

River & Mercantile Group PLC (RIV:LN)



London
Stock Exchange

Financials/Asset Managers and Custodians

Price: 157.00 GBX

Report Date: October 23, 2020

Business Description and Key Statistics

River & Mercantile Group is an advisory and investment solutions business. Co. is organized into four divisions: Fiduciary Management, which involves the delegation by clients of a range of services, including asset allocation, hedging, and manager selection; Advisory, which provides investment, actuarial and transaction advice; Derivatives Solutions, which provides fully tailored segregated derivative solutions, comprising liability driven investing, including gilt collateral management and structured equity products; and Equity Solutions, which is an active equity manager providing a range of equity products and solutions on a segregated and pooled basis.

Website: www.riverandmercantile.com

ICB Industry: Financials

ICB Subsector: Asset Managers and Custodians

Address: 30 Coleman Street
London
GBR

Employees: 255

	Current	YTY % Chg
Revenue LFY (M)	78	4.5
Operating EPS LFY	0.16	-13.7
Market Value (M)	134	
Shares Outstanding (000)	85,296	
Book Value Per Share	0.76	
EBITDA Margin %	26.30	
Net Margin %	16.7	
Long-Term Debt / Capital %	0.0	
Dividends and Yield TTM	0.14 - 9.23%	
Payout Ratio TTM %	100.0	
60-Day Average Volume (000)	52	
52-Week High & Low	301.00 - 148.00	
Price / 52-Week High & Low	0.52 - 1.06	

Price, Moving Averages & Volume



River & Mercantile Group PLC is currently trading at 157.00 which is 5.3% below its 50 day moving average price of 165.76 and 20.0% below its 200 day moving average price of 196.13.

RIV:LN is currently 47.8% below its 52-week high price of 301.00 and is 6.1% above its 52-week low price of 148.00. Over the past 52-weeks, RIV:LN is down 36.4% while on a calendar year-to-date basis it is down 37.7%.

The Relative Strength Index (RSI) indicator for RIV:LN is currently 46.63. An RSI value of 70 and above is considered overbought and 30 and below oversold.

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Price Performance, Technical Indicators & Risk Metrics

Price Performance	% Change	Difference vs FTSE 350	Technical Indicators	
1-Day %	1.29	0.02	50-Day Average Price	165.76
1-Week %	4.84	5.38	Price / 50-Day Average	0.95
4-Week %	-6.41	-7.75	200-Day Average Price	196.13
52-Week %	-36.44	-18.67	Price / 200-Day Average	0.80
Quarter-to-Date %	-6.55	-7.27	RSI - Relative Strength Index	46.63
Year-to-Date %	-37.70	-16.27	Risk Metrics	
Last Month %	4.67	6.48	Price Volatility	6.81
Last Quarter %	-10.52	-6.60	Sharpe Ratio	-0.04
Last Calendar Year %	11.01	-3.16	Sortino Ratio	-0.06

5-Year Price Performance vs. FTSE 350

River & Mercantile Group PLC
FTSE 350 Index

Current: 0.62 CAGR: -9.1%
Current: 0.86 CAGR: -2.9%



Over the past five years, River & Mercantile Group PLC's stock price is down 37.9% which is 24.3% below the FTSE 350 Index performance of -13.6% over the same period. River & Mercantile Group PLC's cumulative annualized growth rate (CAGR) over the five year period has been -9.1% while that of the FTSE 350 Index has been -2.9%.

Over the past year, River & Mercantile Group PLC's stock price performance of -36.4% has underperformed that of the FTSE 350 Index by 18.7%. On a year-to-date basis, River & Mercantile Group PLC's stock price performance of -37.7% has underperformed the FTSE 350 Index by 16.3%.

Over the past week, River & Mercantile Group PLC's stock price performance of 4.8% has outperformed that of the FTSE 350 Index by 5.4%.

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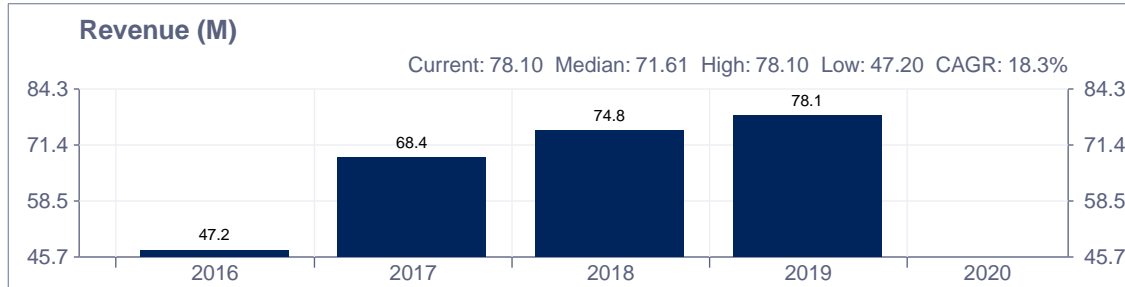
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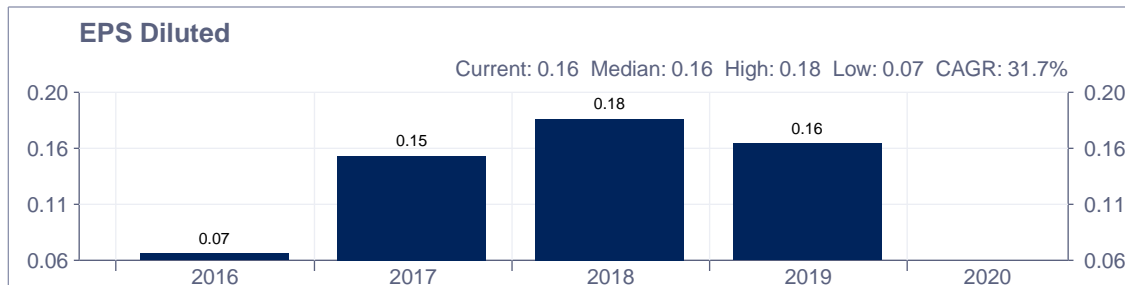
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Growth and Profitability Metrics

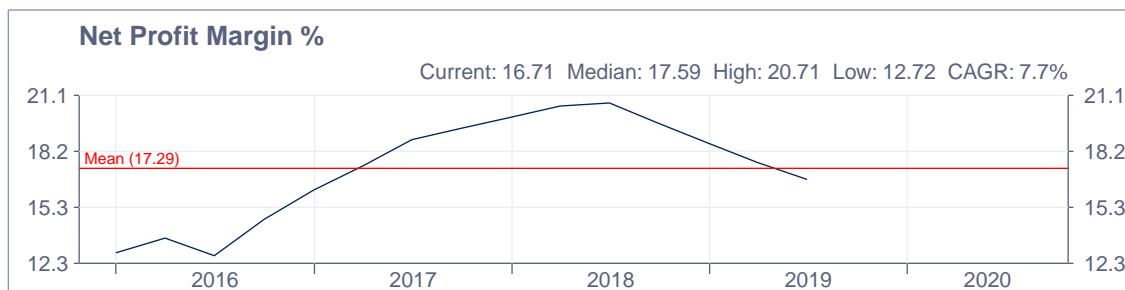
Historical Growth	3-Year	5-Year	10-Year	Profitability	Current	5-Year Average	10-Year Average
Revenues %	18.3	31.1		Gross Margin %			
Revenues Per Share %	18.4	12.7		EBITDA Margin %	26.3	27.9	
EBITDA %	21.0	81.3		Pre-Tax Margin %	21.5	21.5	
Operating EPS %	29.7	999.9		Net Margin %	16.7	17.3	
Free Cash Flow %	48.0	43.4		Return on Equity %	19.7	17.1	
Cash from Operations %	45.6	65.4		Return on Capital %	19.9	17.5	
Book Value %	-0.7	-0.5		Return on Assets %	11.9	10.1	



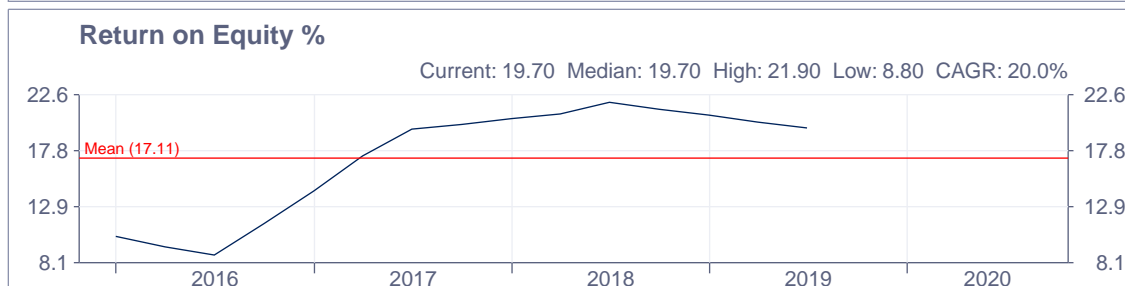
River & Mercantile Group PLC's cumulative annualized revenue growth rate over the charted period is 18.3%. This compares to revenue growth of 4.5% last fiscal year and cumulative annualized growth of 18.3% over the past 3 years.



River & Mercantile Group PLC's cumulative annualized EPS growth rate over the charted period is 31.7%. This compares to EPS growth of -13.7% last fiscal year and cumulative annualized growth of 29.7% over the past 3 years.



River & Mercantile Group PLC's net profit margin last fiscal year of 16.7% is 0.6% below the period's mean net margin of 17.3%. During the charted period, the observed net profit margin high and low were 20.7% and 12.7% respectively.



River & Mercantile Group PLC's return on equity of 19.7% is 2.6% above the period's mean return on equity of 17.1%. During the charted period, the observed ROE high and low were 21.9% and 8.8% respectively.

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Valuation Metrics

	Current	5-Year Median	10-Year Median		Current	5-Year Median	10-Year Median
Price / EPS TTM	10.1	18.3		Earnings Yield %	6.53	4.80	
Price / Sales	1.7	3.5		Free Cash Flow Yield %	11.19	7.03	
Price / Operating Cash Flow	7.5	13.8		Dividend Yield %	9.23	6.18	
Price / Book Value	2.1	3.2		Enterprise Value / EBITDA	5.1	10.6	



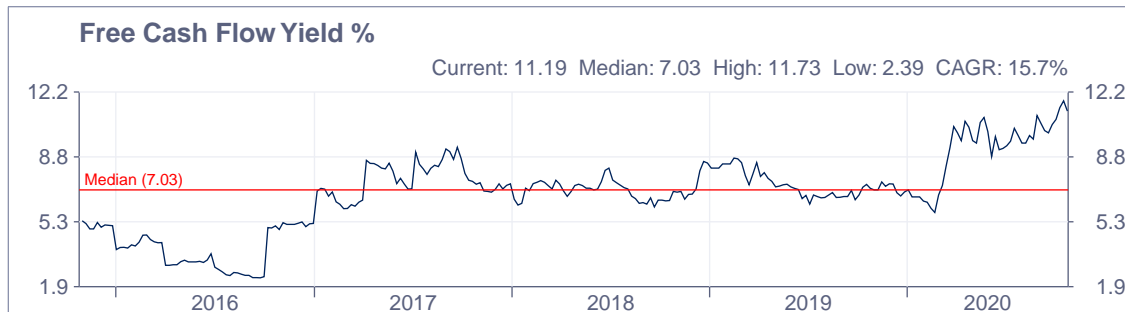
River & Mercantile Group PLC is trading at 10.06 times its EPS generated during the latest fiscal year. This multiple is below the historically observed median of 18.25, while high and low observations have been 31.75 and 9.59.



River & Mercantile Group PLC is trading at a Price to Sales ratio of 1.68 based on sales generated during the latest fiscal year. This ratio is below the historically observed median ratio of 3.45, while high and low observations have been 4.59 and 1.60.



River & Mercantile Group PLC is trading at a Price to Book ratio of 2.06 based on book value at the latest fiscal year end. This ratio is below the historically observed median of 3.23, while high and low observations have been 4.64 and 1.97.



River & Mercantile Group PLC has a Free Cash Flow Yield of 11.19% based on free cash flow generated during the latest fiscal year. This value is above the historically observed median yield of 7.03%, while high and low observations have been 11.73 and 2.39.

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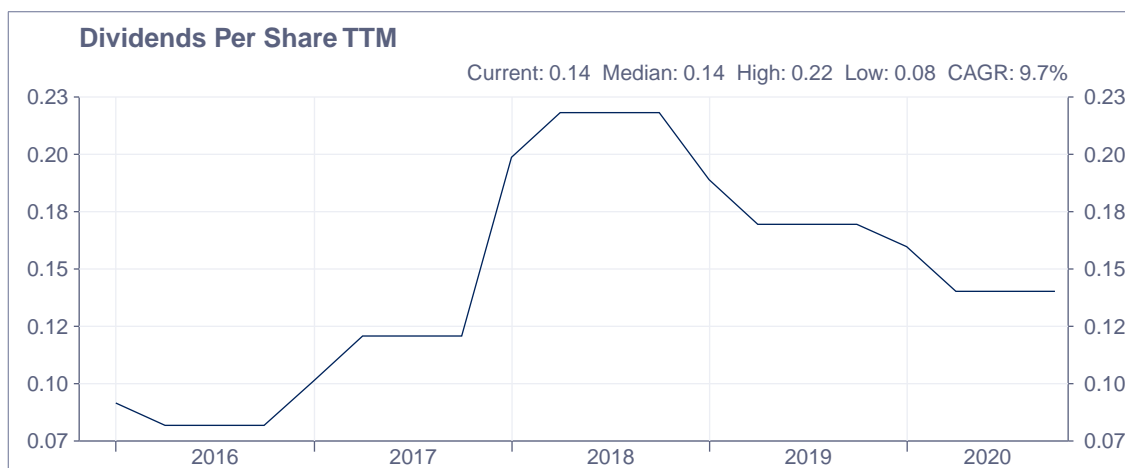
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Dividends Data

Dividends Per Share TTM 0.14 **Payout Ratio TTM %** 100.00% **Dividend Yield TTM %** 9.23%

Rate	Ex Date	Record Date	Payment Date	Currency	Note
0.044	26-03-2020	27-03-2020	16-04-2020	GBP	INTERIM GBP0.0439 OF WHICH GBP0.005 IS SPECIAL DIVIDEND GROSS
0.050	28-11-2019	29-11-2019	20-12-2019	GBP	FINAL GBP0.05 OF WHICH GBP0.024 IS SPECIAL DIVIDEND GROSS
0.051	24-10-2019	25-10-2019	22-11-2019	GBP	2ND INTERIM GBP0.051 OF WHICH GBP0.016 IS SPECIAL DIVIDEND GROSS
0.063	21-03-2019	22-03-2019	12-04-2019	GBP	INTERIM GBP0.063 OF WHICH GBP0.02 IS SPECIAL DIVIDEND GROSS
0.055	22-11-2018	23-11-2018	14-12-2018	GBP	FINAL GBP0.055 OF WHICH GBP0.023 IS SPECIAL DIVIDEND GROSS
0.055	11-10-2018	12-10-2018	02-11-2018	GBP	2ND INTERIM GBP0.055 OF WHICH GBP0.013 IS SPECIAL DIVIDEND GROSS
0.076	15-03-2018	16-03-2018	06-04-2018	GBP	INTERIM GBP0.076 OF WHICH GBP0.022 IS SPECIAL DIVIDEND GROSS
0.060	23-11-2017	24-11-2017	15-12-2017	GBP	FINAL GBP0.06 OF WHICH GBP0.028 IS SPECIAL DIVIDEND GROSS
0.081	12-10-2017	13-10-2017	03-11-2017	GBP	2ND INTERIM GBP0.081 OF WHICH GBP0.028 IS SPECIAL DIVIDEND GROSS
0.056	09-03-2017	10-03-2017	31-03-2017	GBP	INTERIM GBP0.056 OF WHICH GBP0.014 IS SPECIAL DIVIDEND GROSS
0.025	24-11-2016	25-11-2016	14-12-2016	GBP	FINAL GROSS
0.034	20-10-2016	21-10-2016	11-11-2016	GBP	2ND INTERIM GBP0.034 OF WHICH GBP0.001 IS SPECIAL DIVIDEND GROSS

Dividend Growth and Yield



River & Mercantile Group PLC's trailing 12-month dividend per share is 0.14 and its dividend has grown at a cumulative annualized rate of 9.7% over the charted period. This compares to dividend growth of -16.20% over the past year and cumulative annualized growth of 8.00% over the past 3 years.



River & Mercantile Group PLC's current dividend yield is 9.23% based on trailing 12 month dividends. The current yield is above the historically observed median of 6.18% and, over the charted time period, the observed high yield has been 9.68% and the observed low yield has been 2.51%.

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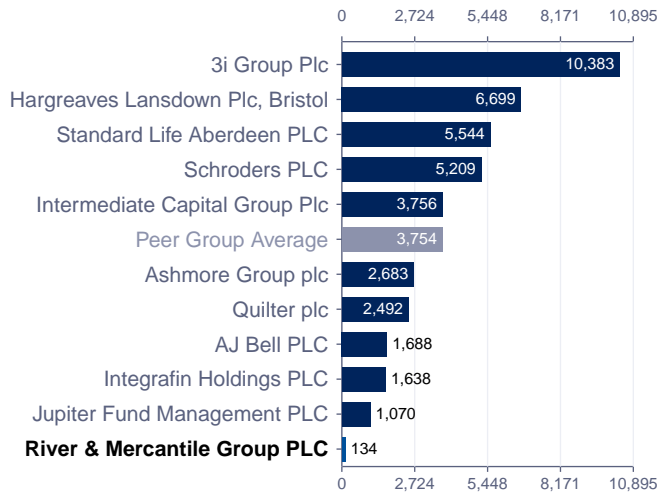
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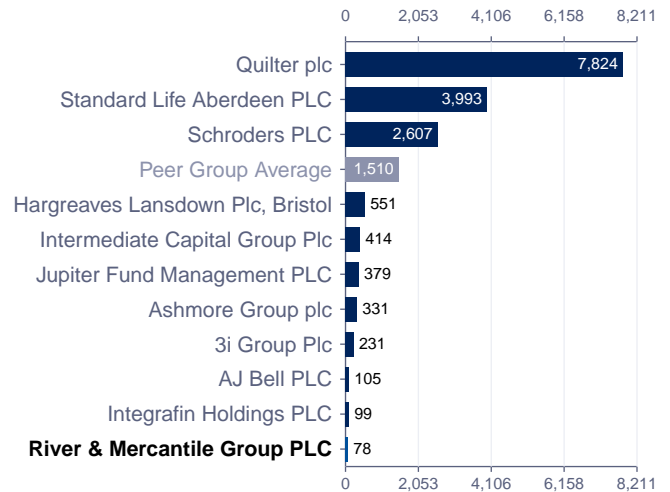
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Subsector Peer Comparisons

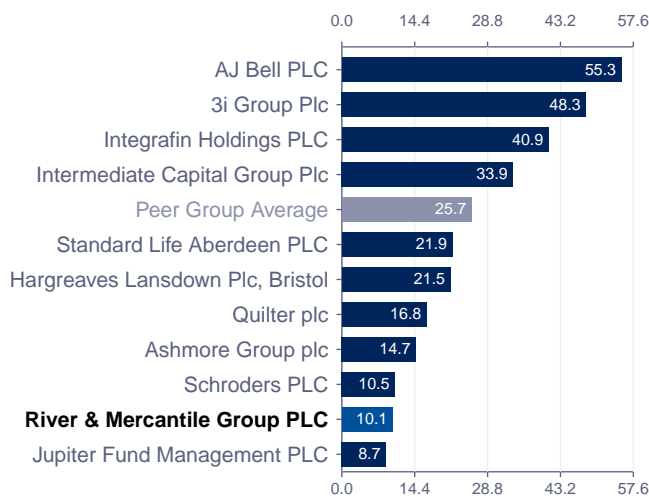
Market Value (M)



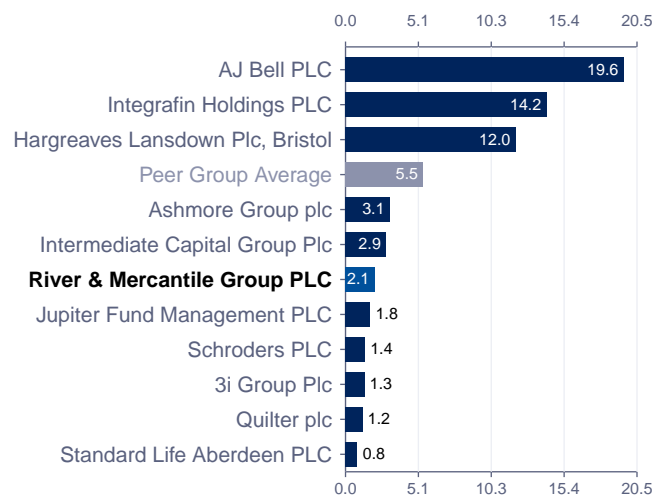
Revenue LFY (M)



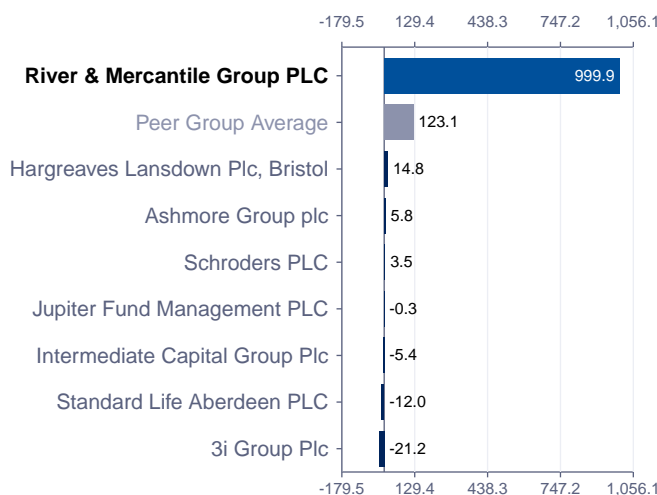
Price / EPS TTM



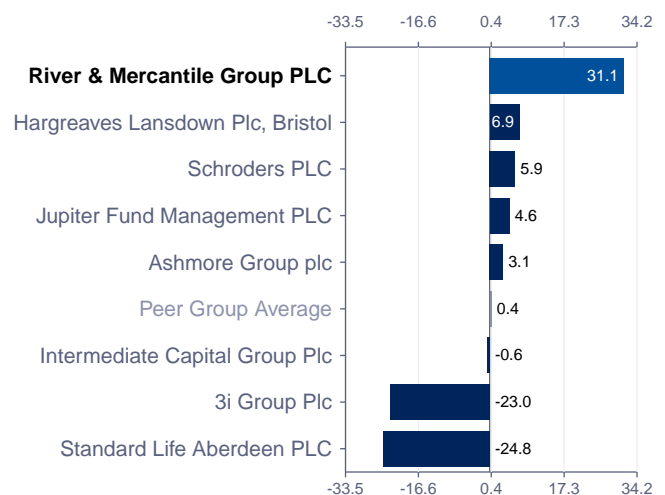
Price / Book Value



EPS 5-Year Growth Rate %



Revenue 5-Year Growth Rate %



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Abbreviations:

CAGR	- Cumulative annual growth rate.
EBIT	- Earnings before interest and taxes.
EBITDA	- Earnings before interest, taxes, depreciation & amortization.
LFY	- Last fiscal year
M	- Million
LON	- London Stock Exchange

Definitions:

Market Value - Weekly Price times latest Shares Outstanding times any applicable ADR factor.

Revenue - Sum of the last four quarters of Revenues.

Revenue Per Share - Sum of the last four quarters of Total Revenue divided by Weighted Average Shares Outstanding.

Operating EPS LFY - EPS excluding non-recurring, non-operating items, fiscal year aligned TTM value.

60-Day Average Volume (000) - The average of the last 60 daily volume values in thousands of shares.

Price 52-Week High - The high closing price from the last 52 weeks of daily closing prices.

Price 52-Week Low - The low closing price from the last 52 weeks of daily closing prices.

Price / 52-Week High - Latest price divided by the high price from the past 52 weeks of daily closing prices.

Price / 52-Week Low - Latest price divided by the low price from the past 52 weeks of daily closing prices.

50-Day Average Price - Mean of last 50 daily closing prices.

200-Day Average Price - Mean of last 200 daily closing prices.

Price / 50-Day Average Price - Latest closing price divided by mean of last 50 daily closing prices, as a percentage.

Price / 200-Day Average Price - Latest closing price divided by mean of last 200 daily closing prices, as a percentage.

Relative Strength Index - Relative Strength Index or RSI measures the magnitude of gains over a given time period against the magnitude of losses over that period. The equation is $RSI = 100 - 100 / (1 + RS)$ where $RS = (\text{total gains} / n) / (\text{total losses} / n)$ and $n = \text{number of RSI periods}$. In this item, 14 days is used and one year of daily prices are considered. A value of 30 or below may imply oversold and 70 or above may imply overbought.

Price Volatility - The standard deviation of the last 20 days of daily closing prices.

Sharpe Ratio - The 5 year average of the excess monthly return over the risk - free rate (1 - month T - bill) over the 5 year standard deviation of the same series.

Sortino Ratio - The same calculation as the Sharpe Ratio but with positive excess returns set to zero for the standard deviation denominator, so only negative volatility weighs in.

Dividends Per Share TTM - Sum of the last four quarters of Dividends Per Share.

Payout Ratio - Dividends Per Share TTM divided by Operating EPS TTM.

Dividend Yield TTM % - Sum of the last four quarter of Dividends Per Share divided by Weekly Price.

EBITDA - Sum of the last four quarters of EBITDA (Operating Income + Depreciation & Amortization).

Free Cash Flow - Sum of the last four quarters Net Cash from Operations minus Capital Expenditures (Purchase of Property, Plant & Equipment), from the Cash Flow Statement.

Book Value - Total Common Equity last quarter divided by Shares Outstanding last quarter.

Book Value Per Share - Total Common Equity last quarter divided by Shares Outstanding last quarter.

Gross Margin % - Sum of the last four quarters Gross Profit divided by the sum of the last four quarters Revenues.

EBITDA Margin % - Sum of the last four quarters EBITDA divided by the sum of the last four quarters Revenues.

Pre-Tax Margin % - Sum of the last four quarters of Earnings Before Taxes divided by sum of the last four quarters Revenues.

Net Profit Margin % - Sum of the last four quarters of Operating EPS divided by sum of the last four quarters Revenues Per Share.

Return on Equity % - Sum of the last four quarters of Operating EPS divided by the average of the last four quarters Book Value.

Return on Capital % - Sum of the last four quarters of Operating EPS divided by the average of the last four quarters Total Capital Per Share.

Return on Assets % - Sum of the last four quarters of Operating EPS divided by the average of the last four quarters Total Assets Per Share.

Price / EPS TTM - Weekly Price divided by the sum of the last four quarters of Operating EPS (capped at 99.9).

Price / Sales - Weekly Price divided by Revenues Per Share TTM.

Price / Book Value - Weekly Price divided by Book Value Per Share last quarter. Book Value Per Share is Total Common Equity last quarter divided by Shares Outstanding last quarter (capped at 49.9).

Free Cash Flow Yield % - Free Cash Flow Per Share TTM divided by Weekly Price.

Enterprise Value - Market Value plus Total Debt last year plus Preferred Equity last year minus Cash & Cash Equivalents last year.

Enterprise Value / Sales - Enterprise Value divided by the sum of the last four quarters of Revenue.

Enterprise Value / EBITDA - Enterprise Value divided by EBITDA TTM.

Enterprise Value / EBIT - Enterprise Value divided by trailing four quarters of Operating Income.

Enterprise Value / Free Cash Flow - Enterprise Value divided by the sum of the last four quarters of Free Cash Flow.

Russell 1000 Index - The largest 1,000 stocks by market cap, the index comprehensively covers the US large cap universe.

EPS 5-Year Growth Rate % is capped at 999.9%.

Revenue 5-Year Growth Rate % is capped at 999.9%.

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