

**PRICE:** 579.5p  
**NAV (inc Income):** 645.7p  
**DISCOUNT:** 10.3%

# Alliance Trust PLC Monthly Factsheet

**30 November 2016**

## Objective

Alliance Trust is an investment company with investment trust status. Our objective is to generate a real return for our shareholders over the medium to long term by a combination of capital growth and a rising dividend. We have no fixed asset allocation benchmark although we mainly invest in global equities but can use a range of asset classes throughout the world to achieve our objective.

We aim to be a core holding for investors seeking to increase the value of their investments over the long term.

## Commentary for November 2016

### Performance and Portfolio Update

Global equity markets suffered a setback in November with the MSCI All Country World Index (MSCI ACWI) closing the month down 1.5%. It was a very volatile month with the US elections causing significant price movements. Throughout this year the Investment Trust Global sector has struggled to keep pace with an index that has been both buoyant and volatile. Our decision to cut gearing last month, because of the increased political and economic uncertainty, has been prudent but, we continue to look for more favourable market levels to selectively increase it. At the end of the month the gearing stood at 6.6% and the discount had narrowed to 10.3% from 11.3% at the end of October. We continue to manage the portfolio for the long term and the TSR remains above median over a three year period.

At the equity portfolio level we have made one switch within the automotive sector. We have sold German company Continental in favour of France based Valeo. Our rationale being that Valeo is more attractive from a valuation and future growth perspective and better positioned for the long term. The sector and regional weightings remain broadly unchanged with only 59 discrete equity holdings.

### Market Commentary

Global sector returns have been very volatile and divergent this month. The best performers in Sterling terms were Financials (+3.7%), Energy (+2.3%) and Industrials (+0.8%). All other sectors posted negative returns. The weakest sectors were Utilities (-8.3%), Consumer staples (-7.5%), and Real Estate (-5.6%).

Despite the very strong moves in global equity markets over the course of this year, the political and economic backdrop remains far from certain and results in the sort of volatility seen this month. We continue to be positive at a stock specific level but with certain market indices at, or near to, new highs we are aware of possible risks, particularly if central banks and governments are unable to improve underlying economic fundamentals.

### Outlook

Political and economic uncertainty looks set to continue for some time and with it low economic growth. Although this will set the backdrop for markets it will not be the key driver of investment performance. This will be driven by the companies that are best equipped to deal with this volatility and continue to deliver real returns for shareholders. For us, this reinforces our belief that our bottom-up analysis, which focuses on quality companies and integrates our Environmental, Social and Governance (ESG) factors, allows us to look through the short term market noise and value companies on their own merits. On this basis, irrespective of the backdrop, we continue to see opportunities in well-managed companies with strong fundamentals and sustainable long-term business models. We remain convinced that the investment process and the portfolio are well positioned to deliver what our shareholders expect – increasing the value of their investments through capital growth and a rising dividend.

### Buy Backs

There were no buy backs in November.

## Asset Allocation

Assets	% of Net Assets
Net Equity Exposure	98.5
Fixed Income	-
Private Equity	3.5
Operating Subsidiaries	2.2
Property	-
Cash and Other Net Assets	2.4
<b>Gross Assets</b>	<b>106.6</b>
Gearing	(6.6)
<b>Net Assets Inc Income</b>	<b>100.0</b>

Source: Alliance Trust

## Key Information

<b>Market Capital:</b>	£2,984.3m
<b>Total Assets:</b>	£3,555.2m
<b>Net Assets:</b>	£3,335.2m
<b>Total Borrowings:</b>	£220.0m
<b>Ongoing Charges Ratio (year to December 2015):</b>	0.59%
<b>Net Yield:</b>	2.0%
<b>Year End:</b>	31 December
<b>Date of Incorporation:</b>	21 April 1888
<b>Dividend Paid:</b>	March, June, September, December
<b>Issued Share Capital:</b>	514,975,801

Source: Alliance Trust

## Performance

### Cumulative Performance (%)

To 30 November 2016	One Month	Six Months	One Year	Three Years	Five Years
Total Shareholder Return	-2.2	12.4	16.2	40.0	93.3
NAV Total Return	-3.6	14.4	16.5	34.4	79.6
Equity portfolio gross return*	-3.2	15.2	19.7	37.6	N/A
MSCI ACWI Total Return (£)	-1.5	21.1	25.6	45.6	97.7

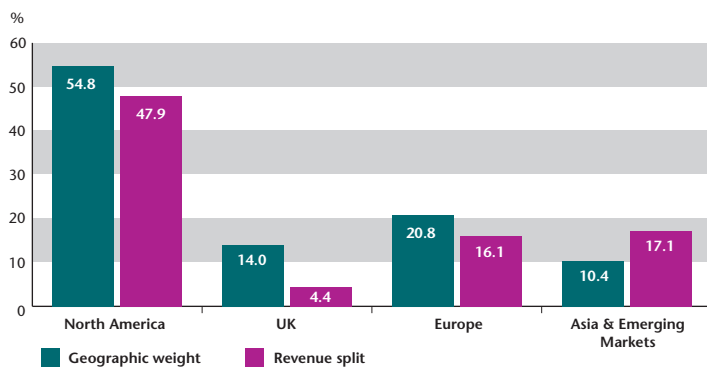
### Discrete Performance – Total Return (%)

12 months to November	2016	2015	2014	2013	2012
Total Shareholder Return	16.2	9.4	10.2	21.2	13.9
NAV Total Return	16.5	5.4	9.4	17.8	13.5
Equity portfolio gross return*	19.7	4.6	9.9	19.8	N/A
MSCI ACWI Total Return (£)	25.6	2.0	13.6	21.4	11.8

Source: FactSet and Morningstar

\* The equity portfolio was restructured in December 2011 and equity portfolio returns prior to December 2012 are not comparable.

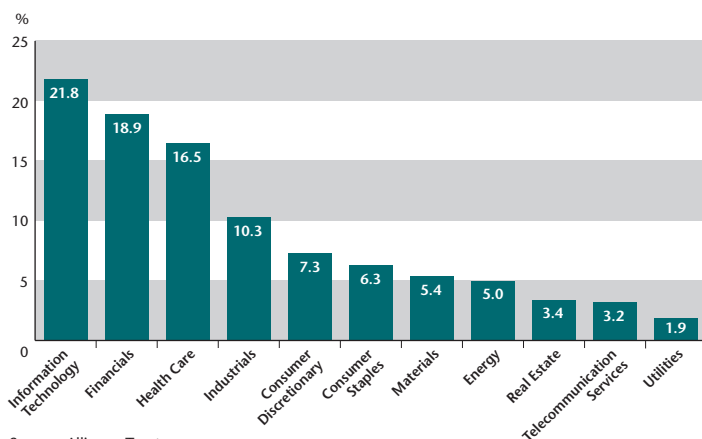
## Regional Allocation & Revenue†



Source: Alliance Trust and FactSet

- Geographic weight is based on the region in which the company is listed.
- Revenue split analyses the segmental reporting of revenue by the companies in which Alliance Trust invests.
- Analysis excludes segmental non-specific income such as "Rest of the World" (14.4%) as the definition varies from company to company.

## Sector Allocation†



Source: Alliance Trust

## Full Portfolio Breakdown

A full breakdown of the Trust's portfolio can be viewed at: [investor.alliancetrust.co.uk/ati/investorrelations/list-of-stock-holdings.htm](http://investor.alliancetrust.co.uk/ati/investorrelations/list-of-stock-holdings.htm)

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## Top 20 Equity Investments†

Rank	Name	£m	% Quoted equities
1	Visa	103.8	3.2
2	Pfizer	89.6	2.7
3	Accenture	82.7	2.5
4	Acuity Brands	81.9	2.5
5	Ecolab	78.3	2.4
6	Macquarie Infrastructure	77.5	2.4
7	Amgen	75.0	2.3
8	Toronto-Dominion Bank	72.7	2.2
9	Microsoft	71.0	2.2
10	DNB	70.2	2.1
11	Roche	70.0	2.1
12	Daikin Industries	69.6	2.1
13	Blackstone	68.2	2.1
14	Prudential	66.9	2.0
15	American Tower	64.3	2.0
16	Danaher	64.2	2.0
17	Thermo Fisher Scientific	63.4	1.9
18	Norsk Hydro	62.4	1.9
19	Tencent	61.4	1.9
20	Deutsche Telekom	61.1	1.9

Source: Alliance Trust

The **top 10** holdings currently make up **24.5%** of quoted equities.  
The **top 20** holdings currently make up **44.4%** of quoted equities.

## Key Trades

### Largest New Holdings

Valeo

### No longer Held

Continental

Source: Alliance Trust

## Important Information

Alliance Trust is an investment company with investment trust status.

The views, information and data in this publication should not be deemed as a financial promotion or recommendation. Neither Alliance Trust Investments nor Alliance Trust PLC are authorised to give financial advice.

Please remember past performance is not a guide to future performance. You may not get back the amount you invest. The value of your investment, and any income from it, may fall as well as increase.

For security and compliance monitoring purposes, telephone calls may be recorded.

Exchange rate changes may cause the value of overseas investments to go down as well as up.

Investment trusts 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 a relatively small movement, down or up, in the value of a trust's assets will result in a magnified movement, in the same direction, of that NAV. This may mean that you could get back nothing at all.

† Weightings are calculated on a look-through basis whereby the Trust's exposure is combined with that of its holdings in Alliance Trust Investments' funds in order to calculate total exposure.