

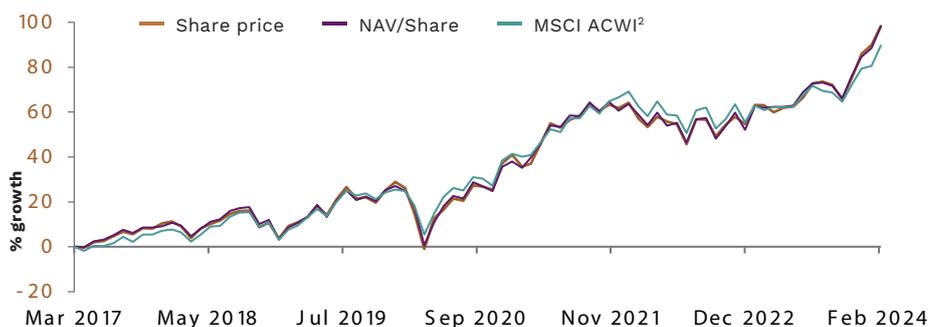
# Monthly Factsheet

## HOW WE INVEST

Alliance Trust aims to be a core equity holding for investors that delivers a real return over the long term through a combination of capital growth and a rising dividend. The Company invests primarily in global equities across a wide range of industries and sectors to achieve its objective.

The Company’s investment manager, WTW, has appointed a number of Stock Pickers with different styles, who each ignore the benchmark and only buy a small number of stocks in which they have strong conviction. Therefore, we believe investors get the benefit of both highly focused stock picking to increase potential outperformance versus the benchmark and manager diversification which should reduce risk and volatility. We believe that the Company’s diversified but highly active multi-manager portfolio is competitively priced.

## CUMULATIVE PERFORMANCE TOTAL RETURN IN STERLING<sup>1</sup>



## CUMULATIVE PERFORMANCE (%)

To 29 February 2024	Since 01-Apr-17 <sup>1</sup>	5 Years	3 Years	1 Year	YTD	Month
Total shareholder return	98.3	78.8	44.7	21.7	6.7	4.4
NAV total return	98.2	79.2	41.9	22.4	7.3	5.1
MSCI ACWI total return <sup>2</sup>	89.6	73.3	34.6	17.9	5.7	5.0

## DISCRETE PERFORMANCE (%)

From To	28-Feb-23 to 29-Feb-24	28-Feb-22 to 28-Feb-23	28-Feb-21 to 28-Feb-22	29-Feb-20 to 28-Feb-21	28-Feb-19 to 29-Feb-20
Total shareholder return	21.7	6.3	11.9	19.3	3.6
NAV total return	22.4	4.9	10.4	18.5	6.6
MSCI ACWI total return <sup>2</sup>	17.9	1.7	12.3	19.0	8.2

Note: All data is provided as at 29 February 2024 unless otherwise stated.

**Past performance does not predict future returns and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested.**

## KEY STATISTICS

Share Price	1,180.0p
Net Asset Value (NAV) per Share	1,254.2p
Premium (Discount)	(5.9%)
OCR Year to 31 Dec 2023 <sup>3</sup>	0.62%

## KEY FACTS

Total number of stocks	200
Market Capitalisation	£3,350.8m
Total Assets	£3,802.8m
Net Assets	£3,561.7m
Gross Gearing <sup>4</sup>	7.2%
Net Gearing <sup>5</sup>	3.7%
Yield <sup>6</sup>	2.1%
Year End	31 December
Incorporated	21 April 1888
Dividend Paid	Mar, Jun, Sep, Dec
Shares in Issue <sup>7</sup>	283,964,600
Buybacks in February	There were no shares bought back in February
TIDM	ATST
ISIN	GB00B11V7W98
AIC Sector	Global



Alliance Trust has been awarded the AIC's Dividend Hero award<sup>8</sup> and is proud to have 57 years of consecutive dividend growth.

**SIGN UP** to receive our quarterly newsletter, monthly factsheet and other Company news or visit [www.alliancetrust.co.uk/signup](http://www.alliancetrust.co.uk/signup)

## TOP 20 HOLDINGS

Name	£m	%
Alphabet	142.1	3.7
Microsoft	136.0	3.6
Amazon	132.9	3.5
Visa	106.2	2.8
Nvidia	103.3	2.7
Meta Platforms	63.0	1.7
UnitedHealth Group	61.1	1.6
Mastercard	57.1	1.5
ASML	45.9	1.2
MercadoLibre	45.4	1.2
Airbus	42.9	1.1
Petrobras	41.3	1.1
Diageo	41.1	1.1
Canadian Pacific	39.9	1.0
ICON	37.3	1.0
Eli Lilly	36.3	1.0
Fiserv	35.8	0.9
Safran	35.6	0.9
Novo Nordisk	35.0	0.9
Yum! Brands	34.7	0.9

**Top 10 holdings 23.5%**

**Top 20 holdings 33.4%**

The 20 largest stock positions, given as a percentage of the total assets. Each Stock Picker selects up to 20 stocks.<sup>9</sup> A full breakdown of the portfolio can be viewed at [www.alliancetrust.co.uk](http://www.alliancetrust.co.uk)

[View all holdings](#)

## RESPONSIBLE INVESTING

As long-term investors, we embed environmental, social and governance factors into every stage of our investment process.

Incorporating these factors has the dual benefit of reducing risk while increasing the sustainability of returns. Read more about this at [www.alliancetrust.co.uk/how-we-invest](http://www.alliancetrust.co.uk/how-we-invest)

[Find out more](#)

## INDIVIDUAL HOLDINGS:

Our portfolio looks very different to the benchmark.

## ACTIVE SHARE:

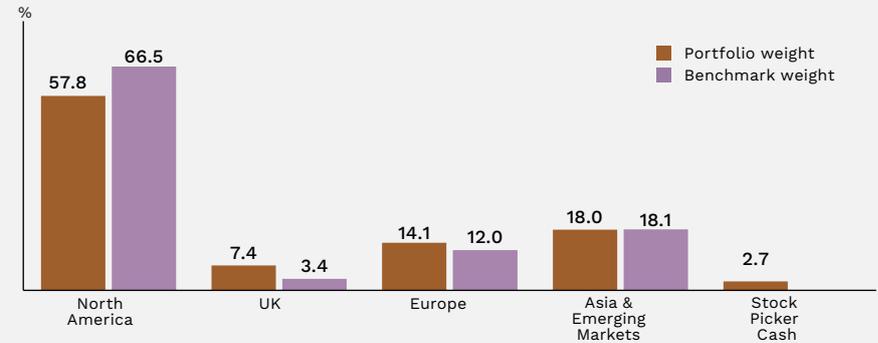
The measure of how different the portfolio is to the benchmark.

73%

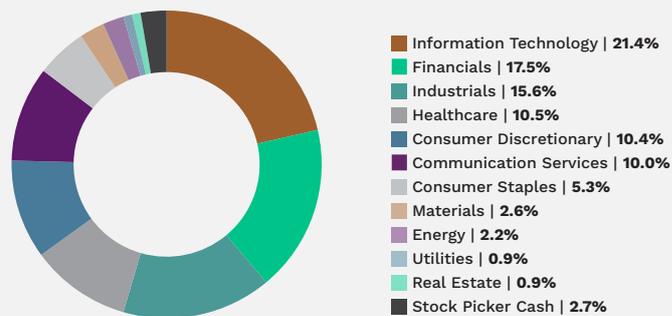
ACTIVE SHARE

## PORTFOLIO ALLOCATION SIMILAR TO BENCHMARK BY DESIGN

### BY GEOGRAPHY



### BY SECTOR



## INVESTMENT COMMENTARY

Global markets accelerated in February, with investors enjoying broad-based gains after a mixed start to the year in January. Share prices in the US, China, Japan, and the rest of Asia, rose strongly, though European stocks were more muted, and the UK market continued to lag. UK stocks have been broadly flat since the start of the year. They were not helped in February by data confirming that the economy fell into a technical recession in the second half of 2023, although more recent activity indicators, such as the S&P Global/CIPS UK services PMI survey, suggest it may have turned a corner since then.

While expectations of lower interest rates remain a key driver of markets, it has become increasingly clear that central banks are not in a hurry to deliver them, preferring to wait until they see unmistakable evidence that inflation is back under control. Even so, investors took comfort from the strength of economic growth in the US and resilient company earnings, driving share prices higher. For example, five of the seven “Magnificent Seven” stocks (Nvidia, Meta Platforms, Alphabet, Apple, Amazon, Tesla, and Microsoft) that led the US stock market through last year have reported strong recent results. Tesla and Apple, which we do not own, have been the share price laggards.

Our benchmark, the MSCI All Country World Index, which includes developed and developing markets, returned 5.0%. The Alliance Trust portfolio performed roughly in line, with NAV (Net Asset Value) total returns of 5.1%, although share price total returns were slightly lower at 4.4% due to movements in the discount.

In an upbeat market environment, all our stock pickers posted positive performance in February, but GQG was the standout contributor to portfolio returns. It particularly benefitted from owning chip designer, Nvidia, and ▶



Our investment manager, WTW, is responsible for manager selection, portfolio construction and risk management.

Its Investment Committee comprises: Craig Baker, Mark Davis and Stuart Gray.

## STOCK PICKERS % OF PORTFOLIO MANAGED

11%	9%
Bill Kanko, Heather Peirce	Ben Whitmore
6%	19%
Andrew Wellington	Rajiv Jain, Brian Kersmanc, Sudarshan Murthy <sup>9</sup>
10%	16%
Jonathan Mills, Simon Denison-Smith	Andy Headley
6%	14%
C.T Fitzpatrick	HK Gupta, Kishore Rao, Rob Rohn
4%	5%
Dave Levanson, Sunil Thakor	James B. Rosenwald III, Gifford Combs, Shiro Hayashi

Note: "JUPITER" and are the trade marks of Jupiter Investment Management Group Ltd and registered in the UK and as Community Trade Marks and elsewhere.

► Meta Platforms, parent of Facebook and Instagram. Nvidia's share price rose by 29.4% after beating earnings estimates and exciting investors about the potential of artificial intelligence (AI). The company's market value ended the month above \$2 trillion, having risen by 61% since the start of the year. Meta Platforms' 27% advance in February followed the announcement of bumper fourth-quarter results which included a 25% rise in revenues, its first ever dividend and \$50bn in share buybacks.

The biggest detractors from performance included MercadoLibre, the Latin American online marketplace business, owned by three of our stock pickers, which fell 6.2%, and the Japanese industrial group MISUMI, owned by Black Creek, which declined by 12.5%. MercadoLibre reported mixed fourth-quarter results, but SGA, for example, says the company is well-placed to capitalise on e-commerce growth in Latin America given its dominant market position. MISUMI distributes precision machinery parts by mail order. Black Creek says that, although spending on capital equipment appears to have bottomed out, market concerns about China and broader geopolitical risks weighed on the stock. However, Black Creek retains high conviction in the company's prospects.

Given the recent strong share price momentum of the "Magnificent Seven" and other similar growth stocks, it may seem counterintuitive to be trimming our exposure to them, but this is what we did in February, via reduced allocations of capital to GQG and others, such as Vulcan and Sands. We see the strong potential of AI to boost productivity across many sectors and the share price gains of some tech-related companies appear to be backed by strong current earnings but we are concerned that sentiment surrounding AI is becoming excessively bullish. With investors rushing into US equities, this could make the market vulnerable to disappointment if corporate fundamentals deteriorate. While the global economy surprised investors by avoiding recession last year, economic uncertainties remain and market expectations for increasing profit margins may be unrealistic.

We redistributed the capital to managers, such as Black Creek, Metropolis, SGA, and Veritas, who have less exposure to companies with lofty valuations. This should help to keep the portfolio's exposures balanced across countries, sectors, and investment styles, thereby ensuring that individual stock selection continues to drive returns, as it did through last year's volatile market conditions.

## CONTACT

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**Risk warnings – Past performance does not predict future returns. The value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns in line with NAV performance. Exchange rate changes may cause the value of overseas investments to go down as well as up and can impact on both the level of income received and capital value of your investment. Investment trusts may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the NAV, meaning that a relatively small movement, down or up, in the value of an investment trust's assets will result in a magnified movement, in the same direction, of that NAV. This may mean that you could get back less than you invested or nothing at all. The mention of any specific shares should not be taken as a recommendation to deal.**

### Important Information

Alliance Trust is an investment company with investment trust status. Alliance Trust invests primarily in equities and aims to generate capital growth and a progressively rising dividend from its portfolio of investments. Alliance Trust currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The shares in the Company may also be suitable for institutional investors who seek a combination of capital and income return. Private investors should consider consulting an Independent Financial Adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result. The views, information and data in this publication should not be deemed as a financial promotion or recommendation. Alliance Trust is not authorised to give financial advice.

For security and compliance monitoring purposes, telephone calls may be recorded.

The Alliance Trust Board has appointed Towers Watson Investment Management Limited (TWIM) as its Alternative Investment Fund Manager (AIFM). TWIM is part of WTW. Issued by Towers Watson Investment Management Limited. Towers Watson Investment Management Limited, registered office Watson House, London Road, Reigate, Surrey RH2 9PQ is authorised and regulated by the Financial Conduct Authority, firm reference number 446740.

Notes: All data is provided as at 29 February 2024 unless otherwise stated. All figures may be subject to rounding errors. Sources: Key Statistics, Key Facts, Top 20 Holdings and % of Portfolio Managed data is provided by Juniper Partners Limited; Equity Portfolio Allocation and Active Share is provided by WTW, Juniper Partners Limited and MSCI Inc. NAV and NAV total return is based on NAV including income with debt at fair value, after all manager fees (including WTW's fees) and allows for any tax reclaims when they are achieved. The NAV total return shown in factsheets up to May 2018 was based on NAV excluding income with debt valued at par. ISIN stands for International Securities Identification Number; TIDM stands for Tradable Instrument Display Mnemonics; and AIC stands for Association of Investment Companies.

- 1 April 2017 was the date that WTW was appointed investment manager.
- MSCI All Country World Index Net Dividends Reinvested.
- The OCR for year to 31 December 2023 was calculated in line with the industry standard using the average of net asset values at each NAV calculation date.
- Total borrowings at par value divided by net assets with debt at par.
- Total borrowings at par value minus total cash and equivalents, divided by net assets with debt at par.

6. Annual dividend per share divided by share price.
7. Excluding ordinary shares held in Treasury.
8. <https://www.theaic.co.uk/income-finder/dividend-heroes>
9. GQG manages an emerging markets mandate of up to 60 stocks as well as a global equity mandate of up to 20 stocks.