

The Brunner Investment Trust PLC

Factsheet

31 March 2013

Fund Managers' Review



Lucy Macdonald & Jeremy Thomas

Market Review

Markets, supported by positive US economic data, continued to move higher despite financial turmoil in Cyprus, political gridlock in Italy and the lack of an agreement over fiscal policy in the US. The S&P 500 closed at an all-time high and other major stock market indices were also stronger. The FTSE All-Share Index rose 1.4% and the FTSE World ex UK gained 2.1%.

Cyprus agreed to a €10bn rescue package with international lenders. Large depositors in the country's two largest banks will be subject to significant losses and capital controls were introduced.

In Italy attempts to form a minority government in the aftermath of February's inconclusive election failed to make any progress. Speculation that another technocrat would be appointed Prime Minister gathered steam. Italian borrowing costs rose in response.

Despite the heightened uncertainty in Europe, risk assets continued to move higher, led by US equities. Markets reacted positively to better-than-expected manufacturing, employment, housing and consumer spending data.

Portfolio Review

The Trust's NAV increased 2.03%, outperforming the benchmark (up 1.74%). Stock selection was positive in Consumer Goods, Financials and Health Care and detracted in Oil & Gas, Technology and Telecommunications. The Health Care and Industrials overweights also contributed while the underweight in Consumer Goods was negative.

Reed Elsevier was the top performer. The company is part way through a business reorganisation that should lead to an improvement in operating margins and improve earnings quality.

Walgreen shares were also a strong contributor. Same-store-sales have turned positive and the shares have begun to re-rate on the steady turnaround and continue to have meaningful upside potential.

Business information service provider UBM was a top detractor. Among the company's activities is a global exhibition business. Almost 25% of this division's earnings come from China and the shares have been impacted by the recent renewed outbreak of avian flu. The company is growing earnings in the high single digits but we are monitoring the situation in China closely as it has the potential to adversely impact the business if the outbreak worsens.

Outlook

We remain broadly constructive on global equities, although aware that Eurozone political risk is elevated and that high structural debt burdens in much of the developed world will continue to weigh on economic growth rates. Positive US economic data, particularly employment, housing and consumer spending, point to a sustainable, albeit muted, recovery. China's economy appears to be in a moderate upswing. In our view the policy response from the EU to the rolling Euro crisis over the last three years, while often messy, has ultimately reduced the tail risk of a Eurozone break-up.

Performance (%)



Cumulative Performance (%)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Price	15.9	16.6	15.7	28.6	33.4
NAV	14.2	16.8	17.9	30.0	33.6
Benchmark	12.6	16.0	17.3	28.4	45.5

Discrete Performance (%)

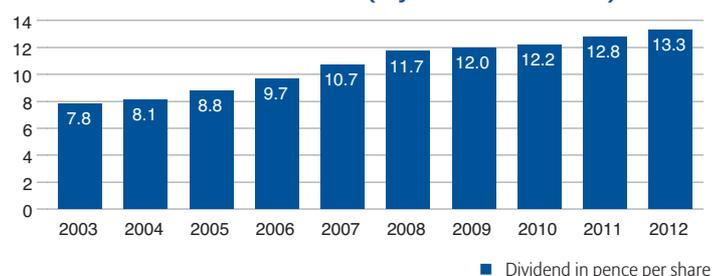
From To	31.03.08 31.03.09	31.03.09 31.03.10	31.03.10 31.03.11	31.03.11 30.03.12	30.03.12 29.03.13
Share Price	-27.9	43.8	4.3	6.6	15.7
NAV	-31.4	49.9	5.1	5.0	17.9
Benchmark	-24.3	49.6	8.5	0.9	17.3

Source: Lipper, percentage growth, mid to mid, total return to 31.03.13. Benchmark: 50% FTSE All-Share Index; 50% FTSE All-World ex UK Index. Past performance is not a reliable indicator of future results. 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.

All data source Allianz Global Investors as at 31.03.13 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.

Allianz 
Global Investors

The Brunner Investment Trust PLC

Capital Structure

Total Assets:	£306.4m
Gearing (net):	4.7%
Shares in Issue:	43,196,918 (Ordinary 25p)
Share Price ¹ :	477.0p
Net Asset Value ² :	588.0p (547.9p – debt at market value)
Premium/-Discount to NAV ³ :	-18.9% (-12.9% – debt at market value)
NAV Frequency	Daily
Dividend Yield ³ :	2.79%

1. Source: Lipper as at 31.03.13, market close mid price.

2. Source: Datastream as at 31.03.13. 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 31.03.13 unless otherwise stated.

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Sector Breakdown (%)

Financials	17.1
Industrials	13.6
Cash	12.9
Health Care	11.1
Consumer Services	9.7
Oil & Gas	9.5
Consumer Goods	8.5
Basic Materials	5.7
Technology	5.6
Telecommunications	4.7
Utilities	1.6

Geographic Breakdown (%)

UK	41.9
North America	22.4
Cash	12.9
Europe ex UK	9.5
Pacific ex Japan	8.4
Japan	3.1
Latin America	1.8

Top Ten Holdings (%)

HSBC	3.2	Diageo	2.0
GlaxoSmithKline	3.0	Reed Elsevier	2.0
BP	2.8	Rio Tinto	1.5
Royal Dutch Shell "B" Shares	2.8	Unilever	1.4
Vodafone	2.4	Pfizer	1.3
Total Number of Holdings	108		

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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website: www.brunner.co.uk