

Appian Value Fund Fact Sheet

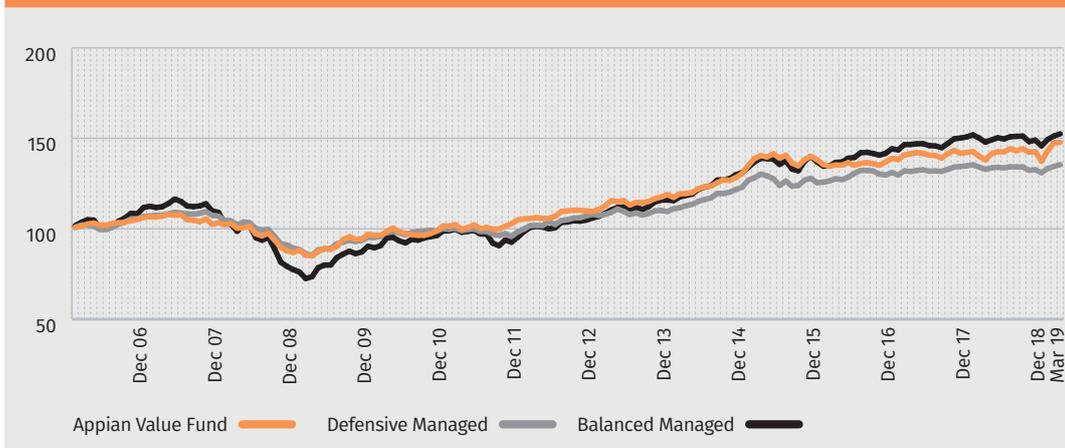


MARCH 2019

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.

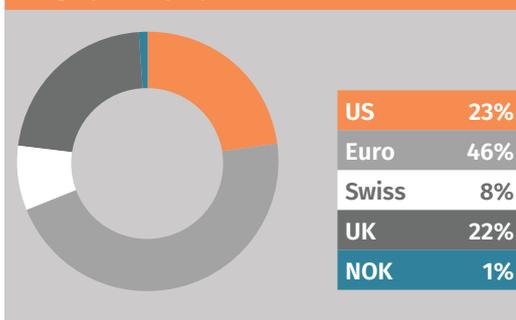
Performance of Appian Value Fund



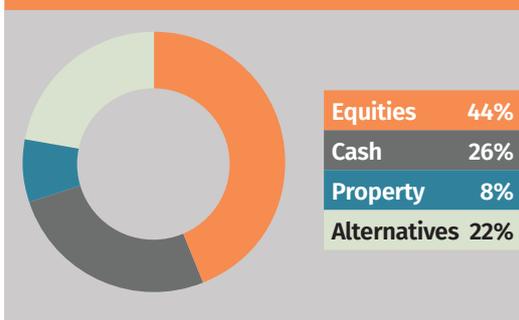
Appian Value Fund Performance 31.03.19

Period	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD
Fund Return	-15.80%	11.40%	4.87%	3.30%	4.44%	8.49%	9.72%	5.94%	0.49%	2.39%	-3.42%	7.56%

Geographic Equity Distribution



Asset Allocation



Investment Team

Niall Dineen

John Mattimoe

Pat Kilduff

Derek Heffernan

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 2019

The Appian Value Fund appreciated 7.6% during the first quarter as global asset markets rallied.

The first quarter of 2019 has seen financial markets breathe a huge sigh of relief as the pessimism that engulfed the last quarter of 2018 has given way to optimism. The catalyst for this positivity has been a change of course by Central Bankers globally from a tightening bias to an easing bias. This change of direction has been greeted positively by the markets. In addition, it has resulted in this being the best start to a year in two decades for equity markets.

Despite the easing stance adopted by Central Banks, we retain a zero percent weighting in Bonds, as we remain worried about inflation. Wages continue to increase across the globe – the latest Average Hourly Earnings figure from the United States was up +3.4% y/y. We believe that there is a risk that continued wage pressure will eventually cause long term yields to rise. There is \$10 trillion of negative yielding bonds in the world today, which we struggle to understand, as inflation is real even if it is lower than Central Banks would like. Central Banks seem intent on stimulating the economy until they get inflation higher. Are investors really prepared to lock in negative real returns?

The major asset allocation decision taken during the quarter was to increase the equity weighting in the fund from 43% to 50% in the first week of January. This decision was based on a belief that our equities offered significant value post the sell-off at the later end of 2018. We have not been surprised by the change in Central Bank policy but we have been surprised by the speed of the equity market rally.

Post the rally in equity markets, we have become more cautious towards equities as the rise in valuations means that markets do not have the same cushion to withstand fears that may emerge as the year progresses. Fears that could exert themselves through the remainder of the year include a resumption of Central Bank tightening or a geopolitical shock. In recognition of these risks, we have sold down our equity weighting in the Fund from 52% to 45%. When we consider the risks, this appears prudent but we are torn because we recognise the long-term value that exists within our equities.

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

€174 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

Citibank Europe Plc

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 damages or losses arising from any use of this information. Morningstar Data is based on performance to March 31st 2019.