

**PRICE:** 649.5p  
**NAV (inc Income):** 681.0p  
**DISCOUNT:** 4.6%

# Alliance Trust PLC Monthly Factsheet

31 January 2017

## 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 January 2017

### Performance and Portfolio Update

The MSCI All Country World Index (MSCI ACWI) closed the month up 0.9% although performance across regions and sectors was mixed. The Trust's TSR and NAV performed well over the month placing it in the top and second quartile respectively of the peer group, as well as outperforming the index. We continue to focus on how best to position the portfolio for the long term and the TSR remains in the top quartile over one and three years.

The discount remained steady throughout the period closing the month at 4.6% compared to 4.5% at end of the December. Gearing was unchanged at 6.7%.

At the equity portfolio level we have made only one change this month, selling out of our holding in the US pharmacy distribution company, AmerisourceBergen. The sector and regional weightings remain broadly unchanged.

### Market Commentary

The dispersion of returns at the global sector level has been wide, reflecting some stock specific issues as well as some underlying macroeconomic themes. In Sterling terms the best performing sectors were Materials (+5.4%), Information Technology (+3.3%) and Consumer Discretionary (+1.7%). The weakest sectors were Energy (-4.0%), Utilities (-0.7%) Real Estate (-0.6%).

Despite the positive moves in global equity markets over the past month and year, the political and economic backdrop remains far from certain. We expect volatility to remain but we continue to be positive at a stock specific level.

### Outlook

Many stock market indices continue to post new highs despite political and economic uncertainty, as exemplified by current low economic growth. Although this will set the backdrop for equities it will not be the key driver of investment returns. This will be driven by the companies that are best equipped to deal with these uncertainties and have the ability to deliver real year on year returns for shareholders. This is why we continue to focus on a bottom-up stock specific approach, seeking out companies that can provide superior returns.

### Outcome of Strategic Review

The investment objectives of Alliance Trust will not change but the way we achieve it will, subject to a shareholder vote at a General Meeting on the 28 February. The details of the proposed changes are available on the Company website at [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk). We would also highlight the Notice of General Meeting and the reasons the Board is recommending to shareholders that they vote in favour of the adoption of a new investment approach and repurchase of ordinary shares.

### Buy Backs

Following the announcement in the Strategic Review the Board have undertaken a more proactive share buyback programme, reflecting the commitment to narrow materially the discount on a sustainable basis. In January the Company bought back 10.9m shares at a cost of £71.3m this represents 2.3% of the issued share capital.

## Asset Allocation

Assets	% of Net Assets
Net Equity Exposure	98.9
Fixed Income	-
Private Equity	3.5
Operating Subsidiaries	2.7
Property	-
Cash and Other Net Assets	1.6
<b>Gross Assets</b>	<b>106.7</b>
Gearing	(6.7)
<b>Net Assets Inc Income</b>	<b>100.0</b>

Source: Alliance Trust

## Key Information

<b>Market Capital:</b>	£3,129.0m
<b>Total Assets:</b>	£3,510.8m
<b>Net Assets:</b>	£3,290.8m
<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>	481,759,230

Source: Alliance Trust

## Performance

### Cumulative Performance (%)

To 31 January 2017	One Month	Six Months	One Year	Three Years	Five Years
Total Shareholder Return	1.8	16.3	35.8	59.8	107.6
NAV Total Return	1.9	10.0	27.5	48.6	81.3
Equity portfolio gross return*	2.0	8.6	28.3	49.2	N/A
MSCI ACWI Total Return (£)	0.9	11.0	33.7	55.9	95.8

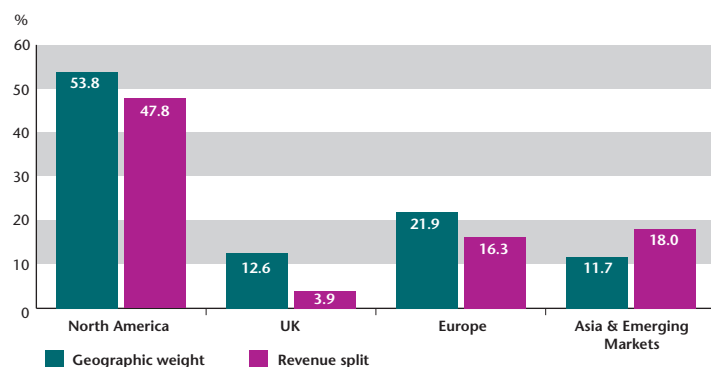
### Discrete Performance – Total Return (%)

12 months to January	2017	2016	2015	2014	2013
Total Shareholder Return	35.8	3.0	14.2	11.3	16.6
NAV Total Return	27.5	0.5	16.0	6.6	14.5
Equity portfolio gross return*	28.3	1.5	14.5	8.8	N/A
MSCI ACWI Total Return (£)	33.7	-0.8	17.5	9.3	14.9

Source: FactSet and Morningstar

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

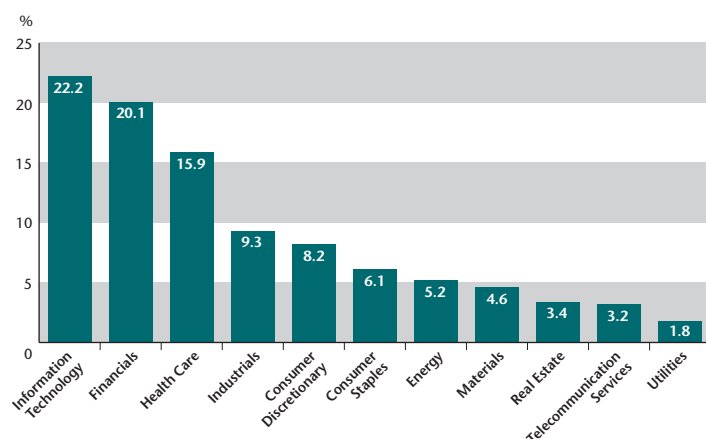
## Regional Allocation & Revenue†



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" (13.9%) 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	Walt Disney	85.4	2.6
2	Pfizer	83.9	2.6
3	Visa	82.1	2.5
4	Amgen	77.5	2.4
5	Blackstone	76.3	2.4
6	Ecolab	75.9	2.3
7	DNB	74.9	2.3
8	Toronto-Dominion Bank	74.8	2.3
9	Accenture	74.2	2.3
10	Microsoft	71.7	2.2
11	Norsk Hydro	71.1	2.2
12	Roche	69.9	2.2
13	Daikin Industries	69.4	2.1
14	Thermo Fisher Scientific	64.9	2.0
15	Danaher	64.9	2.0
16	Acuity Brands	64.1	2.0
17	Deutsche Telekom	63.9	2.0
18	Prudential	62.7	1.9
19	First Republic Bank San Francisco	62.3	1.9
20	Keyence	62.0	1.9

Source: Alliance Trust

The top 10 holdings currently make up 23.9% of quoted equities. The top 20 holdings currently make up 44.1% of quoted equities.

## Key Trades

### Largest New Holdings

-

### No longer Held

AmerisourceBergen

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.