

Market commentary

UK equities fell in June, however, were positive for the second quarter overall. CPI inflation rose 2% year-over-year in-line with the Bank of England's target, however, core CPI and services inflation was higher than expected, causing the market to reduce the odds that the Bank of England would cut rates by the August meeting.

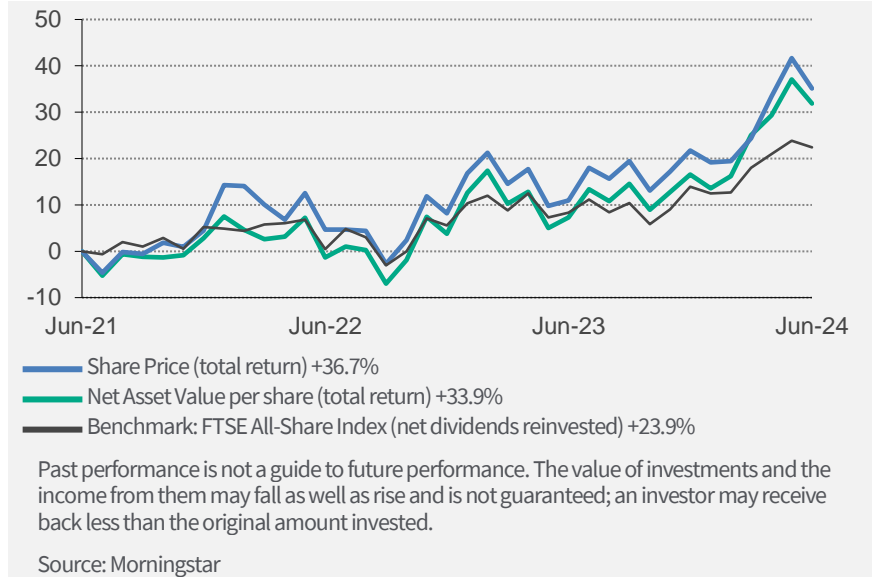
The portfolio fell in the month. Contributors to performance included **BT, Pearson** and **Shell**. The largest detractors from performance included **GSK, Stellantis** and **TotalEnergies**.

BT continued its positive performance following results in May; in June, it was disclosed that Carlos Slim's family investment firm has built up a 3.2% stake in the company. Pearson was a positive contributor during the month; we continue to believe that educational publishing is an attractive business offering the prospect of healthy returns. Shell was also a positive contributor helped by strength in the oil price.

GSK was the largest detractor from performance with the share price falling following a court ruling that the company must face trials over whether the former heartburn treatment Zantac causes cancer. The company's share price further fell at the end of the month after US health officials recommended restricting the use of the RSV vaccine to older people or those more at risk of RSV. Stellantis was a detractor from performance amid wider weakness in the autos sector in part due to high borrowing costs, slowing demand for EVs and EU tariffs on Chinese EVs. TotalEnergies was also a detractor as concerns over the possible outcome of a snap election in France caused significant volatility in the French equity market.

UK equities continue to be valued at a significant discount to global equities generally. Accordingly, we believe that, notwithstanding the shorter-term uncertainties, UK equities are priced to offer relatively attractive returns into the future.

Three-year performance (%)



Sector and geographic analysis (%)*

28.4%	Financials	74.9%	United Kingdom
17.5%	Energy	9.6%	Netherlands
14.1%	Consumer Discretionary	4.9%	France
11.7%	Communications	4.5%	United States
8.2%	Materials	1.7%	Japan
5.3%	Industrials	1.1%	Hong Kong
4.1%	Consumer Staples	1.1%	Canada
3.3%	Information Technology	0.7%	Germany
3.3%	Healthcare	1.5%	Cash & equivalents
2.6%	Utilities		
1.5%	Cash & equivalents		

* Exposures expressed as a % of the gross assets (investments plus cash) of the Company.

Trust objective

To provide growth in income and capital to achieve a long-term total return greater than the benchmark FTSE All-Share Index, through investment primarily in UK securities. The Company's policy is to invest in a broad spread of securities with typically the majority of the portfolio selected from the constituents of the FTSE 350 Index.

Top 10 equity holdings

		(%)
Shell	Energy	6.8
NatWest	Financials	6.4
BP	Energy	5.7
ITV	Communications	5.1
Barclays	Financials	5.0
TotalEnergies	Energy	4.9
Aviva	Financials	4.5
Anglo American	Materials	4.4
NN	Financials	4.1
Marks & Spencer	Consumer Staples	4.1
Total		51.0

No of holdings: 33

Financial data

Gross Assets	£864.3m
Share price (p)	259.00
NAV (p) (cum income)*	280.18
Premium/(Discount), Cum income*	(7.6%)
Historic net yield	3.8%
Net gearing*	6.6%

* Calculated with debt at fair value

Dividend history

Type	Amount (p)	XD date	Pay date
1st interim – 2024	2.50	30.05.24	28.06.24
4th interim – 2023	2.50	07.03.24	02.04.24
3rd interim – 2023	2.50	30.11.23	29.12.23
2nd interim – 2023	2.30	24.08.23	29.09.23

Performance (total return)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed; an investor may receive back less than the original amount invested. This Company may not be appropriate for investors who plan to withdraw their money within the short to medium term.

Cumulative returns (%)

	Share Price	NAV	FTSE All-Share
1 month	-4.6	-3.8	-1.2
3 months	8.7	5.4	3.7
3 year	36.7	33.9	23.9
5 year	26.0	31.4	30.9
10 year	54.6	66.7	77.8
Since 30/10/2020	113.7	111.2	61.2

	Share Price	NAV	FTSE All-Share
30.06.23 - 30.06.24	21.8	22.9	13.0
30.06.22 - 30.06.23	6.0	8.7	7.9
30.06.21 - 30.06.22	5.8	0.2	1.6
30.06.20 - 30.06.21	44.5	41.5	21.5
30.06.19 - 30.06.20	-36.2	-30.6	-13.0

Performance, price and yield information is sourced from Morningstar as at 30.06.24.

Trust facts

Launch date: 1926

ISIN: GB00BMV92D64

Sedol: BMV92D6

Ticker: TMPL

Year end: 31 December

Dividends paid: Quarterly in April, June, September and December

Benchmark : FTSE All-Share

Association of Investment Companies (AIC) sector: UK Equity Income

ISA status: May be held in an ISA and Junior ISA

Capital structure:

Ordinary shares in issue:
286,516,158 in circulation
47,847,667 in treasury

Debt:

4.05% private placement loan 2028 £50m
2.99% private placement loan 2047 £25m

Ongoing charge: 0.56%, effective 31

December 2023 Includes a management fee of 0.325%. Excludes borrowing and portfolio transaction costs.

AIFM, Administrator & Company Secretary:

Frostrow Capital LLP (effective from 1 July 2023)

Portfolio Manager:

RWC Asset Management LLP (effective from 30 October 2020)

Portfolio Management Team:

Ian Lance and Nick Purves

Registrar:

Equiniti Financial Services Limited

Depository & Custodian:

Bank of New York Mellon

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Risk warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. For information on the principal risks the Company is exposed to please refer to the Company's Annual Report, Key Information Document or Investor Disclosure Document, available at <https://www.templebarinvestments.co.uk/documents/>.

Company share price risk

Shares in the Company are bought and sold on the London Stock Exchange. The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it.

Borrowing/leverage risk

The Company has increased its exposure to investments via borrowings and this could potentially magnify any losses or gains made by the Company.

The Company's gearing and discount management policies can be found at <https://www.templebarinvestments.co.uk/investment-approach/investment-policies/>

Interest rate

The value of fixed income assets & liabilities (e.g. bonds) tends to decrease when interest rates and/or inflation rises and increase when interest rates and/or inflation falls.

Concentration risk

The Company's portfolio may be concentrated in a limited number of geographical regions, industry sectors, markets and/or individual positions. This may result in large changes in the value of the portfolio, both up or down, which may adversely impact the Company's performance.

Target market

The Company is suitable for investors seeking an investment that aims to deliver total returns over the longer term (at least five years), is compatible with the needs for retail clients, professional clients and eligible counterparties and is eligible for all distribution channels.

The Company may not be suitable for investors who are concerned about short-term volatility and performance, have low or no risk tolerance or are looking for capital protection, who are seeking a guaranteed or regular income, or a predictable return profile. The Company does not offer capital protection.

Value assessment

Frostrow Capital LLP has conducted an annual value assessment on the Company in line with Financial Conduct Authority (FCA) rules set out in the Consumer Duty regulation. The assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations.

Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company) and considers whether vulnerable consumers are able to receive fair value from the product.

Frostrow Capital LLP concluded that the Company is providing value based on the above assessment.

Important information

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