

# MONTHLY FACTSHEET

31 OCTOBER 2018

## KEY STATISTICS

Share Price	725.0p
Net Asset Value <sup>1</sup> (NAV) per Share	775.8p
Premium (Discount)	(6.5%)

## INVESTMENT STRATEGY

The equity portfolio brings together an alliance of best-in-class<sup>2</sup> equity managers and their best ideas – all at a competitive cost. It provides access to eight managers from around the world each investing only in their top stock selections. Most of these managers are not otherwise available to individual UK investors. The equity portfolio target is to outperform the MSCI All Country World Index by 2% per year after costs over rolling three year periods. Alliance Trust has a progressive dividend policy and has increased its dividend every year for 51 years.

## INVESTMENT OBJECTIVE

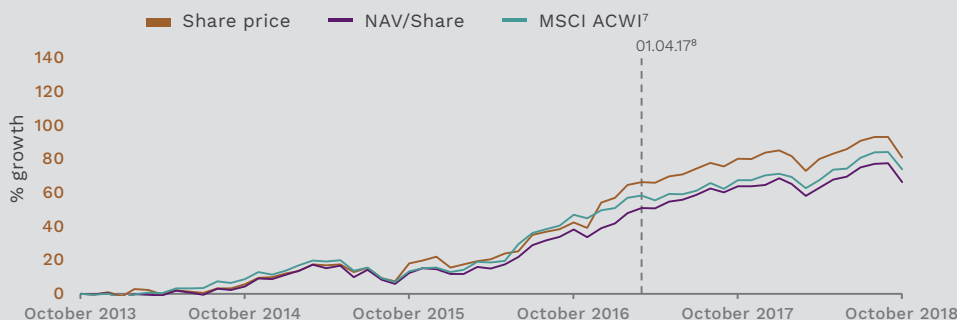
Alliance Trust is an investment company with investment trust status. The Trust's objective is to generate a real return for our shareholders over the medium to long term by a combination of capital growth and a rising dividend. The Trust has no fixed asset allocation benchmark, although it mainly invests in global equities, but can use a range of asset classes throughout the world to achieve its objective. The Trust aims to be a core holding for investors seeking to increase the value of their investments over the long term.

## KEY FACTS

Market Capitalisation	£2,435.4M
Total Assets <sup>3</sup>	£2,847.7M
Net Assets <sup>3</sup>	£2,620.7M
Gross Gearing <sup>4</sup>	8.7%
Net Gearing <sup>5</sup>	4.8%
Net Yield <sup>6</sup>	1.9%
Year End	31 December
Incorporated	21 April 1888
Dividend Paid	Mar, Jun, Sep, Dec
Shares in Issue	335,916,120
Buybacks in October	1,541,000 shares at a cost of £11.3M (0.46% of the issued share capital)
TIDM	ATST
ISIN	GB00B11V7W98
AIC Sector	Global
Next AGM	April 2019

## INVESTMENT PERFORMANCE

### ABSOLUTE PERFORMANCE (TOTAL RETURN IN STERLING)



### CUMULATIVE PERFORMANCE (%)

To 31 October 2018	Month	YTD	1 Year	3 Years	5 Years	Since 01.04.17 <sup>8</sup>
Total shareholder return	-6.3	-1.6	0.4	53.3	81.0	8.8
NAV total return	-6.3	1.0	1.5	48.1	66.5	10.2
Equity portfolio return	-5.8	1.3	2.8	51.2	69.6	11.2
MSCI ACWI total return	-5.6	2.1	3.9	53.7	74.0	9.9

### DISCRETE PERFORMANCE (%)

From To	31-Oct-17 to 31-Oct-18	31-Oct-16 to 31-Oct-17	31-Oct-15 to 31-Oct-16	31-Oct-14 to 31-Oct-15	31-Oct-13 to 31-Oct-14
Total shareholder return	0.4	26.6	20.5	11.7	5.7
NAV total return	1.5	18.6	23.0	7.8	4.3
Equity portfolio return	2.8	16.3	26.4	7.0	4.8
MSCI ACWI total return	3.9	13.9	29.8	4.1	8.8



Alliance Trust has been awarded the AIC's Dividend Hero award and is proud to have over 50 years of consecutive dividend growth.

## CHARGES

Targeted Ongoing Charges Ratio (OCR)	Less than 0.65%
OCR 1 Apr 2017 to 31 Dec 2017 <sup>8</sup>	0.62%
OCR Year to 31 Dec 2017	0.54%

**Please remember, past performance is not a guide to future performance, and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.**

Notes: All data is provided as at 31 October 2018 unless otherwise stated. All figures may be subject to rounding errors. Sources: Investment Performance data is provided by The Bank of New York Mellon Performance & Risk Analytics Europe Limited, Morningstar and MSCI Inc; Key Statistics, Key Facts and Charges data is provided by The Bank of New York Mellon (International) Ltd. In order to report the long-term record of the equity portfolio, the returns of the portfolio prior to its restructure early in April 2017 have been combined with the returns to date of the current portfolio. Equity portfolio return is the return achieved by the eight equity managers and so includes the effect of any of their cash holdings (gross of their fees). Returns are quoted net of withholding taxes (some of which are potentially recovered at a later date) and therefore potentially underestimate the managers' relative performance. NAV total return is based on NAV including income with debt at fair value, after all manager fees (including Willis Towers Watson's fees) and allow for any tax reclaims when they are achieved. The NAV total return shown in the factsheets up to May 2018 was based on NAV excluding income with debt valued at par. **Movements in exchange rates can impact on both the level of income received and capital value of your investment.**

- NAV includes income with debt at fair value.
- As rated by Willis Towers Watson
- Assets valued with debt at par.
- Total borrowings at par divided by net assets.
- Total borrowings at par minus total cash and equivalents, divided by net assets.
- Annual dividend per share divided by share price.
- All Country World Index
- Since Willis Towers Watson assumed responsibility for management of the portfolio.

## TOP 20 HOLDINGS

Name	£m	%
Microsoft	47.8	1.8
Alphabet	47.8	1.8
HDFC Bank	43.9	1.6
UnitedHealth Group	42.7	1.6
HCA Healthcare	36.3	1.3
Oracle	36.0	1.3
Western Union	35.4	1.3
Anthem	33.2	1.2
Philip Morris International	33.2	1.2
Cigna	32.8	1.2
Charter Communications	30.4	1.1
Facebook	29.2	1.1
Baidu - ADR	29.1	1.1
Ryanair	27.2	1.0
Unilever	27.1	1.0
Reckitt Benckiser	26.2	1.0
CVS Caremark	25.9	1.0
TP ICAP	24.8	0.9
Aflac	24.4	0.9
Page Group	24.3	0.9

Top 10 holdings 14.3%

Top 20 holdings 24.3%

The 20 largest stock positions across the eight equity managers, given as a percentage of the total assets managed by those managers (including their cash holdings).

A full breakdown of the Trust's portfolio can be viewed at: [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)

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## SIGN UP

If you wish to sign up to the Alliance Trust factsheet, please visit [www.alliancetrust.co.uk/signup](http://www.alliancetrust.co.uk/signup)

## INVESTMENT COMMENTARY


Over October, the Trust's total shareholder return, NAV total return and equity portfolio returned -6.3%, -6.3% and -5.8% respectively. The benchmark MSCI All Country World Index (ACWI) returned -5.6% over the same period.

Global equity markets were exceptionally volatile during October, with markets erasing much of their gains since the start of the year. Indiscriminate selling presented opportunities for the underlying stock pickers to exploit suppressed valuations of companies with attractive earnings potential. October, therefore, saw a higher than usual level of rotation in the portfolio. A position in Astra Zeneca, the major global drug manufacturer, was initiated in the portfolio as the company entered a strong new product cycle. This is the result of its focus on R&D which accounts for as much as 25% of revenues, and a considerable number of collaborative projects funded by partners. Another large cap name that was added to the portfolio was Procter & Gamble, the multi-national consumer goods company with a number of well-known international household brand subsidiaries. In addition, DKSH Holding, a Swiss domiciled company that provides market expansion services was another notable addition to the portfolio.

New entrants to the top 20 holdings included Philip Morris International and Unilever as a result of additional security purchases, whilst security sales resulted in Amazon and Infosys moving out of the top 20. It is pleasing to see that the Company's equity managers are finding new opportunities in times of market volatility. Our conviction in all of the managers remains high and we have made no changes to target allocations over the course of the last month.

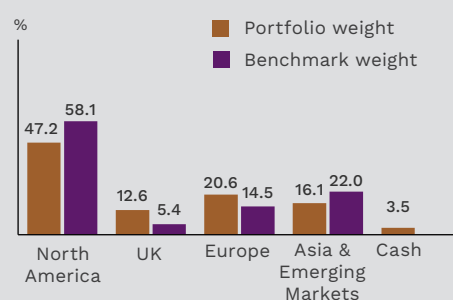
## EQUITY MANAGERS % OF EQUITY PORTFOLIO MANAGED



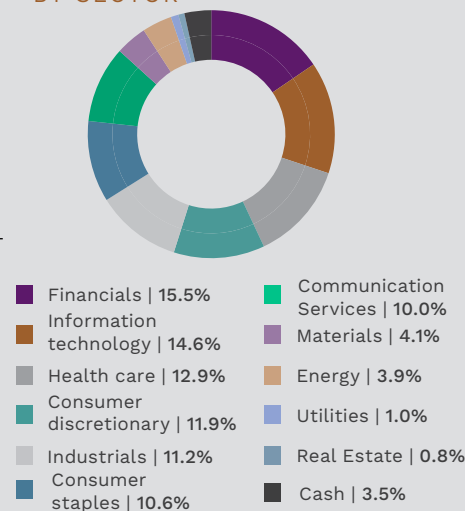
Note: "JUPITER" and  are the trade marks of Jupiter Investment Management Group Ltd and registered in the UK and as Community Trade Marks and elsewhere

## EQUITY PORTFOLIO ALLOCATION

### BY GEOGRAPHY



### BY SECTOR



### TOTAL TRUST ASSETS

Assets	% net assets
Equity portfolio	103.7
Non-core assets <sup>10</sup>	3.4
Operating subsidiary	1.4
Cash <sup>11</sup>	0.2
Gross assets	108.7
Total borrowings at par	-8.7
<b>Total Net assets</b>	<b>100.0</b>

**ACTIVE SHARE** | 80%

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

**Please remember past performance is not a reliable indicator of future performance. The value of your investment, and any income from it, may decrease as well as increase and you may not get back the amount you invest. 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 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.**

### 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. Alliance Trust is not authorised to give financial advice. For security and compliance monitoring purposes, telephone calls may be recorded. All data in this document is as at 31 October 2018 unless otherwise stated.

### Share investment

Alliance Trust invests primarily in equities and aims to generate capital growth and a progressively rising dividend from its portfolio of investments. Alliance Trust currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The shares in the Trust may also be suitable for institutional investors who seek a combination of capital and income return. Private investors should consider consulting an Independent Financial Adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

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Notes: All data is provided as at 31 October 2018 unless otherwise stated. All figures may be subject to rounding errors. Sources: Top 20 Holdings, % of Equity Portfolio Managed and Total Trust Assets data is provided by The Bank of New York Mellon (International) Ltd; Equity Portfolio Allocation and Active Share is provided by The Bank of New York Mellon (International) Ltd and MSCI Inc.

9. Manages both a global equity and an emerging markets equity portfolio.

10. Includes private equity, mineral rights, funds and other non-operating subsidiaries.

11. Cash quoted is centrally held cash and equivalents. The equity portfolio may also hold cash as a result of trading by the underlying managers as shown in the sector table above.