invested has been a key objective for us however. We have subsequently increased our large cap US equity exposure as well as bringing our Japanese and UK equity allocation in line with benchmark. Cash allocation has also increased. Remaining invested, but cautiously, is the theme of the day.

River and Mercantile Dynamic Asset Allocation Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
UNITED KINGDOM - 42.27% (2019 - 34.15%)			
Non-Equity Investment Instruments - 33.89% (2019 - 24.88%)			
55,530,249	Insight Liquidity Funds	55,530,249	9.48
1,205,770	iShares Core FTSE 100 UCITS ETF	8,811,767	1.50
2,003,685	iShares S&P 500 UCITS ETF	48,318,864	8.24
329,949	Nomura Funds Ireland US High Yield Bond	44,282,543	7.56
94,084	Pimco GIS Emerging Local Bond Fund Institutional Class GBP (UnHedged) Accumulation Shares	2,016,227	0.34
402,162	Pimco GIS Emerging Markets Bond Fund Institutional Class GBP (Hedged) Accumulation Shares	10,962,942	1.87
2,303,585	Putnam Global High Yield Bond Fund	10,596,493	1.81
748,575	Vanguard FTSE Japan UCITS	18,085,652	3.09
Bonds - 8.38% (2019 - 9.27%)			
£1,649,796	UK Treasury 0.5% 22/7/2022	1,658,218	0.28
£23,618,654	UK Treasury 2% 22/7/2020	23,877,633	4.08
£23,170,946	UK Treasury 4.75% 07/3/2020	23,570,761	4.02
BERMUDA - 17.35% (2019 - 30.50%)			
Non-Equity Investment Instruments - 17.35% (2019 - 30.50%)			
135,722	Investec Global Strategy Fund - Global Franchise Fund	6,984,906	1.19
373,956	iShares Edge MSCI World Quality Factor UCITS ETF USD Acc	11,413,137	1.95
117,744	Marshall Wace UCITS Funds - MW Liquid Alpha Fund	13,114,067	2.24
2,487,517	T Rowe Price Emerging Markets Bond	24,775,666	4.23
217,125	UBS ETF MSCI EMU UCITS ETF	23,783,872	4.06
334,820	Vanguard FTSE Emerging Markets UCITS ETF	14,959,758	2.55
214,390	Xtrackers MSCI World Quality UCITS ETF	6,633,227	1.13
CANADA - 0.60% (2019 - 0.96%)			
Non-Equity Investment Instruments - 0.60% (2019 - 0.96%)			
79,620	Xtrackers MSCI Canada UCITS ETF	3,519,355	0.60
GERMANY - 2.54% (2019 - 0.00%)			
Non-Equity Investment Instruments - 2.54% (2019 - 0.00%)			
44,980	iShares MDAX UCITS (DE) ETF	8,728,591	1.49
57,940	Xtrackers DAX UCITS ETF	6,156,704	1.05
IRELAND - 19.67% (2019 - 8.62%)			
Equity Investment Instruments - 6.35% (2019 - 0.00%)			
22,444,494	BNY Mellon U.S. High Yield Beta	22,785,650	3.89
143,490	River & Mercantile UK Micro Cap	14,459,456	2.46
Non-Equity Investment Instruments - 13.32% (2019 - 8.62%)			
54,731,126	Institutional Cash Series plc - Institutional Sterling Liquidity Fund	54,731,126	9.34
565,585	iShares MSCI AC Far East (ex Japan) UCITS ETF	23,319,070	3.98

River and Mercantile Dynamic Asset Allocation Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES OF AMERICA - 15.09% (2019 - 16.51%)			
Non-Equity Investment Instruments - 15.09% (2019 - 16.51%)			
145,170	Vanguard S&P 500 ETF	32,113,399	5.48
860,470	Vanguard S&P 500 UCITS ETF	39,523,538	6.74
100,090	Vanguard S&P Mid-Cap 400 ETF	10,601,109	1.81
53,880	Vanguard S&P Small-Cap 600 ETF	6,236,229	1.06
FORWARD CURRENCY CONTRACTS - (0.41%) (2019 - (0.01%))			
€12,080,700	Forward Currency Contract 25/10/2019: Euro 12,080,700 vs UK Sterling 11,239,308	(542,372)	(0.09)
£47,540,216	Forward Currency Contract 25/10/2019: UK Sterling 47,540,216 vs Euro 52,773,500	811,568	0.14
£7,654,198	Forward Currency Contract 25/10/2019: UK Sterling 7,654,198 vs Japanese Yen 1,028,940,000	(76,924)	(0.01)
£126,198,409	Forward Currency Contract 25/10/2019: UK Sterling 126,198,409 vs US Dollar 158,631,400	(2,398,729)	(0.41)
\$14,827,700	Forward Currency Contract 25/10/2019: US Dollar 14,827,700 vs UK Sterling 12,233,350	(213,033)	(0.04)
	Portfolio of investments	569,130,719	97.11
	Net other assets	16,924,903	2.89
	Net assets	586,055,622	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

River and Mercantile Dynamic Asset Allocation Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Income				
Net capital gains		10,321,751		5,380,652
Revenue	4,330,946		2,182,128	
Expenses	(572,515)		(439,841)	
Interest payable and similar charges	(590)		—	
Net revenue before taxation for the period	3,757,841		1,742,287	
Taxation	(195,731)		(222,747)	
Net revenue after taxation for the period		3,562,110		1,519,540
Total return before distributions		13,883,861		6,900,192
Distributions		(3,587,805)		(1,520,218)
Change in net assets attributable to Shareholders from investment activities		10,296,056		5,379,974

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 to 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		529,161,355		159,246,514
Amounts received on creation of shares	61,662,815		15,485,816	
Amounts paid on cancellation of shares	(18,753,269)		(9,159,065)	
		42,909,546		6,326,751
Dilution adjustment		16,380		5,415
Change in net assets attributable to Shareholders from investment activities		10,296,056		5,379,974
Retained distributions on accumulation shares		3,672,285		1,512,700
Closing net assets attributable to Shareholders		586,055,622		172,471,354

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

River and Mercantile Dynamic Asset Allocation Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		572,361,777		481,191,612
Current assets				
Debtors	2,978,782		13,172,805	
Cash and bank balances	15,546,989		36,182,058	
Total other assets		<u>18,525,771</u>		<u>49,354,863</u>
Total assets		<u>590,887,548</u>		<u>530,546,475</u>
LIABILITIES				
Investment liabilities		(3,231,058)		(1,091,452)
Creditors				
Other creditors	(1,600,868)		(293,668)	
Total other liabilities		<u>(1,600,868)</u>		<u>(293,668)</u>
Total liabilities		<u>(4,831,926)</u>		<u>(1,385,120)</u>
Net assets attributable to Shareholders		<u>586,055,622</u>		<u>529,161,355</u>

River and Mercantile Dynamic Asset Allocation Fund

Fund Facts

Distribution information

B–Class Accumulation shares

The distribution payable on 30 November 2019 is 1.4637p (2018: 2.5784p) per share for accumulation shares.

Z–Class Accumulation shares

The distribution payable on 30 November 2019 is 4.3948p (2018: 6.6149p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
B–Class Accumulation shares	95,216,027	292.69	32,531,626
Z–Class Accumulation shares	18,425,787	592.07	3,112,105
31 March 2018			
B–Class Accumulation shares	119,759,640	299.23	40,022,376
Z–Class Accumulation shares	39,486,874	608.16	6,492,863
31 March 2019			
B–Class Accumulation shares	116,013,855	311.21	37,278,385
Z–Class Accumulation shares	413,147,500	635.31	65,031,059
30 September 2019			
B–Class Accumulation shares	129,847,239	318.61	40,753,724
Z–Class Accumulation shares	456,208,383	651.85	69,986,676

River and Mercantile Dynamic Asset Allocation Fund

Fund Facts continued

Operating Charges

	30 September 2019
B-Class Accumulation shares	0.86%
Z-Class Accumulation shares	0.31%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.15% above the annual management charge, with any costs above this amount absorbed by the ACD. This excludes a synthetic exposure of 0.23% which has been applied to the Operating Charges figure.

Synthetic Risk Reward Indicator (SRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund.

The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Collective Investment Schemes risk: the sub-fund may invest in collective investment schemes and ETFs. It may be difficult for the sub-fund in extreme market conditions to redeem its shares from the collective investment schemes or ETFs at short notice without suffering a loss. Investing in a collective investment scheme or ETF may lead to payment by the sub-fund of additional fees and expenses in relation to those collective investment schemes or ETFs.
- Forward FX risk: the sub-fund may use forward FX transactions for efficient portfolio management purposes only to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.

River and Mercantile Dynamic Asset Allocation Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
Institutional Cash Series plc - Institutional Sterling Liquidity Fund	54,731,126	UK Treasury 3.75% 07/9/2019	54,667,953
Insight Liquidity Funds	54,649,863	iShares MSCI AC Far East (ex Japan) UCITS ETF	26,499,191
Vanguard S&P 500 ETF	50,701,739	T Rowe Price Funds SICAV - Emerging Markets Bond Fund	24,875,166
UK Treasury 3.75% 07/9/2019	27,048,376	Insight Liquidity Funds	24,773,100
T Rowe Price Emerging Markets Bond	24,875,167	Vanguard S&P Small-Cap 600 ETF	23,554,292
UK Treasury 2% 22/7/2020	23,983,326	BNY Mellon US High Yield Beta Fund	22,534,272
UK Treasury 4.75% 07/3/2020	23,885,886	Vanguard FTSE Emerging Markets UCITS ETF	19,704,845
BNY Mellon U.S. High Yield Beta	22,534,272	Vanguard S&P 500 ETF	19,026,070
iShares MDAX UCITS (DE) ETF	18,937,218	Ishares III - Ishares Msci World Small Cap UCITS ETF	14,630,397
Vanguard FTSE Emerging Markets UCITS ETF	17,973,720	Xtrackers MSCI World Value UCITS ETF	14,055,697

River and Mercantile Global High Alpha Fund

Investment Objective and Policy

The investment objective of the sub-fund is to achieve capital growth by investing in global equities. The equities selected will be those that are believed, by the investment manager, to offer the prospect of superior long term growth. The sub-fund seeks to outperform the market over the medium term.

Investment Manager's Review

Portfolio review

For the six month period to 30 September 2019, the Z share class of the River and Mercantile Global High Alpha Fund returned 4.8% compared to the benchmark MSCI All Country World index return of 9.5%.

Market background

Equity markets witnessed positive returns in the six months to 30 September 2019, despite fears of cooling economic activity and a temporary escalation in the trade war between US and China, thanks to the central banks easing monetary policy.

The six month period saw several significant political and geopolitical events, including street protests in Hong Kong, drone strikes in the Persian Gulf, a change in Italy's ruling coalition, an impeachment investigation into the US president and the UK Supreme Court overruling the UK Government. But although these may have introduced some short-term volatility, the overall direction of the markets was more affected by credit conditions and medium-term economic expectations.

In the US, the period was initially buoyed by surprisingly strong economic growth estimates but these were subsequently revised down. By June it was plain that wage growth had begun to decelerate, and that inflation was not only subdued but trending downwards. In line with expectations, the US cut rates in July and subsequently in September, by a quarter of a percent each time. The rate cut in July was the first since the global financial crisis in 2008.

US President Trump's abrupt decision to halt the US/China trade talks at the start of May added to the sense of gathering gloom and tensions were raised in August when Trump announced that he was further raising tariffs on Chinese imports. The heightened tensions were felt across the markets, with many investors turning away from return-seeking assets and looking to safe havens during August. There was a recovery in September, however, when the trade tensions somewhat eased.

These tensions also weighed heavily elsewhere: emerging market equities fell over the period despite some recovery in September. Continued unrest in Hong Kong and fears of another sovereign debt default by Argentina impacted performance. The eurozone was also affected by the US/China trade hostilities, with forward-looking economic reports for Germany in particular looking dull. The European Central Bank cut interest rates in September, pushing the deposit rate further into negative territory, and announced a resumption of monetary stimulus. This buoyed European equities towards the end of the period.

The UK saw some surprisingly positive economic data in April, but this turned out to be the effect of stockpiling ahead of the original Brexit deadline of 31 March. By May it was clear manufacturing activity had dropped off, and by June large manufacturers were reporting decreased demand. July saw the arrival of Boris Johnson as UK prime minister with the perception of an increased probability of a no-deal Brexit. UK economic sentiment remained vulnerable to Brexit-related developments. The Bank of England kept the base rate at 0.75%, but said it was giving serious consideration to reducing it. UK gilt yields fell significantly, with falls not seen since the 2016 Brexit referendum.

Performance and activity

We performed modestly in absolute terms during the period as the market continued to rally, however we struggled in relative terms as lower global interest rates supported stocks that have very different characteristics from our portfolio and a very difficult August impacted returns. Global economic uncertainty continued to impact on our key factors: value, recovery and smaller companies. Our underweight to bond proxies, which included Microsoft and Apple, detracted from performance over the period, as did the drag of anti-risk sentiment and stock disappointments. Baidu was the largest detractor from performance due to double discounting of warnings, as were weak energy stocks (Southwestern Energy, Transocean and Borr Drilling). Our overweight to Brazil (Banco BTG Pactual) contributed to performance, as did positive PVT stock picks (COLOPL, QIWI and PT Tower Bersama) and our exposure to Greece (Piraeus Ports).

River and Mercantile Global High Alpha Fund

Investment Manager's Review continued

Performance and activity continued

During the period, we struggled to keep up with the equity benchmark. In a world of ever-falling bond yields and global economic worries, the market is showing little interest in the types of stocks that I have favoured over many decades: good value stocks, recovery type stocks, small and mid-cap stocks and out-of-favour stocks which are clear **PVT** anomalies. Major purchases during the six month period included adding to a number of high scoring quality stocks that were de-rated during the period for short term idiosyncratic reasons (Oracle, United Health and Pfizer). Resources stocks were also impacted by the weakening global economy, providing an opportunity to start adding capital back into the mining (Anglo American, Freeport-McMoran) and energy (Exxon Mobil and Enerplus) sectors. Sales were again focused on M&A (BitAuto), taking profits in a number of strong performers where valuations now looked less inviting (Banco BTG Pactual, Rocket Internet, QIWI, Vina Concha, Ecorodovias Infraestructura e Logistica) and cutting stocks where the thesis was not playing out or we had worries about the timing aspect of **PVT** (ABB, Madison Square, Zillow) in the context of the market double-discounting weak trading updates.

Outlook

In the later stages of the stock market cycle it requires a nimble approach to stock selection to take opportunities in a fast changing market environment. We have a fund and an investment philosophy structured to enable this. I continue to judge each stock on its own merits against this philosophy, focused on finding firms with the potential to create significant shareholder value from various stages of the corporate lifecycle (with many opportunities today in Recovery), when bought at a valuation offering a margin of safety with timing support. I have conviction that the Fund's holdings have the balanced **PVT** characteristics that will deliver attractive absolute and relative returns for us over the medium term. Thank you for your patience, ongoing support and partnership while the material anomalies we are exploiting correct themselves.

River and Mercantile Global High Alpha Fund

Portfolio Statement as at 30 September 2019

Holding	Investment	Market Value £	% of Net Assets
	UNITED KINGDOM - 3.74% (2019 - 3.93%)		
338,591	Capita	490,449	0.43
207,579	Chemring	407,270	0.36
55,470	HSBC	346,526	0.31
973,700	Lloyds Banking	526,966	0.46
34,100	Pearson	251,453	0.22
121,050	Playtech	515,794	0.45
7,300	Rio Tinto	370,254	0.33
231,700	Royal Bank of Scotland	481,009	0.42
91,036	SDL	487,953	0.43
153,172	Tullow Oil	327,482	0.29
121,830	Xaar	50,681	0.04
	ARGENTINA - 0.43% (2019 - 0.84%)		
59,203	America Airports	216,192	0.19
614	Mercadolibre	274,280	0.24
	AUSTRALIA - 0.21% (2019 - 0.43%)		
163,170	South32	233,980	0.21
	AUSTRIA - 0.76% (2019 - 0.79%)		
6,490	AMS	234,238	0.20
15,570	Raiffeisen International Bank	293,948	0.26
16,069	Vienna Insurance	339,761	0.30
	BELGIUM - 0.23% (2019 - 0.11%)		
3,390	Anheuser-Busch InBev	262,179	0.23
	BERMUDA - 0.27% (2019 - 0.35%)		
34,648	Ocean Wilsons	308,367	0.27
	BRITISH VIRGIN ISLANDS - 0.54% (2019 - 0.44%)		
12,270	Capri	330,074	0.29
23,100	Hollysys Automation Technologies	284,556	0.25
	BRAZIL - 2.88% (2019 - 4.38%)		
25,590	Banco BTG Pactual	291,842	0.26
167,000	Direcional Engenharia	401,473	0.35
156,610	Ecorodovias Infraestrutura e Logistica	430,193	0.38
116,540	Enauta Participacoes	251,786	0.22
188,834	Gafisa	218,152	0.19
136,339	Gafisa Receipts September 2019	152,460	0.13
125,000	Industrias Romi	337,275	0.30
311,783	Marcopolo pref.	197,406	0.17
101,980	Petroleo Brasileiro pref.	547,146	0.48
400,730	Technos	167,847	0.15
104,210	Valid Solucoes	280,367	0.25
	CANADA - 0.40% (2019 - 0.34%)		
74,740	Enerplus	451,207	0.40
	CAYMAN ISLANDS - 0.00% (2019 - 0.35%)		
	CHILE - 0.00% (2019 - 0.18%)		

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	CHINA - 8.77% (2019 - 9.10%)		
5,780	58.com ADR	231,144	0.20
4,690	Alibaba ADS	636,459	0.56
10,510	Baidu ADR	876,416	0.77
932,740	Bank of China 'H'	296,414	0.26
8,462	BitAuto ADS	102,797	0.09
343,900	China Everbright International	213,947	0.19
507,300	China Lesso	389,645	0.34
160,700	China Life Insurance	301,754	0.27
649,640	China Longyuan Power	295,214	0.26
73,300	China Merchants Bank 'H'	282,638	0.25
24,000	China Mobile	160,985	0.14
239,262	China Oilfield Services	231,076	0.20
97,900	China Pacific Insurance	291,861	0.26
782,073	Chinasoft International	277,678	0.24
252,100	CNOOC	312,108	0.27
12,210	Ctrip.com International ADS	290,115	0.25
311,831	Greentown Service	247,903	0.22
415,510	Haitong Securities	353,122	0.31
118,860	iShares MSCI China A UCITS ETF	385,333	0.34
17,710	JD.com	405,133	0.36
337,384	Kunlun Energy	235,737	0.21
59,000	Ping An Healthcare and Technology	279,411	0.25
33,781	Ping An Insurance	314,539	0.28
3,390	Prosus	201,538	0.18
94,600	Shanghai Fosun Pharmaceutical	205,642	0.18
9,090	SINA	288,936	0.25
32,740	Sohu.com ADR	269,933	0.24
10,070	Tencent	343,988	0.30
231,640	Tingyi (Cayman Islands)	264,238	0.23
44,080	Tsingtao Brewery	215,598	0.19
400,000	Want Want China	259,200	0.23
7,779	Yum China	286,655	0.25
5,070	YY ADS	231,057	0.20
	COLOMBIA - 0.96% (2019 - 1.22%)		
127,977	Bolsa de Valores de Colombia	337,371	0.30
291,355	CEMEX LatAm	289,894	0.25
34,100	Gipo De Inversiones	261,885	0.23
33,700	Nutresa	199,220	0.18
	DENMARK - 0.21% (2019 - 0.17%)		
277	AP Moeller-Maersk 'A'	239,929	0.21
	FINLAND - 0.20% (2019 - 0.00%)		
54,480	Nokia	223,925	0.20

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	FRANCE - 5.78% (2019 - 4.91%)		
15,130	Adevinta	140,535	0.12
3,770	Atos	215,657	0.19
13,150	BNP Paribas	519,671	0.46
26,768	Cegecim	603,870	0.53
282,800	CGG	513,886	0.45
21,528	Criteo	326,510	0.29
71,709	Etablissements Maurel et Prom	177,314	0.16
4,861	Eurazeo	293,075	0.26
3,400	Fnac Darty	174,459	0.15
3,900	Ingenico	308,798	0.27
11,350	Ipsos	262,074	0.23
820	LVMH Moet Hennessy	264,350	0.23
17,210	Maisons du Monde	220,616	0.19
13,140	Peugeot	265,857	0.23
7,380	Saint-Gobain	234,944	0.21
6,849	Sanofi	515,273	0.45
615,461	Solocal	397,203	0.35
2,810	Sopra Steria	283,896	0.25
36,079	TF1	257,103	0.23
10,620	Valeo	279,511	0.25
9,129	Vicat	321,031	0.28
	GERMANY - 4.06% (2019 - 3.45%)		
4,360	BASF	247,402	0.22
7,210	Bayer (Regd.)	412,756	0.36
3,310	Continental	344,426	0.30
27,620	Deutsche Lufthansa	356,505	0.31
11,110	DWS	267,098	0.24
2,800	Fraport	192,273	0.17
7,490	Fresenius	284,201	0.25
5,170	HeidelbergCement	303,975	0.27
4,180	Henkel	310,629	0.27
7,030	Kion	301,015	0.27
4,930	Porsche	259,944	0.23
15,000	RWE	381,652	0.34
4,620	Siemens (Regd.)	401,979	0.35
1,900	Volkswagen	262,421	0.23
2,990	zooplus	288,856	0.25
	GREECE - 1.00% (2019 - 1.49%)		
90,400	Furlis	440,664	0.39
20,008	Jumbo	307,284	0.27
18,440	Piraeus Port Authority	384,184	0.34
	HONG KONG - 0.93% (2019 - 1.93%)		
2,861,930	Li & Fung	260,701	0.23
110,550	Melco International Development	213,078	0.19
141,449	Swire Pacific 'B'	166,919	0.15
697,347	Texwinca	128,490	0.11
709,510	Value Partners	289,371	0.25

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	INDIA - 0.69% (2019 - 0.68%)		
8,960	HDFC Bank ADS	414,735	0.37
20,030	Makemytrip	368,319	0.32
	INDONESIA - 0.87% (2019 - 0.80%)		
942,263	Link Net Tbk PT	218,699	0.19
526,400	Semen Indonesia	347,573	0.31
1,199,890	Tower Bersama Infrastructure	418,427	0.37
	ITALY - 4.70% (2019 - 4.55%)		
170,614	Anima	527,683	0.46
82,116	Banca Farmafactoring SpA	347,250	0.31
64,830	Cerved Information Solutions	458,545	0.40
38,620	Eni	479,491	0.42
60,782	ePrice	40,867	0.04
28,810	FinecoBank	247,536	0.22
21,970	Gruppo MutuiOnline	319,924	0.28
59,409	Immobiliare Grande Distribuzione SIIQ	294,325	0.26
244,700	Intesa Sanpaolo	470,848	0.41
127,776	Mediaset España Comunicación	305,437	0.27
51,420	Mediobanca	455,813	0.40
254,950	Prada	601,714	0.53
94,146	Saipem	345,817	0.30
47,160	UniCredit	451,428	0.40
	IRELAND - 1.13% (2019 - 1.02%)		
70,547	Bank of Ireland	227,178	0.20
287,710	Cairn Homes	283,548	0.25
21,648	Johnson Controls International	770,847	0.68
	ISRAEL - 0.22% (2019 - 0.00%)		
187,661	Tremor International*	245,836	0.22
	JAPAN - 9.27% (2019 - 8.80%)		
10,200	AGC	255,803	0.22
17,010	Ajinomoto	259,976	0.23
15,030	Bank of Kyoto	476,244	0.42
15,270	Coca-Cola Bottlers	277,468	0.24
42,600	COLOPL	570,321	0.50
54,900	Daibiru	455,093	0.40
50,200	Dai-ichi Life	613,644	0.54
36,180	Dena	517,514	0.46
9,900	Dowa	273,553	0.24
1,240	Fanuc	188,867	0.17
11,000	Japan Exchange	140,163	0.12
19,400	Japan Petroleum Exploration	398,253	0.35
4,540	Kyocera	227,885	0.20
18,000	Mitsubishi Estate	281,324	0.25
11,000	Modec	216,893	0.19
17,600	MS&AD Insurance	461,736	0.41
23,500	Nichi-iko Pharmaceutical	211,566	0.19
1,552	Nintendo	466,017	0.41
6,520	Nitto Denko	254,180	0.22
130,450	Nomura	447,923	0.39
6,223	Okamoto Industries	184,801	0.16

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
	JAPAN continued		
54,120	Rakuten	431,966	0.38
8,240	ROHM	509,197	0.45
21,500	Seino	217,775	0.19
10,040	Softbank	319,110	0.28
1,300	Sony	61,866	0.05
21,750	Sumitomo Mitsui Financial	602,784	0.53
9,800	Taiheiyo Cement	212,290	0.19
35,759	Tosei	341,800	0.30
7,740	Toyota Industries	359,160	0.32
5,800	Tsumura	125,511	0.11
10,900	UBE Industries	178,255	0.16
	LUXEMBOURG - 0.33% (2019 - 0.35%)		
43,810	Tenaris	377,192	0.33
	MACAU - 0.52% (2019 - 0.54%)		
279,740	MGM China	353,856	0.31
150,750	Wynn Macau	238,441	0.21
	MALAYSIA - 1.49% (2019 - 1.32%)		
240,320	CIMB	234,284	0.21
269,400	Genting Berhad	299,182	0.26
640,300	IJM Corporation Berhad	270,535	0.24
192,170	Malaysia Airports	322,170	0.28
1,734,000	Sime Darby Property	280,621	0.25
2,584,100	Tune Protect	290,483	0.25
	MEXICO - 0.91% (2019 - 0.83%)		
146,983	Cemex ADR	466,367	0.41
289,740	Compartamos	193,513	0.17
1,164,842	Consortio	194,376	0.17
320,151	Grupo Traxion SAB de CV	183,955	0.16
	NETHERLANDS - 2.08% (2019 - 2.34%)		
3,460	EXOR	188,190	0.17
42,130	Heijmans	286,246	0.25
56,300	ING	478,352	0.42
10,710	Intertrust	169,507	0.15
1,845	NXP Semiconductors	163,360	0.14
8,017	Shop Apotheke Europe	252,493	0.22
8,000	TKH	323,864	0.29
28,122	Van Lanschot	498,824	0.44
	NORWAY - 0.24% (2019 - 0.21%)		
11,520	Schibsted	276,769	0.24
	PORTUGAL - 0.24% (2019 - 0.23%)		
38,400	Ibersol	273,813	0.24
	RUSSIA - 1.06% (2019 - 1.01%)		
17,697	Mail.ru GDR	300,718	0.26
25,217	QIWI ADR	448,966	0.40
16,010	Yandex 'A'	454,849	0.40

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
SINGAPORE - 1.40% (2019 - 1.82%)			
216,900	Fraser and Neave	221,463	0.20
685,930	Genting Singapore	354,205	0.31
79,120	Keppel	275,317	0.24
472,300	OUE	401,863	0.35
285,750	Wing Tai Holdings	342,065	0.30
SOUTH AFRICA - 1.07% (2019 - 1.03%)			
34,710	Absa	283,981	0.25
22,889	Anglo American Platinum	428,299	0.37
30,450	MultiChoice	192,252	0.17
2,590	Naspers 'N'	318,130	0.28
SOUTH KOREA - 1.52% (2019 - 1.68%)			
7,200	DoubleUGames	269,142	0.24
2,300	Hyundai Glovis	242,636	0.21
12,300	Kangwon Land	246,582	0.22
1,070	LG Chemical	217,047	0.19
5,697	LG pref.	179,334	0.16
2,420	Samsung C&T	147,103	0.13
7,700	Samsung Electronics	255,967	0.22
3,470	Samsung Life Insurance	167,377	0.15
SPAIN - 2.27% (2019 - 2.52%)			
50,477	Applus Services	530,961	0.47
117,680	Banco Santander (Regd.)	389,005	0.34
51,800	Bankinter	265,519	0.23
9,560	Corporacion Financiera Alba	375,938	0.33
33,100	Inmobiliaria Colonial	324,162	0.29
31,630	Neinor Homes	345,024	0.30
28,060	Repsol	355,730	0.31
SWEDEN - 0.23% (2019 - 0.43%)			
39,440	Modern Times 'B'	264,970	0.23
SWITZERLAND - 2.79% (2019 - 2.09%)			
5,300	Adecco (Regd.)	238,086	0.21
3,250	Compagnie Financiere Richemont	193,656	0.17
55,244	Credit Suisse	550,057	0.48
5,111	Dufry	347,222	0.31
5,820	Landis+Gyr	423,191	0.37
2,720	Roche Holding	642,923	0.57
25,010	STMicroelectronics	392,292	0.34
42,200	UBS	389,100	0.34
TAIWAN - 0.43% (2019 - 0.34%)			
23,340	MediaTek	225,272	0.20
40,530	Yageo	260,790	0.23
THAILAND - 0.32% (2019 - 0.30%)			
77,270	Bangkok Bank (Bangkok Alien Market)	358,776	0.32
UNITED ARAB EMIRATES - 0.18% (2019 - 0.24%)			
49,591	Borr Drilling	208,610	0.18

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES OF AMERICA - 33.05% (2019 - 31.56%)			
17,700	Acushnet	379,193	0.33
6,610	Affiliated Managers	447,086	0.39
5,900	AIG	266,632	0.23
1,770	Alphabet 'A'	1,753,382	1.54
6,999	American Express	671,615	0.59
3,140	Apple	570,694	0.50
7,940	Applied Materials	321,518	0.28
14,610	Artisan Partners Asset Management 'A'	334,691	0.29
12,700	Avnet	458,408	0.40
26,806	Baker Hughes GE	504,665	0.44
44,600	Bank of America	1,055,735	0.93
32,842	Blue Apron	224,401	0.20
385	Booking	612,916	0.54
8,870	BorgWarner	264,020	0.23
6,500	Bristol-Myers Squibb	267,427	0.24
16,350	Carnival	550,995	0.48
3,110	Caterpillar	318,849	0.28
3,600	Charles Schwab	122,201	0.11
11,500	Cisco Systems	461,101	0.41
20,444	Citigroup	1,146,045	1.01
23,100	Citizens Financial	663,026	0.58
15,090	Coca-Cola	666,517	0.59
9,800	Colgate-Palmolive	584,517	0.51
7,616	CVS Health	389,731	0.34
15,950	Devon Energy	311,415	0.27
16,100	Discovery Communications 'A'	347,921	0.31
6,800	DR Horton	290,861	0.26
26,400	Dropbox	431,895	0.38
22,239	eBay	703,462	0.62
4,020	Eli Lilly	364,648	0.32
11,770	Exxon Mobil	674,318	0.59
8,890	Facebook	1,284,696	1.13
2,610	FedEx	308,252	0.27
3,517	Fiserv	295,590	0.26
17,080	Fluor	265,147	0.23
86,820	Freeport McMoRan 'B'	674,241	0.59
750	General Dynamics	111,231	0.10
70,310	General Electric	510,080	0.45
7,360	General Mills	329,148	0.29
1,800	Global Payments	232,146	0.20
7,930	Harley-Davidson	231,407	0.20
6,490	IBM	765,760	0.67
19,590	Intel	819,019	0.72
16,050	Jefferies Financial	239,649	0.21
4,530	Johnson & Johnson	475,681	0.42
6,480	JPMorgan Chase	618,763	0.54
14,430	Kraft Heinz Foods	327,055	0.29
6,210	Las Vegas Sands	290,972	0.26
8,980	Legg Mason	278,225	0.25
8,440	McKesson	935,708	0.82
12,731	Micron Technology	442,584	0.39
7,850	Microsoft	885,522	0.78
14,140	Mosaic	235,227	0.21

River and Mercantile Global High Alpha Fund

Portfolio Statement continued

Holding	Investment	Market Value £	% of Net Assets
UNITED STATES OF AMERICA continued			
29,420	Mylan	471,990	0.42
29,104	National Oilwell Varco	500,694	0.44
9,980	Oracle	445,589	0.39
9,700	PayPal	815,405	0.72
27,560	Pfizer	803,339	0.71
4,160	Prudential Financial	303,620	0.27
6,100	Qualcomm	377,445	0.33
2,830	Ralph Lauren	219,134	0.19
27,680	Snap	354,676	0.31
137,270	Southwestern Energy	214,989	0.19
401	Spectrum Brands	17,172	0.02
3,700	Spotify Technology	342,377	0.30
10,840	State Street	520,668	0.46
6,500	Stericycle	268,640	0.24
2,350	Take-Two Interactive Software	238,967	0.21
14,333	Titan Cement International	240,923	0.21
76,960	Transocean (Regd.)	278,537	0.25
11,420	Twitter	381,532	0.34
3,960	UnitedHealth	698,359	0.61
49,984	Veeco Instruments	473,759	0.42
13,630	Viacom 'B'	265,676	0.23
9,700	Voya Financial	428,365	0.38
4,470	Wal-Mart Stores	430,496	0.38
26,200	Wells Fargo	1,072,408	0.94
12,000	Zions Bancorporation	433,531	0.38
57,880	Zynga	273,360	0.24
URUGUAY - 0.26% (2019 - 0.24%)			
53,970	Arcos Dorados 'A'	293,434	0.26
FORWARD CURRENCY CONTRACTS - 0.07% (2019 - 0.02%)			
£2,720,983	Forward Currency Contract 13/12/2019: UK Sterling 2,720,983 vs Euro 3,041,000	23,597	0.02
\$5,893,365	Forward Currency Contract 13/12/2019: US Dollar 5,893,365 vs Euro 5,321,000	48,521	0.04
\$1,983,220	Forward Currency Contract 13/12/2019: US Dollar 1,983,220 vs Japanese Yen 212,392,000	6,187	0.01
Portfolio of investments		112,257,589	98.71
Net other assets		1,463,433	1.29
Net assets		113,721,022	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

All investments are in ordinary shares unless otherwise stated.

The percentages in brackets show the equivalent percentage of net assets as at 31 March 2019.

*Security listed in AIM.

River and Mercantile Global High Alpha Fund

Statement of Total Return for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 30 September 2018	
	£	£	£	£
Income				
Net capital gains		2,508,602		5,838,632
Revenue	1,986,063		1,756,987	
Expenses	(79,367)		(83,125)	
Interest payable and similar charges	(2,213)		(486)	
Net revenue before taxation for the period	1,904,483		1,673,376	
Taxation	(181,704)		(121,044)	
Net revenue after taxation for the period		1,722,779		1,552,332
Total return before distributions		4,231,381		7,390,964
Distributions		(1,722,922)		(1,552,552)
Change in net assets attributable to Shareholders from investment activities		2,508,459		5,838,412

Statement of Change in Net Assets attributable to Shareholders for the period ended 30 September 2019

	1 April 2019 to 30 September 2019		1 April 2018 30 September 2018	
	£	£	£	£
Opening net assets attributable to Shareholders		112,039,563		111,029,349
Amounts received on creation of shares	3,082,733		2,695,632	
Amounts paid on cancellation of shares	(5,609,734)		(4,697,440)	
		(2,527,001)		(2,001,808)
Dilution adjustment		1		(4,528)
Change in net assets attributable to Shareholders from investment activities		2,508,459		5,838,412
Retained distributions on accumulation shares		1,700,000		1,541,525
Closing net assets attributable to Shareholders		113,721,022		116,402,950

River and Mercantile Global High Alpha Fund

Balance Sheet as at 30 September 2019

	30 September 2019		31 March 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		112,257,589		111,341,464
Current assets				
Debtors	1,739,521		1,783,462	
Cash and bank balances	1,112,388		54,740	
Total other assets		2,851,909		1,838,202
Total assets		115,109,498		113,179,666
LIABILITIES				
Investment liabilities		—		(20,335)
Creditors				
Bank overdrafts	—		(281,408)	
Other creditors	(1,388,476)		(838,360)	
Total other liabilities		(1,388,476)		(1,119,768)
Total liabilities		(1,388,476)		(1,140,103)
Net assets attributable to Shareholders		113,721,022		112,039,563

River and Mercantile Global High Alpha Fund

Fund Facts

Distribution information

B-Class Accumulation shares

The distribution payable on 30 November 2019 is 3.7007p (2018: 3.1660p) per share for accumulation shares.

Z-Class Accumulation shares

The distribution payable on 30 November 2019 is 10.0536p (2018: 8.9213p) per share for accumulation shares.

Performance records

Net asset values

	Net asset value of sub-fund £	Net asset value per share p	Shares in issue
31 March 2017			
B-Class Accumulation shares	118,561	296.84	39,941
Z-Class Accumulation shares	103,399,296	595.71	17,357,181
31 March 2018			
B-Class Accumulation shares	313,112	312.02	100,351
Z-Class Accumulation shares	110,716,237	630.84	17,550,643
31 March 2019			
B-Class Accumulation shares	339,703	317.98	106,830
Z-Class Accumulation shares	111,699,860	647.60	17,248,186
30 September 2019			
B-Class Accumulation shares	344,220	328.74	104,709
Z-Class Accumulation shares	113,376,802	672.03	16,870,792

The sub-fund launched on 12 August 2016.

River and Mercantile Global High Alpha Fund

Fund Facts continued

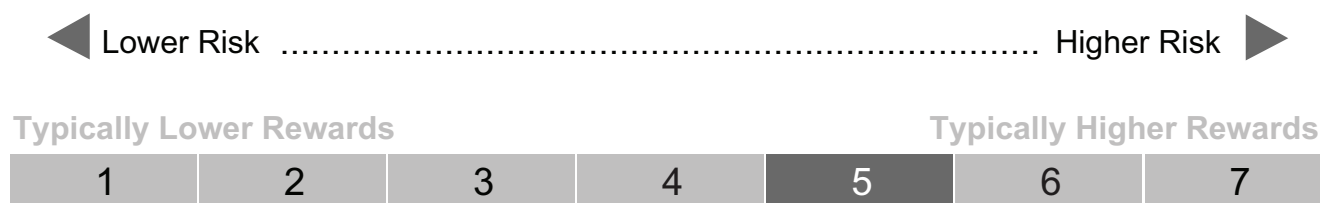
Operating Charges

	30 September 2019
B-Class Accumulation shares	0.95%
Z-Class Accumulation shares	0.20%

The Operating Charges figure represents the annual operating expenses of the sub-fund expressed as a percentage of average net assets for the period. The Operating Charges figure has been calculated in accordance with the COLL sourcebook. The Operating Charges figure is inclusive of Annual Management Charges.

The Operating Charges figure is capped at a maximum of 0.25% above the annual management charge, with any costs above this amount absorbed by the ACD.

Synthetic Risk Reward Indicator (SRRI)



Please note, the category stated above is the same for each class of share within the sub-fund.

The Synthetic Risk & Reward Indicator 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.

The shaded area in the Indicator shows the sub-fund's ranking on the Synthetic Risk & Reward Indicator. The Indicator uses a standard calculation method that is used by all EU companies who offer such funds to allow you to compare funds. Historical data is used to calculate the ranking and this may not be a reliable indication for the future ranking and might change.

The sub-fund may not achieve its investment objective and/or you could lose money on your investment in the sub-fund. The following risks are materially relevant to the sub-fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the sub-fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the sub-fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the sub-fund's volatility and losses.
- Forward FX risk: the sub-fund may use forward FX transactions for efficient portfolio management purposes only to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Derivative risk: Derivatives may be used to reduce the risk of the sub-fund, but may not always be effective and the sub-fund may still suffer a loss.
- Global Equity Risk: the sub-fund invests in global equities which can carry additional risks such as exchange rate risk, political and economic upheaval, lack of information, low market liquidity and the potential lack of strict financial controls.
- Emerging Markets Risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/ economic instability, lack of liquidity or transparency, or safekeeping issues.

River and Mercantile Global High Alpha Fund

Summary of Largest Portfolio Changes

The table below shows the top ten purchases and sales for the period.

Purchases	£	Sales	£
UnitedHealth	546,404	Banco BTG Pactual	532,835
Alphabet 'A'	474,741	Coty	513,233
Facebook	448,263	Parques Reunidos Servicios Centrales	407,712
Oracle	443,591	Blackstone	383,033
Baidu ADR	405,218	Konica Minolta	369,692
Siemens (Regd.)	404,936	Tomtom	339,067
Carnival	387,892	Rocket Internet	334,990
Qualcomm	373,668	AMS	334,357
Capita	372,087	Resona	325,653
Ctrip.com International ADS	362,393	Hellenic Exchange	304,673

Other Information

Subscription and redemption applications for shares issued by the sub-funds should be received by 11 a.m. to ensure inclusion in the following 12 noon valuation point.

With effect from 31 March 2011 the ACD at its discretion may apply the Tax Elected Fund (TEF) rules as reflected in the Principal Prospectus.

From 1 June 2015, in order for the River and Mercantile Asset Management LLP to rely on the Delivery versus Payment client money exemption in connection with the creation and redemption of shares within the sub-funds of River and Mercantile Funds ICVC, River and Mercantile Asset Management LLP must obtain clients' written consent. Please refer to River and Mercantile Asset Management LLP's Terms of Business for Professional Investors dated 1 June 2015 for further details.

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Directory

The Open-Ended Investment Company	River and Mercantile Funds ICVC 30 Coleman Street London EC2R 5AL (authorised and regulated by the Financial Conduct Authority)
Registered in England	The Company is incorporated in England and Wales with registered number IC000489.
The Authorised Corporate Director (ACD)	River and Mercantile Asset Management LLP 30 Coleman Street London EC2R 5AL (authorised and regulated by the Financial Conduct Authority)
Investment Manager of River and Mercantile Dynamic Asset Allocation Fund	River and Mercantile Investments Limited (Investments Limited) 30 Coleman Street London EC2R 5AL (authorised and regulated by the Financial Conduct Authority)
Depository	The Bank of New York Mellon (International) Limited One Canada Square London E14 5AL (authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)
Administrator and Registrar	The Bank of New York Mellon (International) Limited One Canada Square London E14 5AL (authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)
The Independent Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT (authorised and regulated by the Financial Conduct Authority)