



# Dunedin Income Growth Investment Trust PLC

Targeting income and long-term growth from mainly UK companies chosen for their quality and commitment to improving sustainability

Performance Data and Analytics to 30 June 2024

## Investment objective

To achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom that meet the Company's Sustainable and Responsible investing criteria as set by the Board.

## Benchmark

FTSE All-Share Index total return.

## Cumulative performance (%)

	as at 30/06/24	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	280.0p	(1.8)	1.8	1.9	4.0	1.9	28.0
NAV <sup>A</sup>	316.5p	(0.4)	1.1	3.7	7.8	13.3	31.5
FTSE All-Share		(1.2)	3.7	7.4	13.0	23.9	30.9

## Discrete performance (%)

	30/06/24	30/06/23	30/06/22	30/06/21	30/06/20
Share Price	4.0	8.4	(9.7)	28.8	(2.5)
NAV <sup>A</sup>	7.8	13.8	(7.6)	20.0	(3.3)
FTSE All-Share	13.0	7.9	1.6	21.5	(13.0)

Total return; NAV cum income, with net income reinvested, GBP. Share price total return is on a mid-to-mid basis. Dividend calculations are to reinvest as at the ex-dividend date. NAV returns based on NAVs with debt valued at fair value. Source: abrdn Investments Limited, Lipper and Morningstar.

Past performance is not a guide to future results.

<sup>A</sup> Including current year revenue.

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## Morningstar Sustainability Rating™



## Morningstar Rating™



### <sup>B</sup> Morningstar Rating™ for Funds

Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk and accounting for all sales charges) in comparison to similar funds.



## Twenty largest equity holdings (%)

Unilever	6.5
AstraZeneca	5.6
TotalEnergies	5.5
RELX	5.4
National Grid	5.1
London Stock Exchange	4.8
Diageo	4.0
ASML	3.2
Intermediate Capital	3.1
SSE	3.0
Chesnara	3.0
Taylor Wimpey	2.9
Games Workshop	2.7
Morgan Sindall	2.5
Sirius Real Estate	2.4
Sage	2.4
Novo nordisk	2.4
Prudential	2.3
Weir	2.3
Softcat WI	2.3
<b>Total</b>	<b>71.4</b>

**Total number of investments 35**

All sources (unless indicated): abrdn: 30 June 2024.



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## 1 Year Premium/Discount Chart (%)



## Fund managers' report

The FTSE All-Share Index gave up some of its recent gains in June, despite a further fall in inflation and signs that the Bank of England is on the verge of joining the global rate cutting cycle. The mid and small cap index underperformed the large cap index. UK Consumer Price Index inflation came in at 2% in May, falling into line with the official target for the first time since 2021. Official data for UK Q1 GDP was revised up and points to the economic recovery underway. Meanwhile polls indicated that the Labour party was on course to win a substantial majority in July's general election, bringing with it political stability to the country.

The Trust benefited from its overweight position to Technology and Financials, outperforming the falling market in June. ASML continued to perform well as the market anticipates stronger growth in semiconductor demand next year, benefiting the Trust. Expectations for strong growth of GLP-1 class in obesity and diabetes continues to support Novo Nordisk and the market looked more favourably on the outlook for the UK value added reseller Softcat.

We added further to National Grid following a successful rights issue which strengthens the transmission and distribution company's capital position. We built positions in UK mid caps Genuit, Assura and Softcat where we see attractive total return prospects. To fund these purchases, we trimmed Marshalls following strong recovery and exited a small position in Moonpig which has recovered strongly over the last year and is the only company in the Trust to not pay a dividend. We wrote a number of options to both generate income and to position the portfolio. This included puts over branded consumer health company Haleon which we are looking to introduce to the portfolio. In addition, we wrote puts over Total, Azelis and Prudential where we are happy to increase at these levels and calls over Taylor Wimpey and Intermediate Capital.

## Fund managers' report continues overleaf

<sup>c</sup> Expressed as a percentage of average daily net assets for the year ended 31 January 2024. The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Company. It is made up of the Annual Management Fee and other charges. It does not include any costs associated with buying shares in the Company or the cost of buying and selling stocks within the Company. The OCF can help you compare the annual operating expenses of different Companies.

<sup>d</sup> Calculated using the Company's historic net dividends and month end share price.

<sup>e</sup> The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

<sup>f</sup> Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.

## Sector allocation (%)

Financials	18.5
Industrials	15.2
Consumer Discretionary	14.9
Health Care	11.8
Consumer Staples	10.5
Utilities	8.1
Technology	7.9
Energy	5.4
Real Estate	4.5
Telecommunications	2.2
N/R	(0.1)
Cash	1.1
<b>Total</b>	<b>100.0</b>

## Key information

### Calendar

Year end	31 January
Accounts published	March
Annual General Meeting	May
Dividend paid	February, May, August, November
Established	1873
Fund managers	Ben Ritchie Rebecca Maclean
Ongoing charges <sup>c</sup>	0.64%
Annual management fee	0.45% on the first £225m, 0.35% on the next £200m and 0.25% over £425m per annum of the net assets of the Company.
Premium/(Discount) with Debt at Par	(10.3%)
Premium/(Discount) with Debt at fair value	(11.5%)
Yield <sup>d</sup>	4.9%
Active share <sup>e</sup>	77.3%

## Gearing (%)

Net cash/(gearing) <sup>f</sup>	(9.7)
Net cash/(gearing) with debt at market value <sup>f</sup>	(2.9)

## AIFMD Leverage Limits

Gross Notional	2.5x
Commitment	2x

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## Fund managers' report – continued

We have upgraded our outlook this year on the back of more positive economic data and commentary from companies on the ground. The macroeconomic picture, while still subdued, looks more encouraging than it did at the turn of the year, particularly for the UK where growth is gradually improving, inflation is back to target and consumer confidence has picked up. Meanwhile the starting valuation of the market, and the portfolio, reflects low expectations and this could provide the opportunity for strong prospective returns. M&A remains a prominent feature and stock buy backs a helpful support. There have even been some early signs of international investors returning. A cocktail of a steady economy, declining interest rates and perceived political stability could be very compelling for UK equities. We monitor closely the policy priorities of the new UK government and analyse the implications for the holdings. That said, risks remain: elevated tensions in the Middle East and Ukraine and the potential impact on energy prices are something to watch and it is likely that strong commodity markets will act as a handbrake on the relative performance of the Trust given our sustainability and quality focus. We shall continue to seek a balance to our positioning giving ourselves the potential to perform in a range of market environments and seek to participate in new opportunities in good companies with attractive long-term prospects and, at the same time, focus on those that meet our sustainable and responsible investing criteria.

### Assets/Debt

Gross Assets	£'000	%
Equities – UK	398,811	89.0
– Overseas	88,131	19.7
Total investments	486,942	108.7
Cash & cash equivalents	5,494	1.2
Other net assets	4,660	1.0
Short-term borrowings	(19,161)	(4.3)
3.99% Senior Secured Note 2045	(29,745)	(6.6)
<b>Net assets</b>	<b>448,190</b>	<b>100.0</b>

### Capital structure

Ordinary shares	143,550,246
Treasury shares	10,127,689

### Allocation of management fees and finance costs

Capital	60%
Revenue	40%

### Trading details

Reuters/Epic/Bloomberg code	DIG
ISIN code	GB0003406096
Sedol code	0340609
Stockbrokers	J.P. Morgan Cazenove
Market makers	SETSm



### Factsheet

Receive the factsheet by email as soon as it is available by registering at [www.abrdn.com/trustupdates](http://www.abrdn.com/trustupdates) [www.dunedinincomegrowth.co.uk](http://www.dunedinincomegrowth.co.uk)



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The risk outlined overleaf relating to gearing is particularly relevant to this trust, but should be read in conjunction with all warnings and comments given.  
Important information overleaf

## Important information

### Risk factors you should consider prior to investing:

- The value of investments, and the income from them, can go down as well as up and investors may get back less than the amount invested.
- Past performance is not a guide to future results.
- Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.
- The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.
- The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.
- The Company may charge expenses to capital which may erode the capital value of the investment.
- Derivatives may be used, subject to restrictions set out for the Company, in order to manage risk and generate income. The market in derivatives can be volatile and there is a higher than average risk of loss.
- There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.
- As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.
- Certain trusts may seek to invest in higher yielding securities such as bonds, which are subject to credit risk, market price risk and interest rate risk. Unlike income from a single bond, the level of income from an investment trust is not fixed and may fluctuate.
- Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

### Other important information:

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