

# Appian Value Fund Fact Sheet



MARCH 2018

## About Appian Asset Management

**A**ppian 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.

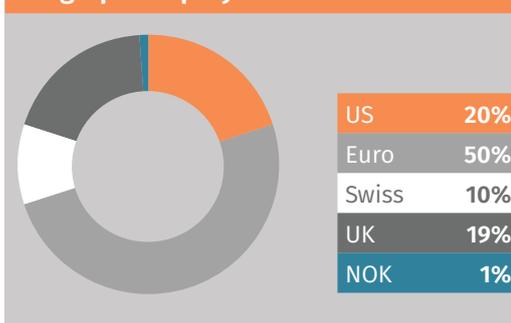
### Performance of Appian Value Fund



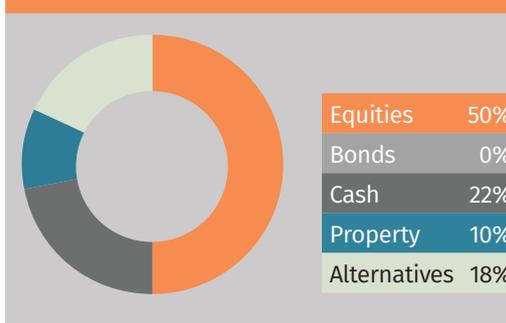
### Appian Value Fund Performance 31.03.18

Period	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD
Fund Return	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	9.72%	5.94%	0.49%	2.39%	-2.89%

### Geographic Equity Distribution



### Asset Allocation



## Investment Team

Patrick J Lawless

Eugene Kiernan

John Mattimoe

Niall Dineen

Pat Kilduff

## Key Features

- Multi-asset Fund
- Dynamic asset allocation
- Active stock selection
- No entry, exit or performance fees
- Low Volatility
- Sustainable Long Term Returns
- Independent Trustee Custodian and Administrator

## Appian Value Fund Review, Quarter 1 2018

The first quarter of 2018 was a challenging one for financial markets. A confluence of political uncertainty, potential trade wars and sector specific issues bore down on equity markets making for a weak start to the year. Against this backdrop, the Appian Value Fund lost 2.89% in value.

The economic backdrop remained very supportive. Global growth continues to be strong and broad based, and while there is some upward pressure on interest rates in the US, Eurozone interest rates are set to remain low, well into 2019. Inflation rates generally remain subdued though we have seen some upward pressure on US wage costs. In fact as US wages data came in ahead of expectations we did see a fall back in bond markets which translated into concern for equity markets. Fragile sentiment was then hit by a number of departures from President Trump's cabinet. This was then followed by the proposal of higher tariffs on steel and aluminium imports, which markets viewed as a significant potential negative. Subsequently we did see some softening of the trade stance. Towards the end of the quarter, technology stocks, especially those with access to personal data, came under pressure as investors weighed up the implications of data security and handling controversies in the UK. Technology is a large sector with the ability to influence market direction.

In our equity portfolios we are underweight technology and do not hold the stocks that have borne the brunt of the downturn (such as Facebook). Our technology holdings include stocks such as Intel which have delivered a positive return in the quarter, up by over 12%. Other stocks which have done well in the period include GlaxoSmithKline, on foot of its increased exposure to consumer healthcare. We did see some weaker performances for our holdings in the financial sector especially in names such as Wells Fargo.

In the quarter we moved out of bonds totally. We had already been quiet defensively positioned within the portfolio, but in anticipation of higher bond yields and the withdrawal of support from global central banks, increasing the risk of capital losses, we saw no merit in maintaining any position.

Property exposure was a positive contributor to fund performance as were our holdings in alternative assets such as forestry and infrastructure.

Our view is that underlying investment fundamentals are sound. We have previously signalled that we would expect somewhat higher volatility in markets than in the recent past, but to counter this, the fund retains a solid cash weight in excess of 20%, and is widely diversified over asset classes and regions.

Top 5 Equity Holdings 31.03.18			
Name	Country	Sector	%
Novartis	Swiss	Pharmaceuticals	2.47%
Nestle	Swiss	Food	2.35%
Wells Fargo & Co	US	Financial Services	2.26%
UBS Group AG	Swiss	Financial Services	2.19%
Royal Dutch Shell Plc	UK	Oil & Gas	2.18%

Appian Asset Management Ltd is regulated by the Central Bank of Ireland. No part of this document is to be reproduced without our written permission. This document has been prepared and issued by Appian Asset Management Ltd on the basis of publicly available information, internally developed data and other sources believed to be reliable. It does not constitute an offer or an invitation to invest, or the provision of investment advice. No party should treat any of the contents herein as advice in relation to any investment. While all reasonable care has been given to the preparation of the information, no warranties or representation express or implied are given or liability accepted by Appian Asset Management Ltd or its affiliates or any directors or employees in relation to the accuracy fairness or completeness of the information contained herein. Any opinion expressed (including estimates and forecasts) may be subject to change without notice. Further information in relation to all risks is provided in the Fund Prospectus and supplements.

## Fund Facts

**LAUNCH DATE**  
**November 2005**

**NAME**  
**Appian Value Fund**

**FUND SIZE**  
**€170 million**

**PRICING FREQUENCY**  
**Monthly**

**PRICING BASIS**  
**Single Price**

**ANNUAL MANAGEMENT CHARGE**  
**1.5% p.a.**

**RISK MEASURE**  
**Target volatility 4%-8% on a rolling basis over the last two years**

**FUND CUSTODIAN**  
**BNP Paribas Securities Services**

**STRUCTURE**  
**Retail Investor Alternative Investment Fund**

**WARNING** The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. These investments may be affected by changes in currency exchange rates. If you invest in this fund you may lose some or all your investment.

Morningstar, All rights reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Morningstar Data is based on performance to March 30, 2018.