

Appian Value Fund Fact Sheet

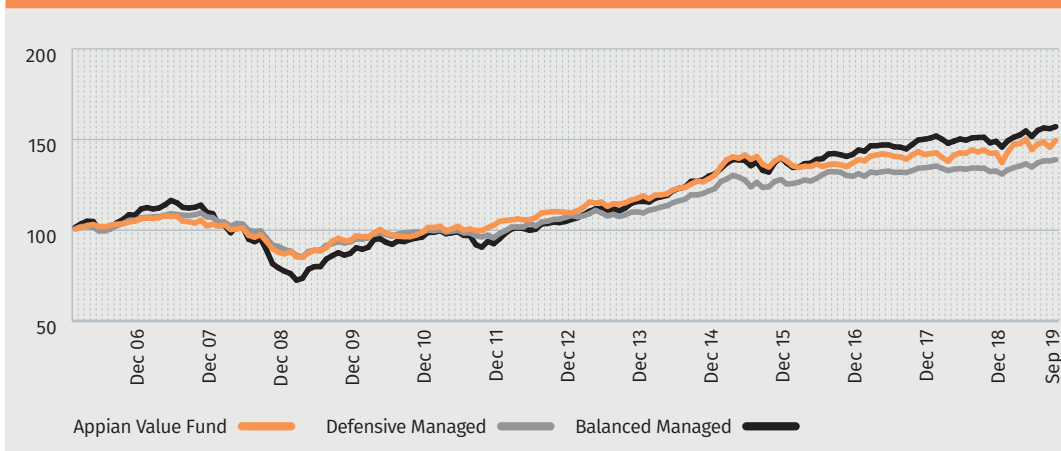


SEPTEMBER 2019

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.

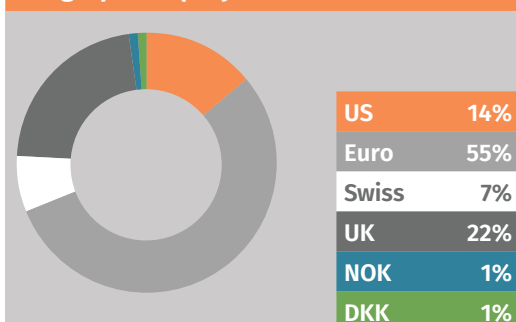
Performance of Appian Value Fund



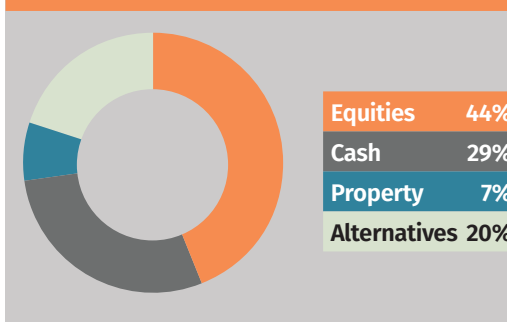
Appian Value Fund Performance 30.09.19

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%	8.90%

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 3 2019

The Appian Value Fund gained 1.36% in Q3 2019 bringing the year to date return to 8.9%.

The third quarter of 2019 proved one of most interesting quarters for multi-asset investors. High levels of economic and political uncertainty resulted in a stampede by investors out of equities into bonds, \$1.1 trillion has moved from equities into bonds over the last twelve months. This is at a point in time where bonds have never been more expensive, with \$17 trillion of fixed income paper generating negative yields. The move in the bond market also had implications for other asset classes. Within quoted equities, the premium for growth over value surpassed the levels seen in 1999 and within private equity, valuations are surpassing those seen in the quoted market, turning what has traditionally been a liquidity premium into a liquidity discount.

When we look back in years to come August may prove to be the crescendo of the valuation bubbles that have developed in markets over the last decade as September provided the first glimpse of a rotation in markets as bonds fell in value and value orientated equities started to outperform their growth counterparts.

During the quarter our equities performed well, driven by the rotation back into value that occurred during September. We remain active equity managers and have recently sold out of two stocks which have performed very well, DR Horton which rallied 28% over the quarter and TUI which rose 24%. We continue to find attractive opportunities and have recently increased our healthcare weighting through the addition of Roche. In an era where many players in big Pharma are once again trying to grow via acquisitions, Roche is generating growth from its own R+D. We believe the success of Roche to organically grow its business will allow it to increase its already attractive 3.4% dividend yield over time.

The quarter also saw a strong performance from other asset classes. Gold rose 9% as it exhibited strong defensive characteristics as the recession fears built in markets. Our renewable infrastructure assets also had a strong quarter, producing an average return of 4% during the quarter.

Our asset allocation remains broadly unchanged as we continue with a zero percent exposure to fixed income, our equities remain value orientated, our alternative assets continue to have valuation support and our cash weighting remains high to allow us take advantage of the opportunities that may arise of parts if financial markets correct. We believe this is an asset allocation that can continue to generate returns whilst avoiding the riskier parts of the market.

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Fund Facts

LAUNCH DATE

November 2005

NAME

Appian Value Fund

FUND SIZE

€179 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 If you invest in any of the Appian Funds you may lose some or all of the money you invest. Past performance is not a reliable guide to future performance. Appian Funds may be affected by changes in currency exchange rates. The value of your investment may go down as well as up.

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