

I-class shares

Contact us 020 7399 0399 ram@rathbones.com

Rathbone High Quality Bond Fund

Investment objective

We aim to preserve your capital and pay an income by delivering a greater total return than the Bank of England's Base Rate + 0.5%, after fees, over any rolling three-year period. Total return means the return we receive from the value of our investments increasing (capital growth) plus the income we receive from our investments (interest payments). We use the Bank of England's Base Rate + 0.5% as a target for our fund's return because we aim to provide a return in excess of what you would receive in a UK savings account.

This is an investment product, not a cash savings account. Your capital is at risk.

Investment strategy

When picking our investments, there are three assessments we make. First, we look at the economic environment to determine which industries we want to own and the duration of our investments. Then we use the Four C approach to evaluate creditworthiness. We assess:

Character: Whether a company's managers have integrity and competence

Capacity: Ensuring a company isn't over-borrowing and has the cash to pay its debts

Collateral: Are there assets backing the loan, which reduces the risk of a loan

Covenants: These loan agreements set out the terms of the bond and restrictions on the company

Finally, we compare prices to determine the best value bonds to include in our fund.

Fund facts

Authorised Corporate Director (Manager) Rathbones Asset Management Limited
Depository NatWest Trustee and Depository Services
Product Type Single-priced, Open-Ended Investment Company (OEIC)
Date launched/launch price 16 November 2018/100p (fund) 23 July 2019/100p (share class)
Size of fund Mid-market: £191.54m
Share price Income (Inc): 88.61p Accumulation (Acc): 99.72p
Historical distribution yield* 4.00%
Average yield to maturity 4.95%
Modified duration 2.50 years
Total no. of holdings 78
Initial charge None
MiFID II charges
Ongoing charges figure (OCF) as at 31.10.2023 Inc: 0.40%/Acc: 0.40%
Transaction costs Inc: 0.08%/Acc: 0.08%
Total MiFID II charges* Inc: 0.48%/Acc: 0.48%
Minimum initial investment £1,000
Minimum additional investments £500

Distributions per share

	Ex div	Payment
Annual	01 May	30 Jun
Interim	01 Aug	30 Sep
Interim	01 Nov	31 Dec
Interim	01 Feb	31 Mar
Year end 30 April		

Maturity distribution

Data as at 31.01.24	% in fund
0-3 Years	52.45
3-5 Years	36.58
5-10 Years	8.75
Cash	2.22

Dealing/valuation

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

Fund codes

Sedol (Inc): BD5DN49
Sedol (Acc): BD5DN50
ISIN (Inc): GB00BD5DN492
ISIN (Acc): GB00BD5DN500

Product availability

For Investment Advisers, third party availability – all major platforms.

For more information, please see our 'Fund Centre' page on the 'How to Invest' section of our website rathbonesam.com

Management



Stuart Chilvers
Fund Manager

Stuart joined Rathbones in September 2017. He has been managing the fund since April 2023. He also assists in the management of the Rathbone Ethical Bond Fund and the Rathbone Strategic Bond Fund. Stuart holds a first-class Bachelor's degree in Mathematics



Bryn Jones
Head of Fixed Income

Bryn joined Rathbones in November 2004. He has over 25 years' investment industry experience in equity and fixed income markets and heads up the Fixed Income department. Bryn is a WMA representative and sits on the IA fixed income advisory committee.

Fund ratings



Manager ratings



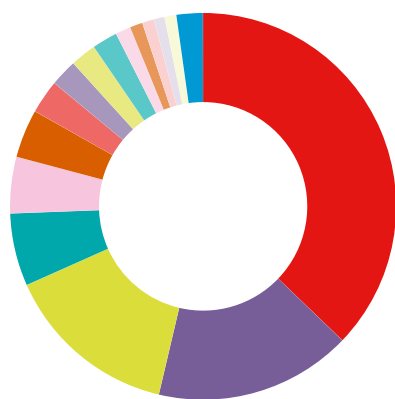
Stuart Chilvers



Bryn Jones

Sector asset allocation

Data as at 31.01.24



- Banks: 37.20%
- Development bank: 16.50%
- Insurance: 14.64%
- Auto manufacturers: 6.08%
- Savings and loans: 4.71%
- Commercial services: 4.06%
- Real estate: 2.82%
- Machinery, diversified: 2.26%
- Electric: 2.16%
- Diversified financial services: 2.14%
- Telecoms: 1.27%
- Machinery, construction & mining: 1.07%
- Apparel: 1.00%
- Food: 0.89%
- Other: 0.99%
- Cash: 2.22%

10 largest holdings

Data as at 31.01.24

Company	Percentage	Yield
European Investment Bank	0.0%	07/12/2028
KFW	0.75%	07/12/2027
European Investment Bank	3.875%	12/04/2028
Logicor 2019-1 UK	1.875%	17/11/2026
KFW	4.875%	10/10/2028
John Deere Bank	5.125%	18/10/2028
IDB	4.75%	05/10/2029
Santander	4.75%	30/08/2027
Fidelity International	7.125%	13/02/2024
Society of Lloyd's	4.75%	30/10/2024

Credit quality distribution

Data as at 31.01.24**

Credit Quality	Percentage
AAA	19.17
AA	3.92
AA-	17.05
A+	17.17
A	20.30
A-	9.69
BBB+	8.59
BBB	1.89
Cash	2.22

You should know

Important information

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

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

Interest rate fluctuations are likely to affect the capital value of investments within bond funds. When long term interest rates rise the capital value of units is likely to fall and vice versa. The effect will be more apparent on funds that invest significantly in long-dated securities. The value of capital and income will fluctuate as interest rates and credit ratings of the issuing companies change.

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

The annual management charge and other income expenses are paid out of the fund's capital.

Information notes

If you require clarity on any of the terms used in this factsheet then please refer to our Supplementary Information Document for further explanation.

*The ongoing charges figure (OCF) includes the Annual Management Charge and all appropriate costs that may be deducted from the fund's assets, in line with current regulatory and industry guidance. Where appropriate, the OCF may include a synthetic element relating to the costs incurred in underlying collective investment undertakings, where permitted by the Prospectus. The OCF is included in the Annual or Interim report and are calculated biannually.

Source and Copyright Citywire: Bryn Jones is A rated by Citywire for his three year risk adjusted performance for the period 31.12.2020-31.01.2024.

Source and Copyright Citywire: Stuart Chilvers is A rated by Citywire for his three year risk adjusted performance for the period 31.12.2020-31.01.2024.

Source performance data FE fundinfo, mid to mid, net income reinvested. This is net of expenses and tax. Data using prices as at 31.01.2024. I-class units/shares were launched on 23 July 2019. Performance is a combination of I-class units and S-class units (where S-class was unavailable). † Turnover is calculated on a 1 year rolling basis.

*The historic distribution yield reflects the annualised income net of the expenses in the fund (calculated in accordance with the relevant accounting standards) as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any initial charge and investors may be subject to tax on their distributions.

**Credit quality distribution ratings from various sources.