

The Brunner Investment Trust PLC

An 'all-weather' global equity portfolio

Allianz 
Global Investors

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

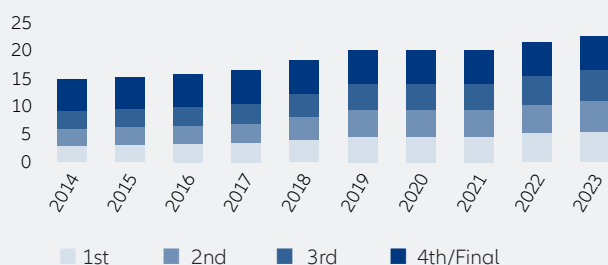
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private 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 52 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

Dividend Record in Pence per Share
To Year End 30 November



Last Four Dividend Payments per Share

Record Date	Pay Date	Dividend	Type
01.03.2024	04.04.2024	6.05p	Final
27.10.2023	12.12.2023	5.55p	3rd Interim
04.08.2023	15.09.2023	5.55p	2nd Interim
16.06.2023	25.07.2023	5.55p	1st Interim

Past performance is not a reliable indicator of future results.

Key Information

Launch Date	December 1927
AIC Sector	Global
Benchmark	70% FTSE World ex-UK Index; 30% FTSE All-Share Index
Annual Management Fee	0.45%
Performance Fee	No
Ongoing Charges ¹	0.64%
Year End	30 November
Annual Report	Annual published in February, Half-yearly published in July
AGM	March
NAV Frequency	Daily
Dividends	March/April, June/July, September, December
Price Information	Financial Times, The Daily Telegraph, www.brunner.co.uk
Company Secretary	Kirsten Salt Kelly Nice
Investment Managers	Julian Bishop and Christian Schneider
Codes	RIC: BUT.L SEDOL: 0149000

1. Source: AIC, as at the Trust's Financial Year End (30.11.2023). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, incurred in the running of the company but excluding financing costs.



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

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Total Assets £602.5m

Shares in Issue 42,692,727 (Ordinary 25p)

Market Cap £559.3m

Share Price

1310.0p

NAV per Share

1374.1p

Premium/-Discount

-4.7%

Dividend Yield

1.7%

Gearing

5.6%

Fund Manager's Review

Dear Fellow Shareholder,

The key US market fell a few percent from its all-time highs in April. Macro-economic data shows that inflation is proving more stubborn than hoped, muting the ability for the Federal Reserve (the US central bank) to cut rates. As we'd previously mentioned, price multiples in some areas of the market were fairly elevated so it is unsurprising to see valuations retreat slightly. The UK market bucked the global trend and rose during the month. The UK market is very different from the US, particularly. It lacks the faster growing technology stocks and is composed predominantly of more mature banks, insurers, miners, energy and pharma stocks. Growth expectations for these types of companies tend to be far more modest but they tend to have higher present day free cash flow and dividend yields. Brunner's benchmark is 70% global (FTSE All World ex UK) and 30% UK (FTSE All Share). The inclusion of the latter provides a useful diversifier, in our view. The UK market dances to a different beat from much of the global.

On a relative basis, the Trust outperformed during the month. The Trust's Net Asset Value (NAV) total return was -1.23%, ahead of the -1.32% fall of the benchmark index. The largest single contributor to performance was GE Aerospace which continued its astonishing run since we bought it in February. Three out of every four flights which take off worldwide have a GE jet engine 'under wing', a testament to the company's extraordinary engineering prowess. Most of their profitability comes from predictable recurring revenues associated with maintenance which are assured for the life of the engine, which tends to be well over twenty years. Having a highly favourable view of the business model, we were pleased to acquire it at a very attractive valuation whilst it was still part of the GE conglomerate, which has now been dismantled leaving the aerospace business as a standalone entity.

The next largest contributor to performance was Tyman, a small UK listed

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company that produces components used in windows and doors. The company received a takeover approach from Quanex, a US listed building materials company. Following homebuilder Redrow, this is the second takeover bid our UK holdings have enjoyed since the start of the year. We believe smaller UK stocks, particularly, currently demonstrate considerable value and it appears other acquisitive corporations concur.

Some of our financial holdings also performed well. Bank of Ireland and Charles Schwab rely on interest income for a material part of their profits, so the narrative of higher for longer interest rates is generally regarded as supportive to profitability. TotalEnergies also performed well. Energy prices rose in tandem with tensions in the Middle East. To a large extent profitability for banks and energy companies rely on factors outside their control. We are careful to construct the portfolio so that we don't inadvertently take a view on factors inherently unknowable, but we do deliberately participate in these sectors at present due to the huge



**Julian Bishop,
Co-Lead Portfolio Manager**

Julian Bishop joined Allianz Global Investors in November 2022. Julian has more than 25 years fund management experience. He joined AllianzGI from Tesco Pension Investment Ltd where he was an Equity Fund Manager managing a multi-billion pounds global equities portfolio. Julian graduated from Queens' College, Cambridge University in 1995 and has an MA (Hons) Cantab in Geography. He is an Associate of the CFA Society of the UK.



**Christian Schneider,
Co-Lead Portfolio Manager**

Christian Schneider joined the Global Equity Fund Management Team as a portfolio manager in April 2000 and managed a US Equity strategy until 2002. Christian graduated with a Master's degree in Economics from the University of Giessen and is a CFA charter holder.

quantities of free cash they currently generate, which is generally being returned to shareholders via large dividends and buybacks. Balance sheets in these sectors are far better than they once were, providing reassurance should those macro factors develop in an adverse fashion.

On the negative side of the ledger was AstraZeneca – the largest component of our UK benchmark, which we don't own. Similarly, not holding HSBC hurt, although other financial holdings like Bank of Ireland largely compensated. Some of our previously very strong technology holdings such as Microsoft and ASML also retreated from high levels after some extraordinary year to date moves. They both remain core, long-term holdings.

We added one new stock to the portfolio during the month. Inchcape distributes cars and parts for companies like Toyota and Jaguar Land Rover in smaller markets. It is a smaller company with a generous dividend which typifies the exceptional value currently on offer in parts of the UK market. This purchase was funded by valuation driven reductions to Atlas Copco (a Swedish industrial) and RELX (London-listed data services) and the sale of our small position in Australian bank ANZ.

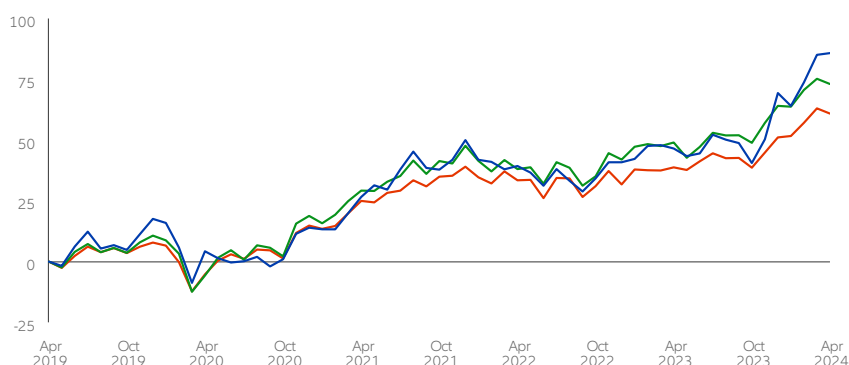
We also note that the discount that the trust trades at to NAV has narrowed substantially in recent months and now sits around 5%; at the very lower end of the peer group. We interpret this as a vote of confidence in the Brunner approach and we are grateful to all our fellow shareholders for their ongoing support.

**Julian Bishop & Christian Schneider
14 May 2024**

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 (debt at fair value)
 ■ 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 or down.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	13.2	32.2	26.8	46.8	85.8
NAV (debt at fair value)	5.7	16.3	16.1	33.9	73.0
Benchmark	6.1	16.1	15.9	28.7	60.9

Discrete 12 Month Returns to 30 April (%)

	2024	2023	2022	2021	2020
Share Price	26.8	5.2	10.1	21.4	4.2
NAV (debt at fair value)	16.1	7.9	6.9	37.1	-5.7
Benchmark	15.9	4.0	6.8	31.9	-5.3

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 30.04.24. Copyright 2024 © DataStream, a Thomson Reuters company. All rights reserved. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount 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* (%)

Industrials	26.3	<div style="width: 26.3%;"></div>
Financials	20.9	<div style="width: 20.9%;"></div>
Information Technology	20.1	<div style="width: 20.1%;"></div>
Health Care	13.4	<div style="width: 13.4%;"></div>
Consumer Discretionary	7.4	<div style="width: 7.4%;"></div>
Energy	5.1	<div style="width: 5.1%;"></div>
Consumer Staples	3.6	<div style="width: 3.6%;"></div>
Utilities	2.3	<div style="width: 2.3%;"></div>
Materials	0.9	<div style="width: 0.9%;"></div>

Geographic Breakdown* (%)

North America	42.2	<div style="width: 42.2%;"></div>
Europe ex UK	27.3	<div style="width: 27.3%;"></div>
UK	23.8	<div style="width: 23.8%;"></div>
Pacific ex Japan	4.8	<div style="width: 4.8%;"></div>
Japan	2.0	<div style="width: 2.0%;"></div>

Top Twenty Holdings (%)

Microsoft	6.4
Visa - A Shares	3.8
UnitedHealth Group	3.6
Taiwan Semiconductor	3.1
Microchip Technology	3.0
Schwab (Charles)	2.8
Shell	2.8
Schneider Electric	2.8
Thermo Fisher Scientific	2.7
InterContinental Hotels Group	2.6
ASML	2.5
Bank of Ireland	2.5
TotalEnergies	2.3
Partners Group	2.3
General Electric	2.3
AMETEK	2.3
Gallagher	2.1
Amphenol	2.1
Itochu	2.0
Muenchener Rueckver	2.0

Total number of holdings 59

The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding.

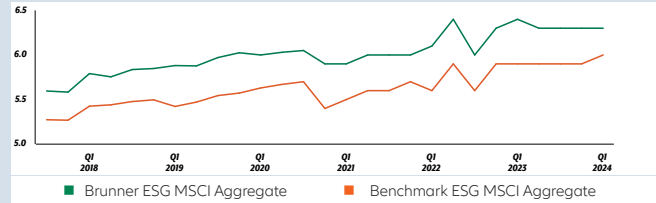
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*Excludes Cash

Environmental, Social and Governance (ESG)

AllianzGI has a dedicated ESG research team working with the portfolio managers to incorporate ESG factors into investment decisions. The board supports AllianzGI's view that there is value in working with companies in the portfolio on environmental, social, governance and business conduct issues.

AllianzGI uses third party research provided by MSCI to help identify ESG factors that can impact the businesses of the companies in the portfolio. The chart below shows that the Brunner portfolio's ESG ratings compare well against the benchmark's ESG ratings over a five year period.



The chart above shows the rating of the Brunner portfolio on ESG risks and combined ESG risk measurements compared to the rating of the Benchmark (70% FTSE World ex-UK Index; 30% FTSE All-Share Index) scored on a scale of 1-10 (where 10 is high) on a quarterly basis.

Board of Directors

Carolan Dobson (Chair)
Amanda Aldridge (Chair of the Audit Committee)
Elizabeth Field
Andrew Hutton (Senior Independent Director)
Jim Sharp

Glossary

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.

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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All data source Allianz Global Investors as at 30.04.24 unless otherwise stated.

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