

Appian Value Fund

Fact Sheet



SEPTEMBER 2017

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.

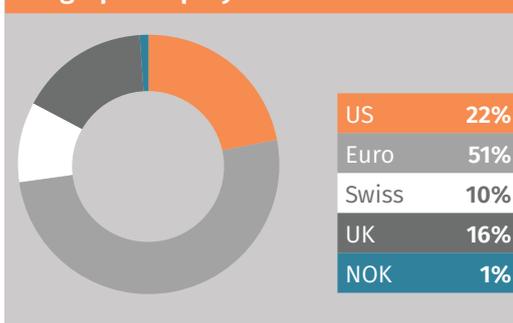
Performance of Appian Value Fund



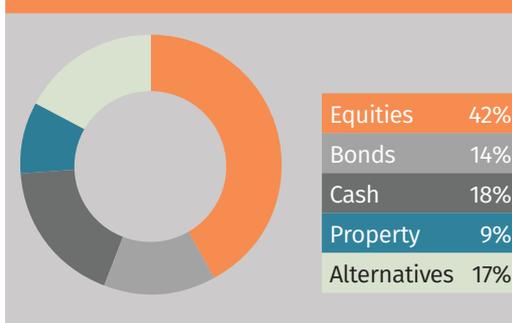
Appian Value Fund Performance 30.09.17

Period	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 YTD
Fund Return	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	9.72%	5.94%	0.49%	1.92%

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 3 2017

There was little clear trend in financial markets in this third quarter and the Appian Value Fund delivered a return of 0.61%, resulting in a return for the first nine months of the year of 1.92%. The economic growth background has been broadly supportive. Interest rates remain low and will continue to do so certainly in Eurozone and likely increases in the US will be modest and measured. To date financial markets have not reacted to the increase we have seen in geo-political risk such as North Korea.

Currencies played a significant role in investor returns in the period. Sterling weakened significantly but subsequently recovered while the US dollar was weak relative to the Euro. Global equities, measured in US dollar terms, were ahead by 4.96% in Q3, but when translated into Euros only gained 1.5%.

Our equity holdings delivered returns in line with global benchmarks. Two of our recently added names performed well. Yara International, the world's leading producer of nitrates and a significant producer of ammonia and phosphates, advanced by 14% in the three months. The stock benefitted from a recovery in prices for a range of key crop nutrients and upgrades from broker analysts. Another strong performer was RPC Group, a UK based global leader in design and engineering for plastic products. The company announced revenue growth well ahead of expectations driven by organic growth, acquisitions and prices and fully expects to grow faster than the underlying economy through the cycle. One of our core holdings which disappointed in the quarter was Oracle, down by just over 3%, but we remain confident in its evolving business model emphasising the use of cloud technology.

Bonds were marginally positive in the quarter as inflation remains the missing ingredient in this economic expansion. However we still see little fundamental value in the asset class and as Central Bank policy becomes less supportive, yields should drift up.

Elsewhere in the Fund we saw good returns from our holdings in both property and forestry. The Irish Property Unit Trust was ahead by 3.83% in the quarter and 8.68% in the year to date. The Appian Burlington Property Fund also had a strong performance and is up 8.83% for the first 9 months of the year. We achieve our forestry exposure through IFUT and this continues to deliver solid, uncorrelated, performance, up 1.28% in the quarter making for a 3.95% return for the year to date.

The Fund remains extremely well diversified over quality assets and, with reasonable cash holdings, well equipped to cope with any financial market turbulence.

Top 5 Equity Holdings 30.09.17			
Name	Country	Sector	%
Novartis	Swiss	Pharmaceuticals	2.52%
Nestle	Swiss	Food	2.39%
Microsoft	US	Technology	2.16%
Unilever	Eurozone	Consumer	2.13%
UBS Group AG	Swiss	Financial Services	2.01%

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Fund Facts

LAUNCH DATE

November 2005

NAME

Appian Value Fund

FUND SIZE

€180 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.

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