

Appian Euro Liquidity Fact Sheet Fund

JUNE 2016

About Appian Asset Management

Appian is an independent Irish owned asset management company. Since our establishment in 2003 our investment philosophy has been to achieve solid investment growth with the minimum of risk and volatility. Our objective is to preserve and grow capital through value investing on a sustainable, risk adjusted basis. We ignore investment fashions and do not leverage any of our investments.

The Appian Euro Liquidity Fund was set up in response to our clients' demands for a diversified Euro liquidity fund which would be actively and prudently managed with a view to minimising risk on cash deposits.

The Appian Euro Liquidity Fund has the following features:

- The fund may invest in bank deposits with terms of up to 5 years.
- The fund may invest in government and corporate debt securities with maturities of less than 5 years.
- No more than 30% of the fund can be placed on deposit with any single credit institution.
- Detailed due diligence and credit analysis is completed prior to any investment.
- The fund's investments are in Euro.
- The fund assets will be appropriately diversified through fundamental analysis of each investment.

Appian Euro Liquidity Fund Performance 30.06.2016								
Period	2009	2010	2011	2012	2013	2014	2015	2016 YTD
Appian Euro Liquidity Fund	2.84%	2.37%	1.10%	0.26%	-0.09%	-0.13%	-0.04%	-0.08%
Moneymate Sector Average Cash	1.61%	0.75%	0.57%	0.34%	0.61%	0.07%	-0.06%	-0.17%

Investment Team

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Key Features

- Focus on counterparty risk
- A well-diversified portfolio of cash and highly liquid assets
- All investments in Euro
- No entry, exit or performance fees
- No more than 30% with a single institution
- Independent Trustee Custodian and Administrator

Appian Euro Liquidity Review Quarter 2 2016

The Appian Euro Liquidity Fund recorded a return of -.02% in the second quarter of the year. The beginning of the second quarter saw continuing pressure on deposit-type investing as global growth concerns resurfaced and the ECB expanded the size of its debt-buying program in April by a third to 80 billion euros a month. The ECB has pushed its short term interest rates further below zero, and most short maturity highly rated government debt followed suit.

The UK vote at the end of the second quarter of 2016 to “leave” the European Union has sparked fear that there will be negative implications for global economic growth. As a result, we expect further central bank quantitative easing in Europe and the negative interest rate environment to continue for the medium term.

Short term government bond yields are now negative across almost all Eurozone members. Domestically banks continue to lower their deposit rates with little competition for funding.

The primary focus of the Fund is the security of assets and this is reflected in both the duration and credit quality of the Fund’s counterparties.

Fund Facts

LAUNCH DATE

January 2009

NAME

Appian Liquidity Fund

FUND SIZE

€9 million

PRICING FREQUENCY

Weekly

PRICING BASIS

Single Price

ANNUAL MANAGEMENT

CHARGE

0.25% p.a.

FUND CUSTODIAN

**BNP Paribas
Securities Services**

STRUCTURE

**Retail Investor Alternative
Investment Fund**