Murray Income Trust PLC

An investment trust founded in 1923 aiming for high and growing income with capital growth

Performance Data and Analytics to 31 May 2022

Investment objective

To achieve a high and growing income combined with capital growth through investment in a portfolio principally of UK equities.

Benchmark

FTSE All-Share Index.

Cumulative performance (%)

	as at 31/05/22	1 month	3 months	6 months	1 year	3 years	5 years
Share Price	885.0p	1.3	6.0	3.7	1.0	21.9	35.3
NAV[A]	923.5p	(0.5)	2.5	0.5	2.8	21.5	27.3
FTSE All-Share		0.7	2.3	6.2	8.3	18.4	22.2

Discrete performance (%)

	31/05/22	31/05/21	31/05/20	31/05/19	31/05/18
Share Price	1.0	25.9	(4.1)	11.2	(0.2)
NAV[A]	2.8	22.2	(3.3)	4.8	(0.1)
FTSE All-Share	8.3	23.1	(11.2)	(3.2)	6.5

Five year dividend table (p)

Financial year	2021	2020	2019	2018	2017
Total dividend (p)	34.50	34.25	34.00	33.25	32.75

Total return; NAV to NAV, 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: Aberdeen Asset Managers Limited, Lipper and Morningstar.
Past performance is not a guide to future results.

Morningstar Rating™

★★★★

[B] **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.

Morningstar Sustainability Rating™

ELITE RATED by FundCalibre.com

CITYWIRE WINNER INVESTMENT TRUST 2021 UK EQUITY INCOME MURRAY INCOME

aic DIVIDEND HERO

Twenty largest equity holdings (%)

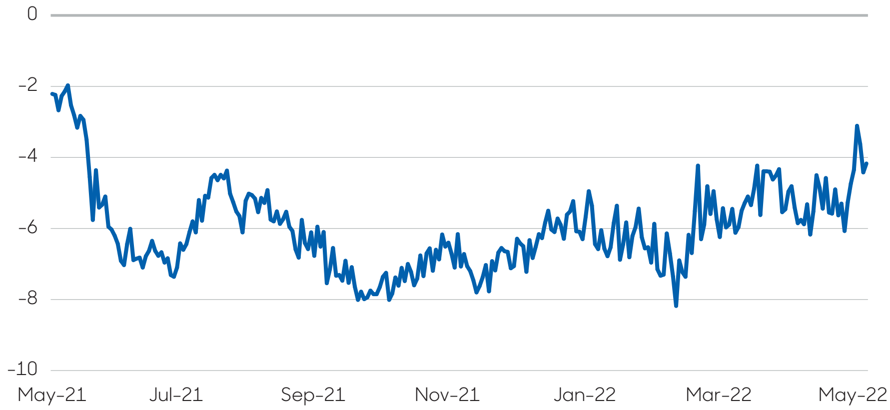
AstraZeneca	5.8
Diageo	4.9
RELX	4.0
TotalEnergies	3.5
BHP	3.4
SSE	3.3
Unilever	3.1
Anglo American	3.0
Standard Chartered	2.6
National Grid	2.3
Safestore	2.2
BP	2.2
Inchcape	2.1
Close Brothers	2.0
Euromoney Institutional Investor	2.0
Coca-Cola	1.9
Rentokil Initial	1.9
Drax	1.8
Novo-Nordisk	1.7
Aveva	1.7
Total	**55.4**

All sources (unless indicated): abrdn: 31 May 2022.

[A] Including current year revenue.

Murray Income Trust PLC

1 year Premium/(Discount) Chart (%)



Fund managers' report

Market commentary

Global equities fell early in May as macroeconomic concerns including rising inflation and supply chain issues persisted. China continued to implement restrictions to prevent the spread of Covid-19. Later in the month, however, sentiment turned more positive as April data showed US inflation had moderated and US retail sales were strong. The MSCI World Index returned approximately -0.2% (in sterling terms) over the month. The US market finished the month slightly higher, although technology stocks continued to struggle. In the UK, the strong performance of energy stocks led the FTSE 100 to outperform mid- and small-cap stocks which fell over the month. Commodity prices continued to rise, with particularly sharp increases in energy. Brent crude ended May at over $115 per barrel as the European Union agreed to ban most oil imports from Russia. Natural gas prices also jumped while gold and precious metals fell slightly over the month.

May saw central banks tighten monetary policy. The US Federal Reserve (the Fed) increased rates early in the month, increasing concerns that central bank tightening could push the US and other major economies into recession. The Fed signalled that more rate rises are to come. The Bank of England (BoE) also raised interest rates and a third of BoE Monetary Policy Committee members voted for a 0.5% rate rise, larger than the 0.25% increase that was implemented. The UK continued to see high levels of inflation, with April's consumer price inflation figure at 9%, which is a 40-year high. UK Chancellor Rishi Sunak announced a £15bn additional fiscal package in response to the cost of living crisis which will help with increased utility bills, partly financed by a windfall tax on oil and gas producers. Employment data was strong, with the

Fund managers' report continues overleaf

[C] Expressed as a percentage of average daily net assets for the year ended 30 June 2021. 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.
[D] The management fee is 0.55% per annum on net assets up to £350m, 0.45% per annum on net assets between £350m and £450m, and 0.25% per annum on net assets above £450m.
[E] Calculated using the Company's historic net dividends and month end share price.
[F] Net gearing is defined as a percentage, with net debt (total debt less cash/cash equivalents) divided by shareholders' funds.
[G] The 'Active Share' percentage is a measure used to describe what proportion of the Company's holdings differ from the benchmark index holdings.

Total number of investments	63

Sector allocation (%)

Financials	16.6
Industrials	16.0
Health Care	12.2
Consumer Staples	12.0
Consumer Discretionary	9.2
Basic Materials	8.6
Utilities	7.5
Real Estate	6.4
Energy	6.0
Technology	3.7
Telecommunications	1.5
Cash	0.3
Total	**100.0**

Figures may not add up to 100 due to rounding.

Key information
Calendar

Year end	30 June
Accounts published	September
Annual General Meeting	November
Dividend paid	March, June, September and December
Established	1923
Fund manager	Charles Luke
Ongoing charges[C]	0.46%
Annual management fee[D]	0.55% per annum on the first £350m of net assets, 0.45% on the next £100m and 0.25% on the excess over £450m.
Premium/(Discount)	(4.2)%
Yield[E]	3.9%
Net gearing[F]	7.9%
Active share[G]	70.8%

AIFMD Leverage Limits

Gross Notional	2.5x
Commitment	2x

Murray Income Trust PLC

Fund managers' report – continued

unemployment rate in the first quarter of 2022 hitting a 48-year low of 3.7%. UK GDP contracted by 0.1% in March with consumer-facing sectors particularly weak. Gilt prices fell over the month.

Performance

The benchmark FTSE All-Share index returned approximately 0.7% in May. The portfolio underperformed the benchmark by just over 1%. At a sector level, the portfolio's lower exposure to the Consumer Discretionary and Communication Services sectors contributed most positively, while the exposure to the Utilities and Consumer Staples sectors contributed negatively. At the stock level, the positions in TotalEnergies, Standard Chartered, Moonpig and Homeserve had the largest positive contributions. TotalEnergies posted strong results driven by higher gas prices and announced the acquisition of a US renewables business. Standard Chartered reported a good first quarter update with the capital position particularly strong. Moonpig announced the acquisition of Smartbox Group, a gifting platform and Homeserve accepted a takeover offer from Brookfield Asset Management. The holdings in Drax and Marshalls contributed most negatively this month. Drax and other UK utilities companies dropped on fears of a windfall tax for the sector. Marshalls was weak as they pointed to a more uncertain trading environment. The largest negative performance contribution was from Shell which the fund doesn't hold but was strong, and not holding HSBC also detracted from relative performance.

Trading

Trading in May mainly related to managing existing positions. Oversea-Chinese Banking Corporation, Oxford Instruments and Unilever were added to. The holding in private equity firm Bridgepoint was exited, with proceeds reinvested in Intermediate Capital, consolidating the exposure to that sector. The holding in OSB Group was reduced. Following the firm offer from Brookfield for Homeserve, the position in the stock was exited, as was the small holding in beverage company Fevertree. We continued to write options to gently increase the income available to the fund including calls in AstraZeneca, Drax, and Prudential.

Outlook

Looking forward, the outlook is becoming more difficult with a tightening policy backdrop and inflationary challenges coupled with the implications of the conflict in Ukraine, all leading to a slower global growth dynamic. However, we take comfort that the valuations of UK-listed companies remain attractive on a relative and absolute basis and as such we think a fair proportion of the portfolio may be vulnerable to corporate activity (indeed, during the month Homeserve agreed to be taken over and Countryside Partnerships received a bid). Moreover, the dividend yield of the UK market remains at an appealing premium to other regional equity markets let alone other asset classes. Furthermore, international investors remain underweight the UK providing a further underpin. Therefore, we feel very comfortable maintaining our long term focus on investments in high quality companies with robust competitive positions and strong balance sheets led by experienced management teams, capable of delivering sustainable earnings and dividend growth.

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

Assets/Debt (£m)

Gross	1,189.0
Debt	117.2
Cash & cash equivalents	32.5

Capital structure

Ordinary shares	116,690,472
Treasury shares	2,839,060

Trading details

Reuters/Epic/ Bloomberg code	MUT
ISIN code	GB0006111123
Sedol code	0611112
Stockbrokers	Investec
Market makers	SETSmm

Factsheet

Receive the factsheet by email as soon as it is available by registering at www.invtrusts.co.uk/#signup
www.murray-income.co.uk

Contact

Private investors
0808 500 4000

Institutional investors
InvestmentTrustInvestorRelations-UK@abrdn.com
+44 (0)20 7463 5971
+44 (0)131 222 1863

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:

An investment trust should be considered only as part of a balanced portfolio. The information contained in this document should not be considered as an offer, solicitation or investment recommendation to deal in the shares of any securities or financial instruments. It is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Key Information Document (KID). These can be obtained free of charge from Aberdeen Asset Managers Limited, PO Box 11020, Chelmsford, Essex, CM99 2DB or available on www.invtrusts.co.uk. Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by abrdn*. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, abrdn* or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates. * abrdn means the relevant member of abrdn group, being abrdn PLC together with its subsidiaries, subsidiary undertakings and associated companies (whether direct or indirect) from time to time.

Issued by Aberdeen Asset Managers Limited, registered in Scotland (No. 108419), 10 Queen's Terrace, Aberdeen AB10 1XL. Authorised and regulated by the Financial Conduct Authority in the UK.