

# Appian Value Fund Fact Sheet

SEPTEMBER 2014

## 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.

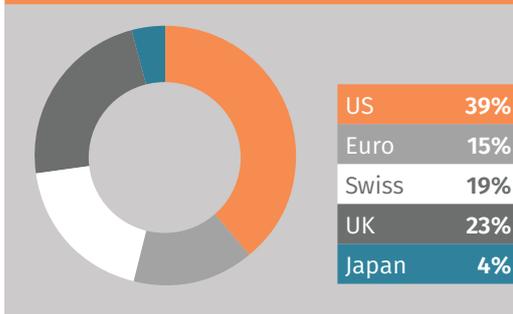
### Performance of Appian Value Fund



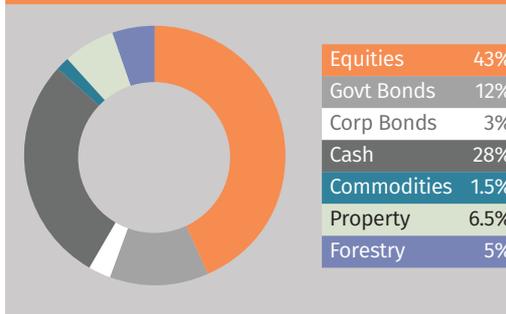
### Appian Value Fund Performance 01.10.2014

Period	2006	2007	2008	2009	2010	2011	2012	2013	2014 YTD
Fund Return	6.28%	-2.82%	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	6.90%

### Geographic Equity Distribution



### Asset Allocation



## Investment Team

Patrick J Lawless

John Mattimoe

Pat Kilduff

Frank O'Brien

Eugene Kiernan

## 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

## Portfolio Comment for Q3 2014

The Appian Value Fund grew 3.15% in Q3 2014 which increased the gain to 6.90% for the 9 month period as global monetary institutions continued to provide stimulus of differing degrees.

The ECB cut the deposit and Refi rate by .10% to new historical lows. They highlighted that it was unlikely that any further interest rate cuts would be enacted and that a private asset buying program will be required in aiding the transfer of credit to peripheral SME's. The ECB reduced its GDP forecast for 2014 as geopolitical risks, elevated unemployment and low inflation concerns came to the fore. Draghi reiterated the need for structural changes in some European economies and the possibility of governments enacting growth friendly fiscal stimulus.

One of the few successful levers for growth in the Eurozone has been the weakening of the Euro versus the USD. With the aim of benefitting from the Euro depreciation we increased our exposure in government bonds with the purchase of two short dated US Treasuries. However, on a fundamental valuation assessment we maintain a minimum weighting in bonds (government and corporate).

The Federal Reserve continued to reduce their quantitative easing programme reiterating that any increase in interest rates will be data dependent. A strong Q2 GDP figure compensated for the weather related weakness in Q1. Inflation remains subdued in the US thereby enabling the Fed to keep interest rates lower for longer. Employment figures remain strong with the exception of the traditionally volatile August Non-Farm payroll reading. Yet the unemployment rate, at 6.1% has not reached the Feds stated full employment range target of 5.2-5.5%.

Yields in Irish commercial property have begun to fall with a notable comment from Kennedy Wilson suggesting that there are more attractive opportunities for them in commercial property on the European mainland. However, the valuation of the assets in our investment in IPUT increased significantly over the quarter highlighting the quality of the properties within its portfolio.

Top 5 Equity Holdings			
Name	Country	Sector	%
Legal & General	UK	Financial Services	2.0%
Nestle	Switzerland	Consumer	2.0%
Microsoft	US	Technology	1.9%
Symantec	US	Technology	1.7%
IBM	US	Technology	1.7%

Appian Asset Management 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 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 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.

## Fund Facts

### LAUNCH DATE

**October 2012**

### NAME

**Appian Value Fund**

### FUND SIZE

**€123 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.