Factsheet

Global investment solution rich in family history

The Brunner Investment Trust PLC

31 October 2017

Aim

The Trust aims to provide growth in capital value and dividends over the long term by investing in global and UK securities. The benchmark against which performance is measured is 70% FTSE World ex-UK Index and 30% FTSE All-Share Index.

History

The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private and institutional investors.

Trust Benefits

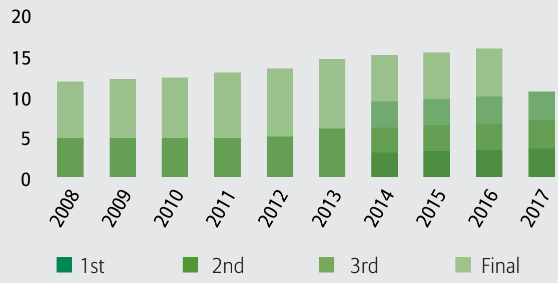
Brunner aims to provide its shareholders with growing dividends and capital growth by investing in a portfolio of global equities. It is an independent company listed on the London Stock Exchange and, although past performance is no guide to the future, has paid increasingly higher dividends to its shareholders year on year for the last 45 years. The Trust invests in companies all over the world, seeking out opportunities for growth and reliable dividends wherever they may be.

Ten Year Dividend History

aic DIVIDEND HERO

Net Dividend Record in Pence per Share

to year end 30 November



Last Four Net Dividend Payments per Share

Record Date	Pay Date	Dividend	Type
03.11.2017	14.12.2017	3.50p	3rd Quarterly
18.08.2017	20.09.2017	3.50p	2nd Quarterly
09.06.2017	30.06.2017	3.50p	1st Quarterly
24.02.2017	24.03.2017	5.90p	Final

Past performance is not a reliable indicator of future results.

Morningstar Rating™

Bronze

A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

Total Assets £422.0m **Shares in Issue** 42,692,727 (Ordinary 25p) **Market Cap** £324.9m

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
761.0p	841.1p	-9.5%	2.2%	7.5%
Source: Lipper				

Share Price is the price of a single ordinary share, as determined by the stock market. The share price above is the mid-market price at market close.

Net Asset Value (NAV) per Share is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities.

The NAV figure above is based on the fair/market value cum income of the company's long term debt and preference shares (known as debt at fair value). This allows for the valuation of long-term debt and preference shares at fair value or current market price, rather than at final repayment value (known as debt at par).

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a premium or discount.

Dividend Yield is calculated using the latest full year dividend divided by the current share price.

Gearing is a measure of a company's financial leverage and shows the extent to which its operations are funded by lenders versus shareholders.

Allianz Global Investors

All data source Allianz Global Investors as at 31.10.17 unless otherwise stated.

Allianz Global Investors GmbH, UK Branch, 199 Bishopsgate, London EC2M 3TY

Fund Manager's Review

Market Review

Global equities rose steadily over October as the world's economic picture continued to improve. The Information Technology and Materials sectors led the advance, while Telecommunications and Healthcare companies retreated.

In the US, third quarter earnings pushed major equity indices on to new highs. Markets also took heart from the Senate's passing of a budget resolution widely seen as paving the way for President Trump's USD 1.5 trillion tax-cuts. Alongside this strong economic data, the market now expects one more rate hike from the Federal Reserve in December.

Euro-zone equities rose modestly. Third quarter GDP figures showed an annual growth rate of 2.5 per cent and unemployment below nine per cent for the first time since 2009, offsetting concerns over Spain's conflict with Catalonia. While Spain has been the region's weakest market, fears of a wider European Balkanisation have not spread.

UK equities also appreciated, but lagged those in the euro-zone. Despite the lacklustre pace of Brexit negotiations, third quarter GDP figures indicated modest growth, and markets reacted little to the Bank of England's 25 basis point interest rates hike.

In Asia, Japanese equities generated some of the strongest returns, boosted by Shinzo Abe's re-election as Prime Minister. Chinese equities also ratcheted higher, hitting a two-year high.

Overall, commodity prices rallied, helped by optimism over the health of the global economy.

> "From a style perspective, the Trust has benefited from maintaining its focus on companies with higher than average earnings and sales growth.

Portfolio Review

The Trust's NAV returned 2.9% against a benchmark return of 2.7%. This outperformance has primarily been driven by stock selection in the Industrials and Oil & Gas sectors, with stock selection in Consumer Services the only significant drag on performance. From a style perspective, the Trust has benefited from maintaining its focus on companies with higher than average earnings and sales growth. The Trust also holds companies with significantly lower debt to equity ratios than the benchmark, which should prove beneficial in a rising rate cycle.

Microsoft has been the portfolio's top contributor. The technology company released its Q1 2018 results towards the end of the month, beating both revenue and earnings expectations. Microsoft is showing particularly impressive growth in cloud computing, achieving its target subscription rate of $20 billion three quarters ahead of its June 2018 target, and emerging as a real challenger to Amazon Web Services.

Taiwan Semiconductor Manufacturing Company (TSMC) has also outperformed. The company reported third quarter results in-line with expectations, posting annual revenue growth of 8.2% and net margins of 35.9%. While the company's founder and Chairman, Morris Chang, also announced he will retire next year, the company remains a formidable execution machine and we expect it to continue widening market share against peers.

Celgene was the portfolio's weakest performer. First, Celgene announced it would be halting the development of its Crohn's disease drug GED-0301. The company then disappointed in its third quarter results due to poor performance of its Psoriasis drug Otezla, missing revenues and lowering its 2020 outlook. Our investment case is based on the continuing strength of its leading Multiple Myeloma drug, Revlimid, and positive expectations for the multiple sclerosis drug, Ozanimod. These drivers remain in place and the stock looks oversold.

Lucy Macdonald, Portfolio Manager
The Brunner Investment Trust is managed by Lucy Macdonald. Lucy is the Chief Investment Officer of Global Equities and a member of the European Management Committee. The Global Equity team is responsible for international mandates from clients around the world.

Walgreens Boots Alliance, the pharmacy chain, has also underperformed. Rumours Amazon may enter the pharmacy space have created an overhang across the sector. In addition, Walgreens closed a deal with Rite Aid in September which will bring its store numbers up to around 10,000. Despite Walgreens guiding for $300m synergies within four years, current valuations suggest significant scepticism. However, the company has just reported better than expected Q4 results, with strong revenues and robust free cash flow.

Market Outlook

The world economy is still expanding at a healthy, if lower, rate. And while valuations are rich, they are for the most part sustained by strong company earnings.

The most significant risk to asset price levels is the removal of liquidity, as the US Federal Reserve begins to reduce its balance sheet while gradually raising rates. The European Central Bank (ECB) is set to be more cautious, halving its monthly asset purchases but extending them until at least September 2018. We expect to see both equity and bond market volatility pick up as a result.

For now, President Trump's inability to amend trade relations in any serious way should allow the US economy to continue growing. However, if his tax reforms pass in their current state, the US could receive a short-term boost at the cost of a longer-term deficit upwards of 2.5 trillion USD.

The euro-zone upswing continues to gain pace and breadth, and European stocks are still reasonably valued in an international comparison. By contrast, the UK will continue to face the dual headwinds of Brexit-related uncertainty and rising inflation.

The improving cyclical situation in China and emerging markets should also continue to improve.

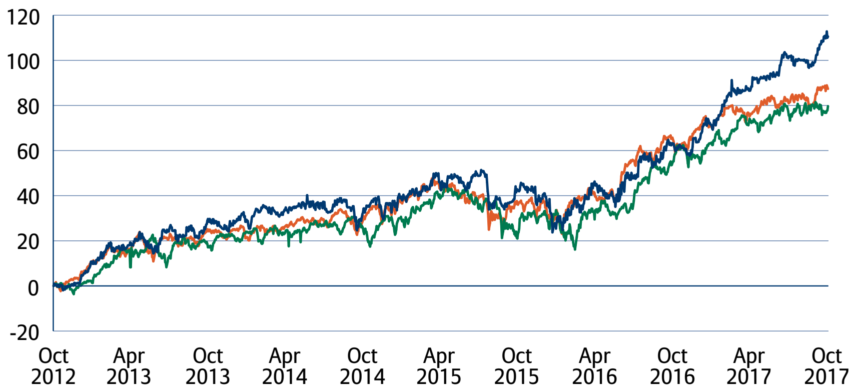
To reflect recovering oil prices and reasonable valuations, we have added to the portfolio's Energy related exposure. We continue to take profits out of high momentum positions and are looking for opportunities to invest in companies that benefit from rising rates.

Lucy Macdonald
7 November 2017

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

Performance Track Record

Five Year Performance (%)



Share Price NAV (with debt at par)

Benchmark: Effective 22 March 2017 the benchmark weightings changed to 70% FTSE World ex-UK Index; 30% FTSE All-Share Index

Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

The Trust seeks to enhance returns for its shareholders through gearing which can boost the Trust's returns when investments perform well, though losses can be magnified when investments lose value. You should be aware that this Trust may be subject to sudden and large falls in value and you could suffer substantial capital loss.

Changes in rates of exchange may cause the value of investments and the income from them to go up an down.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	4.4	12.8	29.4	56.9	110.7
NAV	5.2	10.2	18.9	51.8	102.7
Benchmark	3.5	7.0	13.8	43.6	87.9

Discrete 12 Month Returns (%) to 31 October

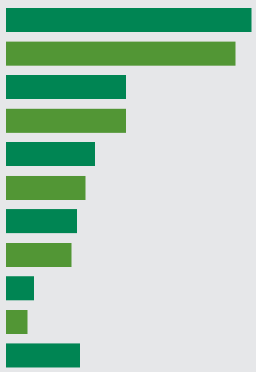
	2013	2014	2015	2016	2017
Share Price	28.5	4.6	6.0	14.4	29.4
NAV	28.4	4.0	4.2	22.6	18.9
Benchmark	24.3	5.3	4.0	21.3	13.8

Past performance is not a reliable indicator of future returns. You should not make any assumptions on the future on the basis of performance information. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount originally invested. This investment trust charges 70% of its annual management fee to the capital account and 30% to revenue. This could lead to a higher level of income but capital growth will be constrained as a result.

Portfolio Breakdown

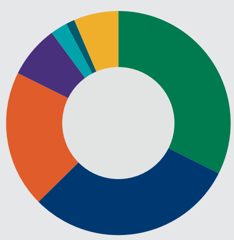
Sector Breakdown (%)

Financials	21.6
Industrials	20.2
Technology	10.5
Health Care	10.5
Consumer Services	7.8
Consumer Goods	6.9
Oil & Gas	6.2
Basic Materials	5.7
Utilities	2.4
Telecommunications	1.8
Cash*	6.4



Geographic Breakdown (%)

North America	32.4
UK	30.2
Europe ex UK	19.8
Pacific ex Japan	7.5
Japan	2.4
Latin America	1.3
*Cash	6.4



Top Twenty Holdings (%)

Royal Dutch Shell 'B' Shares	2.8
Microsoft	2.7
United Health	2.6
Abbvie	2.4
BP	2.1
Muenchener Rueckver	2.0
Estee Lauder	1.9
Visa	1.8
HSBC	1.7
Microchip Technologies	1.7
Iberdrola	1.7
Taiwan Semiconductor	1.6
Accenture	1.6
United Internet	1.6
Apple	1.6
Unilever	1.5
Roche Holdings	1.5
Agilent Technologies	1.5
Priceline Group	1.5
Covestro	1.5

Total number of holdings 79

The data shown is not constant over time and the allocation may change in the future.
This is no recommendation or solicitation to buy or sell any particular security.
*Cash includes funds set aside for repayment of debentures. The percentage of un-invested cash in the portfolio is 1.78%.

Key Information

Launch Date	December 1927
AIC Sector	Global
Benchmark	70% FTSE World ex-UK Index; 30% FTSE All-Share Index
Annual Management Charge	0.45%
Performance Fee	No
Ongoing Charges[1]	0.79%
Year End	30 November
Annual Financial Report	Final posted in February, Half-yearly posted in July
AGM	March
NAV Frequency	Daily
Dividends	March, June, September, December
Price Information	Financial Times, The Daily Telegraph, www.brunner.co.uk
Company Secretary	Kirsten Salt
Investment Manager	Lucy Macdonald
Codes	RIC: BUT.L SEDOL: 0149000

1. Source: AIC, as at the Trust's Financial Year End (30.11.2016). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses incurred in the running of the company but excluding financing costs.

Board of Directors

Peter Maynard, Ian Barlow (Chairman of the Audit Committee), Carolan Dobson (Chairman), Jim Sharp, Vivian Bazalgette (Senior Independent Director)

How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.brunner.co.uk

E-mail: investment-trusts@allianzgi.com

You will find much more information about The Brunner Investment Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.

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