

# Appian Value Fund Fact Sheet

SEPTEMBER 2016

## 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.

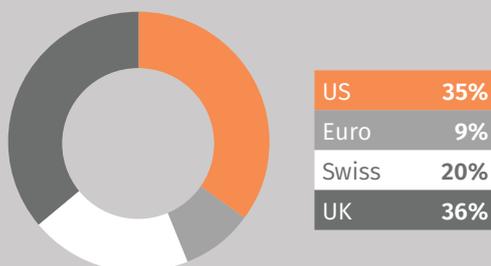
### Performance of Appian Value Fund



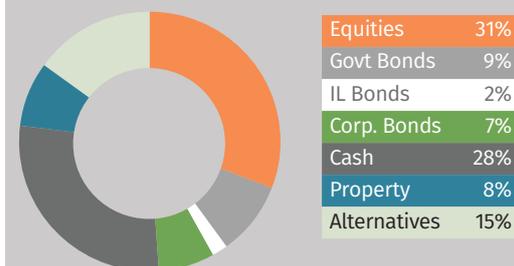
### Appian Value Fund Performance 30.09.2016

Period	2008	2009	2010	2011	2012	2013	2014	2015	2016 YTD
Fund Return	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	9.72%	5.94%	-1.59%

### Geographic Equity Distribution



### Asset Allocation



## Investment Team

Patrick J Lawless

John Mattimoe

Frank O'Brien

Eugene Kiernan

Niall Dineen

Lisa Neary

## 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 3 2016

Financial markets were generally be-calmed in the third quarter of 2016. Unlike the beginning of the year which was impacted by fears over China and Energy, and the second quarter where Brexit dominated, there was little by ways of news or events to unnerve investors, other than the continuing fall in the value of Stg which impacted negatively on the value of the circa 15% of Stg assets held in the Fund. Bond markets were broadly unchanged as extremely low yields saw little movement, and equity markets generally saw a gentle rise. Against this backdrop, the Appian Value Fund advanced by 0.66% in the quarter, which reduced the nine months fall in the Fund to 1.59%.

Global economic activity remains sub-par. Investors remain focussed on Central Banks and what their next policy moves may be. In the Eurozone, Mario Draghi disappointed somewhat by not announcing any expansion of the QE programme in September, but kept the door firmly open for further moves later in the year. In the US, the central bank looks set to move interest rates up in December but as always their decision will be very dependent on the economic data between now and then. In the UK the impact from Brexit has really yet to be seen as data such as retail sales have held up well. The key will be how corporate investment plans are impacted in the new economic regime.

In the equity component of the Value fund, we benefitted from strong performance from our holding in Varian Medical Systems, the US based manufacturer of medical devices and software. This has been a long-term holding for Appian and the company announced that it would be ahead of market expectations for both sales and profits in the current year. The company is being especially successful in both oncology and imaging. The stock was up by 21% in the period. A more positive tone in commodity markets supported our quality holding in this sector such as Rio Tinto which added 12% in the quarter. One of our stocks which lagged slightly in the quarter was Oracle which declined 4%. We believe its strategy of migrating much of its business to cloud-based processes will ultimately be a positive.

While our bond holdings were broadly flat in the quarter, we have added some inflation protection in the US which we believe will be a positive contributor to the fund.

We saw further gains of 2.4% in our property exposure in the third quarter. Forestry and infrastructure were also positive.

The Appian Value fund is well diversified over both traditional assets such as equities and bonds as well as alternative assets like Infrastructure and forestry. We believe this spread of assets coupled with current solid levels of cash make it well positioned for any market volatility.

### Top 5 Equity Holdings 30.09.2016

Name	Country	Sector	%
Nestle	Swiss	Food	2.12%
Royal Dutch Shell	UK	Oil & Gas	1.94%
Microsoft	US	Technology	1.81%
BP PLC	UK	Oil & Gas	1.51%
Wells Frago	US	Financial Services	1.63%

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## Fund Facts

### LAUNCH DATE

**November 2005**

### NAME

**Appian Value Fund**

### FUND SIZE

**€175 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.