

The Brunner Investment Trust PLC

Factsheet

30 April 2013

Fund Managers' Review



Lucy Macdonald & Jeremy Thomas

Market Review

Global equity markets ended April at five-year highs as risk assets continued to be supported by accommodative monetary policies and low interest rates.

Early in the month the Bank of Japan announced a major change in policy in an attempt to reverse the deflationary morass the economy has been mired in for over a decade. The shift includes aggressive buying of Japanese bonds and a doubling of the monetary base by the end of 2014. Markets reacted positively, with strong buying of Japanese equities and further Yen weakening.

Economic reports out of the U.S., China and Europe were mainly weaker. U.S. March employment figures were below expectations and economic growth in the first quarter was weaker than expected in both the US and China. In Europe, there were signs that economic weakness in the periphery was spreading to Germany with both business sentiment and manufacturing orders falling. Markets did react positively toward the end of the month as Italy's new government was sworn in, ending two months of political deadlock.

Portfolio Review

The Trust's NAV declined 0.25% while the benchmark rose 0.57%. Stock selection was positive in Industrials and Technology but detracted in Consumer Goods and Services. From a country perspective Canada contributed while Japan was negative.

Although Japan stock selection detracted, the top performing holding was real estate company Mitsui Fudosan. The attempts by the government and Bank of Japan to reflate the economy, if successful, have positive implications for property prices. The shares have re-rated but further upside is possible given that the effective yield the company is generating from its properties continues to be significantly higher than government bond yields.

GlaxoSmithKline also contributed. First quarter results were slightly ahead of expectations, and sales for key asthma product Advair, rose 4%. AZ Electronic Materials was the top detractor. Q1 sales fell 2% due to both company specific issues and ongoing weakness in the integrated circuits industry, which AZ is a supplier to. We have concluded that while we believe this is a reasonably high quality company with decent growth prospects, industry visibility is poor and therefore it is difficult to foresee a higher rating for the shares. We have sold the holding.

Outlook

We believe the prospects for global equities remain broadly positive. The US Federal Reserve is unlikely to end monetary support any time soon and the US economy is expected to grow 1.5-2% this year with moderate upside risk. First quarter company results have been mixed with revenue growth slowing but earnings slightly ahead of expectations. In Europe, political uncertainties remain high due to the political situation in Italy and poor handling of the Cyprus crisis. However, market consequences have been surprisingly moderate so far, especially in bond markets. Bank of Japan policy will continue to weigh on the Yen and, consequently, we feel is likely to be supportive for Japanese growth and equities in near term. Medium-term, though, the effect on the economy is less clear, as higher import prices could dampen domestic demand. China is transitioning to a more consumption-based economy which has implications for commodity prices but ultimately will be helpful in addressing global demand imbalances.

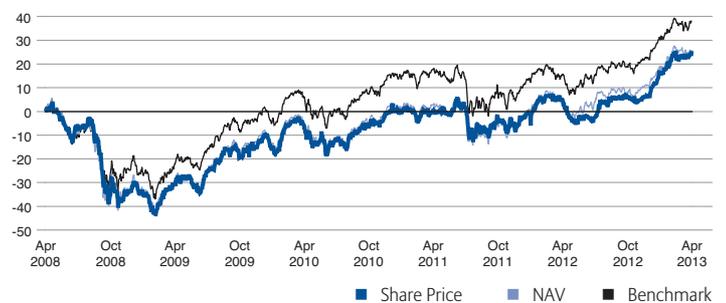
Given the political uncertainty in Europe and recent moderation in global economic data, equities could see some profit-taking. We would view any market weakness as an opportunity to add to high conviction portfolio holdings.

All data source Allianz Global Investors as at 30.04.13 unless otherwise stated.

Allianz Global Investors, 155 Bishopsgate, London EC2M 3AD

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 (%)



Cumulative Performance (%)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Price	8.6	19.2	19.5	34.4	25.5
NAV	6.7	16.8	19.9	32.1	25.5
Benchmark	6.0	16.4	19.9	30.5	37.9

Discrete Performance (%)

From To	30.04.08 30.04.09	30.04.09 30.04.10	30.04.10 29.04.11	29.04.11 30.04.12	30.04.12 30.04.13
Share Price	-30.5	34.3	7.2	4.9	19.5
NAV	-30.1	35.8	8.1	2.0	19.9
Benchmark	-22.1	35.8	11.4	-2.3	19.9

Source: Lipper, percentage growth, mid to mid, total return to 30.04.13.

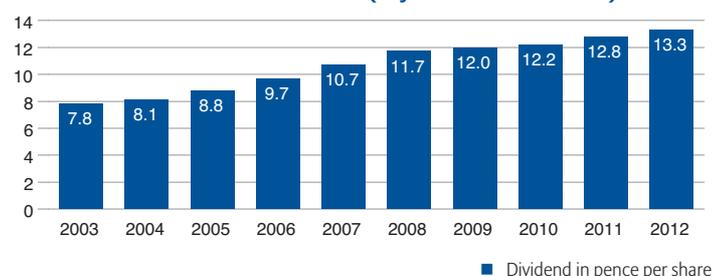
Benchmark: 50% FTSE All-Share Index; 50% FTSE All-World ex UK Index.

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.

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Dividend History

Ten Year Net Dividend Record in Pence (to year end 30 November)



Past performance is not a reliable indicator of future results.

Allianz 
Global Investors

Capital Structure

Total Assets:	£307.5m
Gearing (net):	4.9%
Shares in Issue:	43,196,918 (Ordinary 25p)
Share Price ¹ :	485.5p
Net Asset Value ² :	586.5p (562.2p – debt at market value)
Premium/-Discount to NAV ³ :	-17.2% (-13.6% – debt at market value)
NAV Frequency	Daily
Dividend Yield ³ :	2.74%

1. Source: Lipper as at 30.04.13, market close mid price.

2. Source: Datastream as at 30.04.13. Calculated using the latest full year dividend divided by the current share price.

3. A trust's Net Asset Value (NAV) 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. In line with current industry best practice NAVs are now shown that take into account the 'fair value' of debt. This means NAVs are calculated after allowing for the valuation of debt at fair value or current market price, rather than at final repayment value. NAVs with debt at market value provide a more realistic impact of the cost of debt, and thus a more realistic discount. It is the capital NAV that is shown, which excludes any income.

Key Information

Launch Date:	January 1927
AIC Sector:	Global Growth
Benchmark:	50% FTSE All-Share Index 50% FTSE All-World ex UK Index
Annual Management Charge:	0.45%
Performance Fee:	No
On-going Charges ⁴ :	0.78%
Year end:	30 November
Annual Financial Report:	Final posted in February, Half-yearly posted in July
AGM:	March
Dividends:	March, August
Price Information:	Financial Times, The Daily Telegraph, www.brunner.co.uk
Board of Directors:	Keith Percy (Chairman), Ian Barlow (Chairman of the Audit Committee), Sir William Worsley (Senior Independent Director), Vivian Bazalgette, Peter Maynard
Company Secretary	Kirsten Salt
Investment Manager	Lucy Macdonald, Jeremy Thomas,
Codes:	RIC: BUT SEDOL: 0149000

4. Source: AIC, as at the Trust's Financial Year End (30.11.2012). On-going Charges (previously Total Expense Ratios) are published annually to show operational expenses incurred in the running of the company but excluding financing costs.

Risks & 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, which means that the shares may trade below (at a discount to) or above (at a premium to) the underlying net asset value.

The Trust seeks to enhance returns for its shareholders through gearing in the form of long-term debentures. Gearing 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.

All data source Allianz Global Investors as at 30.04.13 unless otherwise stated.

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Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested. The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been, or will be, made or concluded, shall prevail.

Sector Breakdown (%)

Financials	17.7
Cash	12.7
Industrials	12.5
Health Care	11.9
Oil & Gas	10.3
Consumer Services	10.2
Consumer Goods	7.7
Technology	5.6
Basic Materials	4.9
Telecommunications	4.9
Utilities	1.6

Geographic Breakdown (%)

UK	41.9
North America	21.5
Cash	12.8
Europe ex UK	9.7
Pacific ex Japan	9.0
Japan	3.4
Latin America	1.7

Top Ten Holdings (%)

Royal Dutch Shell "B" Shares	3.4	Reed Elsevier	1.9
GlaxoSmithKline	3.2	Unilever	1.4
HSBC	3.2	Rio Tinto	1.4
BP	2.9	Centrica	1.3
Vodafone	2.6	Pfizer	1.3
Total Number of Holdings	106		

Largest holdings shown excluding Government debt which is held for structural and not investment reasons

Net Dividends (Financial Year to Date)

	Pay Date	Record Date	Payment
interim dividend	31.08.12	03.08.12	5.0p
final dividend	22.03.13	22.02.13	8.3p

How to Invest

The Trust is a UK public limited company traded openly on the stock market. You can purchase shares through a stock broker. Shares in the Trust can be held within an ISA and/or savings scheme and a number of providers offer this facility. A list of suppliers is available on our website.

Contact Us

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

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e-mail: investment-trusts@allianzgi.com

website: www.brunner.co.uk