

**PRICE:** 569.5p  
**NAV (inc Income):** 636.7p  
**DISCOUNT:** 10.6%

# Alliance Trust PLC Monthly Factsheet

**31 August 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 August 2016

### Performance and Portfolio Update

Performance of the Trust in August has continued to improve. Over the month the NAV return was 2.2%, ahead of the MSCI All Country World Index (MSCI ACWI) return of 1.8%. The discount has widened slightly to 10.6% compared to 9.8% at the end of July. Gearing remains broadly unchanged at 9.1%. The Investment Trust Global Growth sector has struggled to keep pace with a very buoyant and volatile index over the past year, with discounts widening in general. However, over the past 12 months Alliance Trust now ranks in the first quartile of the global sector on a TSR basis and in the second quartile on a NAV basis.

There was little in the way of portfolio activity over the month but we added a new holding in Japan, Keyence Corporation, which is a global leader in factory automation. We funded this by selling out of Mitsui Fudosan, a Japanese real estate developer which is in a sector we have less confidence in over the long-term.

### Market Commentary

Global equity markets, as measured by the MSCI ACWI, continued to move higher throughout August. The backdrop of continued economic and political concerns combined with some outflows from mutual funds, has done little to dent market momentum. Some of the sector rotation seen in June and July has reversed but equity markets in general remain buoyant.

Global sector performing has been very mixed this month with the best being Financials (+4.8%) Information Technology (+3.9%). The worst were Utilities (-3.2%) and Health Care (-2.7%).

### Outlook

We believe that in a world of low growth, seeking out high quality companies, which can grow driven by structural changes to the global economy, can deliver long term above market returns. Bouts of economic and political volatility are part and parcel of the world we live in but the fund is well equipped to deal with this volatility. We feel that the global economy is resilient enough to avoid falling into recession, but this will entail support from both central banks and governments around the world for the foreseeable future. The portfolio is well positioned to deliver outperformance in this type of economic environment.

### Buy Backs

There were no buy backs in August.

## Asset Allocation

Assets	% of Net Assets
Net Equity Exposure	102.1
Fixed Income	-
Private Equity	3.6
Operating Subsidiaries	2.3
Property	-
Cash and Other Net Assets	1.1
<b>Gross Assets</b>	<b>109.1</b>
Gearing	(9.1)
<b>Net Assets Inc Income</b>	<b>100.0</b>

Source: Alliance Trust

## Key Information

<b>Market Capital:</b>	£2,932.8m
<b>Total Assets:</b>	£3,598.4m
<b>Net Assets:</b>	£3,298.4m
<b>Total Borrowings:</b>	£300.0m
<b>Ongoing Charges Ratio (year to December 2016):</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 31 August 2016	One Month	Six Months	One Year	Three Years	Five Years
Total Shareholder Return	1.3	16.5	25.2	45.2	86.0
NAV Total Return	2.2	17.8	21.5	38.1	75.0
Equity portfolio gross return*	2.3	20.8	27.0	42.9	N/A
MSCI ACWI Total Return (£)	1.8	21.2	26.7	45.9	90.5

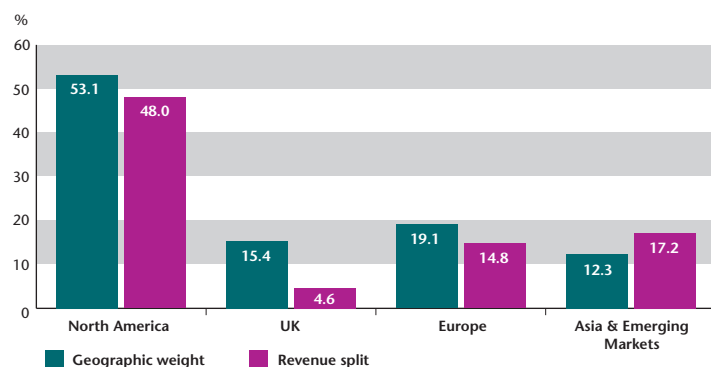
### Discrete Performance – Total Return (%)

12 months to August	2016	2015	2014	2013	2012
Total Shareholder Return	25.2	5.9	9.5	19.4	7.3
NAV Total Return	21.5	5.2	8.1	16.3	9.0
Equity portfolio gross return*	27.0	4.0	8.2	17.8	N/A
MSCI ACWI Total Return (£)	26.7	1.7	13.3	19.2	9.5

Source: FactSet and Morningstar

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

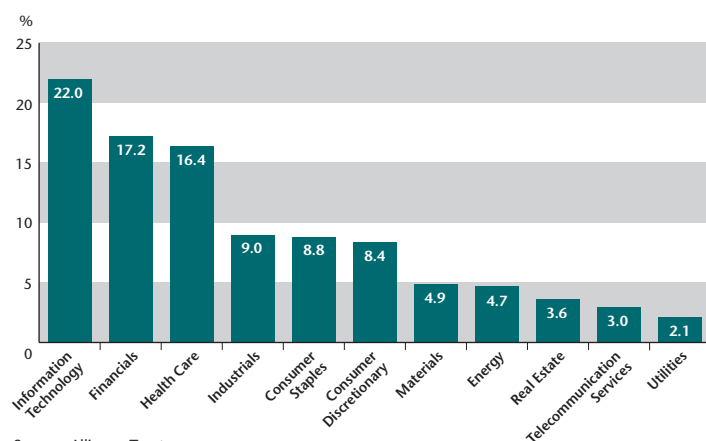
## Regional Allocation & Revenue†



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" (15.4%) 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	106.0	3.2
2	Pfizer	94.6	2.8
3	Accenture	93.1	2.8
4	Tencent	89.4	2.7
5	Amgen	86.5	2.6
6	Reckitt Benckiser	76.2	2.3
7	CVS Caremark	75.6	2.3
8	TJX Cos	74.6	2.2
9	Macquarie Infrastructure	73.8	2.2
10	Blackstone	70.9	2.1
11	American Tower	69.6	2.1
12	National Grid	69.1	2.1
13	Cadence Design Systems	68.7	2.0
14	Acuity Brands	67.9	2.0
15	Daikin Industries	67.1	2.0
16	Toronto-Dominion Bank	67.0	2.0
17	Microsoft	66.2	2.0
18	CSL	66.0	2.0
19	Danaher	65.3	1.9
20	SS&C Technologies	65.0	1.9

Source: Alliance Trust

The top 10 holdings currently make up 25.2% of quoted equities. The top 20 holdings currently make up 45.2% of quoted equities.

## Key Trades

### Largest New Holdings

Keyence

### No longer Held

Mitsui Fudosan

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.