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# Royal London GMAP Defensive Fund

Quarterly Investment Report

31 March 2026



# Quarterly Report

## The fund as at 31 March 2026

The purpose of this report is to provide an update on the Royal London GMAP Defensive Fund. The report has been produced by Royal London Asset Management. The report starts with a summary dashboard showing key information about the fund. A glossary is located at the end of the report covering the description of some of the more technical terms used within the report. All data is as at the report date unless otherwise stated.

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# The fund

## Fund performance objective

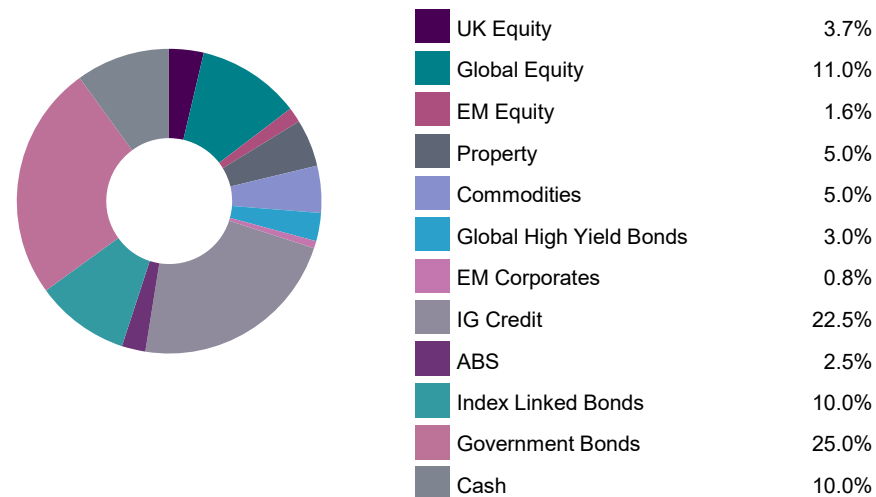
The Fund's investment objective is to achieve capital growth over the medium term, which should be considered as a period of 3-5 years, by predominantly (ie at least 80%) investing in a range of different asset classes including (but not limited to) shares and bonds through investment in Collective Investment Schemes (CIS). The Fund forms part of the Royal London Global Multi-Asset Portfolio (GMAP) range. Each Fund in the range is assigned a level of potential risk and return relative to the other funds in the range. Within this range, this Fund aims to achieve a low level of risk and return. The Fund is actively managed, meaning that the manager will use their expertise to select investments to meet the objective. The Fund is classified under the Investment Association (IA)'s Mixed Investment 0-35% Shares sector, a peer group of funds with similar characteristics. Funds in the IA Mixed Investment 0-35% Shares sector can invest between 0% and 35% in shares and at least 45% in bonds/cash, which broadly aligns to the Fund's own investment policy. The IA Mixed Investment 0-35% Shares sector is considered an appropriate benchmark for performance comparison purposes. Management of the Fund is not restricted by the use of the sector as a comparator benchmark.

## Fund value

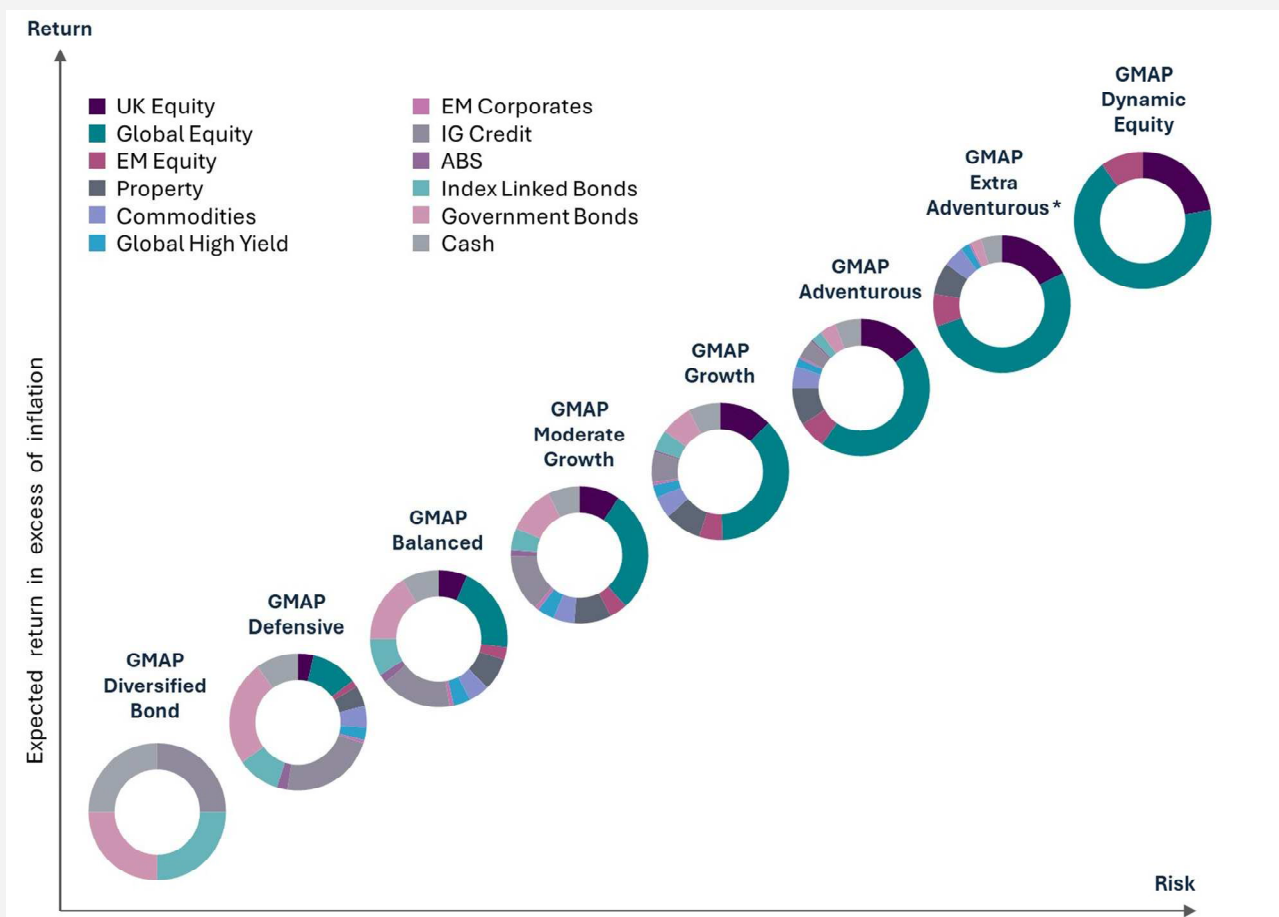
	Total £m
31 March 2026	81.94
Fund launch date	14 March 2016

## Strategic Asset Allocation

The chart below shows the long-term Strategic Allocation (SAA) of the fund. The SAA is designed to meet the risk and return objective of the fund and is reviewed annually. Percentages are subject to rounding.



# RL GMAP range



Past performance is not a reliable indicator of future results. For illustrative purposes – reflects Strategic Asset Allocation weightings, may vary in accordance with tactical asset allocation.

Our fund range is designed to span the risk return spectrum, with each fund aiming to maximise the long-term real return for its given level of risk through a broadly diversified portfolio of investments

\* Royal London GMAP Extra Adventurous Fund was launched on 9 January 2026

# Performance and activity

## Performance

	Fund (%)	IA Sector (%)	Relative (%)
Quarter	0.74	(0.88)	1.62
1 Year	7.35	6.49	0.86
3 Years (p.a.)	5.98	5.24	0.74
5 Years (p.a.)	3.74	1.93	1.82
10 Years (p.a.)	3.71	3.02	0.69
Since inception (p.a.)	3.73	3.10	0.63

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges, including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces your investment. Please refer to the Glossary for the basis of calculation and impact of fees. Performance and since inception date based on M Acc GBP. Source: Royal London Asset Management; Gross performance; Since inception date of the share class is 14 March 2016.

## Performance commentary

### Equities

Global equities snapped a 10-month winning streak in March as geopolitical developments in the Middle East weighed heavily on risk sentiment. Markets recorded their sharpest monthly decline since 2022, with global stocks falling just over 6% from recent all-time highs. As the war broke out, we moved from an overweight position to underweight which proved beneficial for performance.

### Bonds

Government bond yields finished the quarter higher as markets began to price out a large amount of previously expected central bank interest rate cuts. As a result, we moved further underweight government bonds over the period. Elsewhere, we moved to a neutral stance in global high yield as the conflict began to protect portfolios against a potential stagflationary shock from higher energy prices.

### Equity regions

Recent regional equity trends reversed as the Iran war started, with prior outperformers Japan and emerging markets leading declines, reflecting greater sensitivity to higher energy prices and their higher beta in a risk-off environment. Active regional risk was reduced over the quarter, while modest overweights in Japan, supported by strong earnings, and emerging markets, reflecting attractive valuations, were maintained and funded through an underweight in Europe given its greater exposure to higher energy costs. After adding value previously, regional positioning detracted over March as prior outperformers were hit hardest.

### Equity sectors

US sector positioning remained modest over the quarter, although as the conflict persisted and oil prices stayed elevated, we moved overweight energy, resulting in a broadly neutral impact on performance.

### Property

We remain positive on the long-term prospects for property within a diversified multi asset portfolio; we are neutral on a tactical basis. Commercial property continued to rise on a total return basis over the quarter.

# Performance and activity

## Top 10 holdings

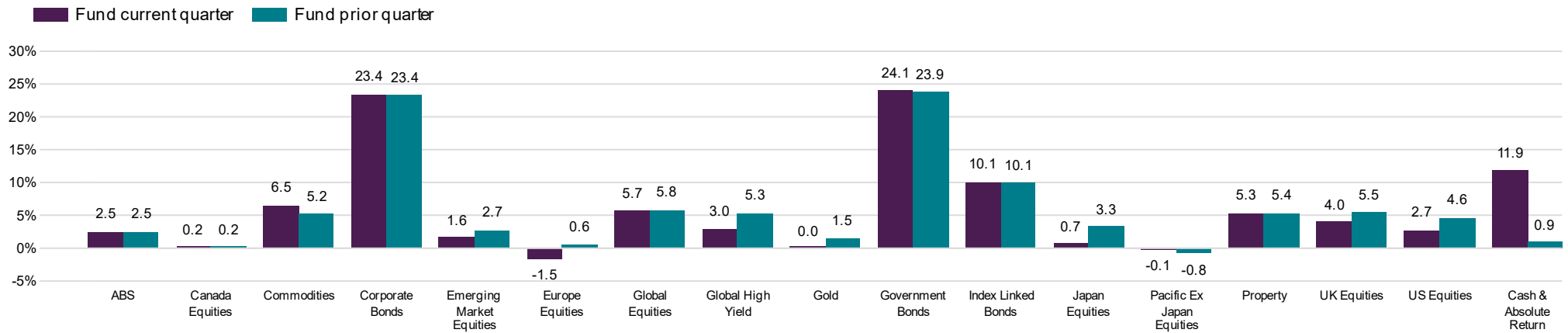
	Weighting (%)
Royal London UK Government Bond Fund	13.43
Royal London Investment Grade Short Dated Credit Fund	10.09
Royal London Sterling Credit Fund	9.07
Royal London Short Duration Gilts Fund	8.86
Royal London Sterling Liquidity Money Market Fund	5.63
Royal London Property Trust	5.34
Royal London Short Duration Global Index Linked Fund	5.12
Royal London Index Linked Fund	5.00
Royal London Short-Term Money Market Fund	4.40
Royal London UK Broad Equity Tilt Fund	3.97
<b>Total</b>	<b>70.91</b>

## Fund activity

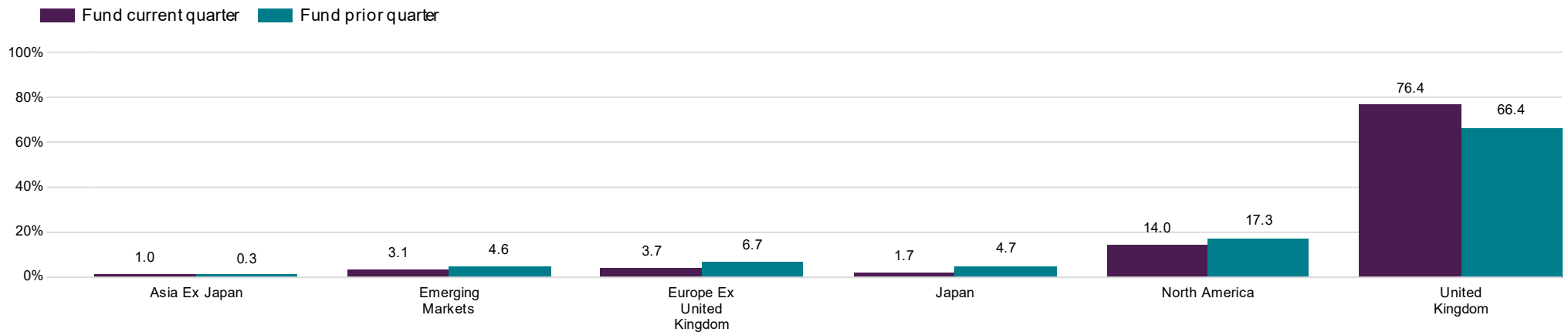
On a tactical level, we entered the Iran war overweight equities and quickly moved to an underweight position as tensions escalated. We reduced our active risk across regions and US sectors throughout the quarter, reflecting the volatile market conditions. Our Investment Clock has just entered Overheat from Recovery, which supports our view of an overweight position in commodities reflecting expectations of higher oil prices. We continue to hold gold as a tactical hedge, which was positive for performance throughout 2025.

# Fund breakdown

## Asset split



## Geographical breakdown



# Market commentary

## Market Review

Global equities made a steady start to the year as investors focused on the path of disinflation, the timing of policy easing, and the resilience of economic activity. However, all this was upended in March as hostilities erupted in the Middle East. March was the worst month for global equities since the start of the Ukraine conflict in 2022, which more than wiped out the previous two months' gains. A sharp rise in energy prices reignited inflation concerns, resulting in a market sell off.

The US was one of the weakest performing markets, as expectations for early interest rate cuts were pushed further out by a renewed bout of inflation anxiety linked to higher oil prices. Large technology stocks were a notable drag on performance, having already come under pressure earlier in the quarter due to valuation concerns and uncertainty around the impact of new AI capabilities on software business models. As volatility increased, investors rotated away from last year's technology leaders toward a broader mix of sectors, including more rate-sensitive and value-oriented stocks.

European equities also gave back January and February's gains as rising energy prices led to concerns that inflation could remain above target. Markets in the region had previously benefited from falling inflation, raising hopes that European policy rates are near their peak. Energy and defence stocks provided pockets of relative strength during March. This helped to support the UK market, which was slightly more resilient.

Asia was one of the more resilient regions, though the performance of markets varied greatly. Taiwanese and Korean stocks had produced strong double-digit returns prior to the Middle East conflict but came under pressure as investors assessed Asia's dependence on energy imports. Japan was one of the few markets to finish the quarter higher, benefiting from yen weakness and expectations of increased fiscal support following the ruling Liberal Democratic Party's decisive victory in February's snap election.

Commodities surged over the quarter as escalating geopolitical tensions culminated in direct military conflict with Iran. Brent crude recorded its largest quarterly gain since the Gulf War in 1990 (+94%).

## Outlook

The Investment Clock has entered Overheat following recent escalation in the Middle East, which has seen equities retreat from their highs, as spiking energy prices are reigniting inflationary concerns across the globe. This is a positive backdrop for commodities and we have been overweight.

With oil trading around \$100 a barrel, markets have been quick to price out a large amount of previously expected central bank interest rate cuts. A Federal Reserve rate hike could be the tipping point that triggers a de-rating in US technology.

There are echoes of the late 1990s. The AI boom is raising corporate earnings, but valuations are near levels last seen in the dot com era. Most new innovations get overblown in the short term.

US political and policy worries have been sapping the US dollar and increasing market volatility. We continue to remain vigilant in case geopolitical risk continues to drive stock valuations lower.

## Further Information

Please click on the links below for further information:



### Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of [www.rlam.com](http://www.rlam.com), including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

# Disclaimers

## Important information

For professional clients only, not suitable for retail clients.

This is a financial promotion and is not investment advice.

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Issued in April 2026 by Royal London Asset Management Limited, 80 Fenchurch Street, London EC3M 4BY. Authorised and regulated by the Financial Conduct Authority, firm reference number 141665. A subsidiary of The Royal London Mutual Insurance Society Limited.

The Fund is a sub-fund of Royal London Multi-Asset Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC001058.

The Company is a non-UCITS retail scheme. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

For more information on the fund or the risks of investing, please refer to the Prospectus or Non-UCITS retail scheme Key Investor Information Document (NURS KII Document), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

# Risks and Warnings

## Investment risk

The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

## Credit risk

Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

## Derivative risk

This fund may undertake transactions in derivatives and forward transactions (both on exchange and over the counter (OTC)). These may include interest rate swaps and interest rate futures for the purposes of meeting the investment objective, protecting the risk to capital, duration and credit management, as well as for hedging. While the discerning use of derivatives can be beneficial, derivatives also involve specific risks. These risks relate specifically to market risk, management risk, credit risk, liquidity risk, the risk of mispricing or improper valuation of derivatives and the risk that derivatives may not correlate perfectly with underlying assets, interest rates and indices. The use of derivative instruments may from time to time alter the economic exposure of the fund causing it to deviate significantly from the performance of the market as a whole. The use of these derivatives will be within the parameters allowed for linked funds by the Financial Conduct Authority and Prudential Regulation Authority.

## EPM techniques risk

The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

## Exchange rate risk

Investing in assets denominated in a currency other than the base currency of the Fund means the value of the investment can be affected by changes in exchange rates.

## Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

## Emerging markets risk

Investing in Emerging Markets may provide the potential for greater rewards but carries greater risk due to the possibility of high volatility, low liquidity, currency fluctuations, the adverse effect of social, political and economic instability, weak supervisory structures and accounting standards.

## Counterparty risk

The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

## Fund investing in funds risk

The Fund is valued using the latest available price for each underlying investment, however it may not fully reflect changing stockmarket conditions and the Fund may apply a 'fair value price' to all or part of its portfolio to mitigate this risk. In extreme liquidity conditions, redemptions in the underlying investments, and/or the Fund itself, may be deferred or suspended.

## Liquidity and dealing risk

The Fund invests indirectly in assets that may at times be difficult to value, harder to sell, or sell at a fair price. This means that there may be occasions when you experience a delay in being able to deal in the Fund, or receive less than may otherwise be expected when selling your investment.

# Performance to 31 March 2026

## Cumulative (%)

## Annualised (%)

	3 Month	6 Month	1 Year	3 Years	5 Years	3 Years (p.a.)	5 Years (p.a.)
<b>Fund (gross)</b>	0.74	3.48	7.35	19.06	20.18	5.98	3.74
<b>Fund (net)</b>	0.59	3.17	6.71	16.94	16.64	5.35	3.12

## Year on year performance (%)

	31/03/2025 - 31/03/2026	31/03/2024 - 31/03/2025	31/03/2023 - 31/03/2024	31/03/2022 - 31/03/2023	31/03/2021 - 31/03/2022
<b>Fund (gross)</b>	7.35	3.18	7.49	(4.31)	5.49
<b>Fund (net)</b>	6.71	2.56	6.84	(4.88)	4.86

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges, including tax, where applicable, can be material on the performance of your investment. The impact of fees reduces your investment.

Source: RLAM as at 31 March 2026. All figures are mid-price to mid-price for the Royal London GMAP Defensive Fund M Acc GBP share class.

# Glossary

## Asset allocation

Based on RLAM's holistic approach to fixed income management and fund weights relative to their respective benchmarks. May not reflect tactical exposures.

## Bonds

Securities that represent an obligation to repay a debt, with interest. Investment grade bonds are high quality bonds that are viewed as being highly likely to make all scheduled payments of interest and principal. Low quality bonds carry higher risk but also typically pay higher rates of interest. Corporate bonds are those issued by companies to raise finance.

## Derivatives

A financial instrument whose price is dependent upon or derived from one or more underlying asset.

## Efficient Portfolio Management (EPM) techniques

The Fund may engage in EPM techniques including holdings of derivative instruments. The use of these instruments may expose the Fund to volatile investment returns and increase the volatility of the net asset value of the Fund. EPM techniques may involve the Fund entering into transactions with counterparties where there may be a risk of counterparty default. The Fund's ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

## Geographical breakdown

Breakdown of assets by geographical regions. 'Global' region includes global fixed income and overseas securities exposures, which are sterling hedged and commodity exposures.

## Performance

Fund performance is based on 2pm prices.

## Pricing

The Fund's price may swing to bid or offer to protect existing investors from the costs associated with buying or selling the fund's underlying assets when other investors are entering or leaving the fund. Performance is based on this pricing.

## Top 10 holdings

Top 10 assets held by market value, excluding derivatives and cash.