

# Allianz Technology Trust PLC

Technology investing from the heart of the industry



## Aim

The Trust's objective is to achieve long-term capital growth by investing principally in the equity securities of quoted technology companies on a worldwide basis.

## Trust Benefits

The award-winning Allianz Technology Trust PLC offers investors access to the fast moving world of technology with the reassurance that investment decisions are made by the highly experienced Global Technology Team which currently manages \$12bn in assets under management.

## At the Heart of the Industry

Allianz Technology Trust PLC is managed by the highly experienced Global Technology team based in San Francisco. The team benefits from its close proximity to Silicon Valley where many of the world's key technology companies are headquartered.

## Awards & Ratings

This is a marketing communication. Please refer to the Key Information Document (KID) before making any final investment decisions.



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

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## Key Information

Launch Date	December 1995
AllianzGI Appointment	April 2007
AIC Sector	Specialist Sector: Technology, Media & Telecoms
Benchmark	Dow Jones World Technology Index (sterling adjusted, total return)
Annual Management Fee	0.8% p.a. on market capitalisation up to £400 million, 0.6% p.a. on any market capitalisation between £400 million and £1 billion, and 0.5% p.a. on any market capitalisation over £1 billion. In addition there is an admin fee of £55,000 p.a.
Performance Fee <sup>1</sup>	Yes
Ongoing Charges <sup>2</sup>	0.70%
Year End	31 December
Annual Report	Final published in March, Half-yearly published in August
AGM	April
NAV Frequency	Daily
Price Information	Financial Times, The Daily Telegraph, www.allianztechnologytrust.com
Company Secretary	Kelly Nice   Kirsten Salt
Investment Managers	Mike Seidenberg (Lead Portfolio Manager) Erik Swords (Portfolio Manager)
Codes	RIC: ATT.L SEDOL: BNG2M15

1. Calculated as 10% of outperformance against the benchmark, after adjusting for changes in share capital and will be capped at 1.75% of the Company's average daily NAV over the relevant year.

2. As at the Trust's Financial Year End (31.12.2023). 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.

**Total Assets** £1,521.4m    **Shares in Issue** 384,022,319 (Ordinary 2.5p)    **Market Cap** £1,330.6m

Share Price  
**346.5p**

NAV per Share  
**396.2p**

Premium/-Discount  
**-12.5%**

From 25 July 2022, discretionary portfolio management services formerly provided to Allianz Technology Trust PLC (the "Company") by Allianz Global Investors ("AllianzGI") have been delegated to Voya Investment Management Co. LLC ("Voya IM"). All members of the former AllianzGI Global Technology Team transferred to Voya IM and continue to manage the Company's portfolio. It is anticipated that there will be no change to the investment process. AllianzGI will remain the Company's AIFM (Alternative Investment Fund Manager), providing company secretarial, administration and sales and marketing services.

All data source DataStream and Allianz Global Investors as at 31.08.24 unless otherwise stated.

## Fund Manager's Review

### Portfolio review

Allianz Technology Trust's Net Asset Value (NAV) total return was -1.15% in August, compared to the Dow Jones World Technology Index return of -1.06%.

Technology stocks were modestly higher on local currency levels and declined slightly on a GBP-adjusted basis as positive index results in communications equipment and IT services were offset by performance in semiconductors, amid valuation and supply concerns. These were followed by more modest declines in interactive media and software stocks.

Monthly relative results were essentially in line with the benchmark as stock selection was slightly positive and neutralised by short-term allocation impacts. Bottom-up picks in software and interactive media contributed to benchmark-relative performance, while short-term selections in IT services and a modest overweight allocation to semiconductors offset performance in August.

### Contributors

For the month, our active underweight in search engine, infrastructure and data analytics application leader **Alphabet Inc.** contributed to relative results given the stock's meaningful benchmark weight combined with negative returns, as a judge ruled that Google monopolised search results through illegal deals. We continue to hold the stock at a below-benchmark weight given our preference for other stocks with better near-term alpha potential.

Shares of Latin American online platform **MercadoLibre, Inc.** rallied following upside earnings results and expectations of positive momentum across all key geographies. We increased our position in the stock based upon expectations that investments aimed at improving the customer experience can expand gross merchandise value and further cement their position as a dominant e-commerce provider in the region.

“volatility may be elevated in the short-term amid a less certain macroeconomic backdrop and what appears to be a closely contested U.S. presidential election

Our exposure to privileged access management (PAM) security leader **Cyberark Software Ltd.** contributed to relative performance following impressive results and positive momentum across both existing and new customers.

Our active positions in semiconductor-based power electronic solutions provider **Monolithic Power Systems, Inc.** and cyber security pure play **Palo Alto Networks, Inc.** also contributed to relative performance in August.

### Detractors

An above-benchmark allocation to **Lam Research Corp.**, a leading manufacturer of semiconductor equipment, offset results given the short-term headwinds in the industry. Although we have a favourable viewpoint on the company's medium-term prospects and exposure to artificial intelligence (AI) led chip boom, we trimmed our position to reduce semiconductor exposure due to concerns that investor sentiment may be moderating.

Shares of **JFrog Ltd.**, a trust and visibility software supply chain platform, announced a lower-than-expected earnings guidance, citing macroeconomic pressures from small and medium-sized businesses. We trimmed our weight in the stock in an effort to manage overall risk in the portfolio.

Off-benchmark exposure to online retailer and cloud platform **Amazon.com, Ltd.** detracted from relative performance due in part to street concerns of moderating growth against a backdrop of a less certain macroeconomic environment and an increasingly cost-conscious consumer. We reduced our weight in the stock in light of a potential clouded near-term outlook.

Our active positions in data security analysis, cloud computing and monitoring solutions provider **Elastic N.V.** and leading independent enterprise identity management platform **Okta, Inc.**, also offset performance.



### Mike Seidenberg, Lead Portfolio Manager

Michael Seidenberg is a senior portfolio manager for the global technology strategies and an equity analyst on the fundamental thematic team at Voya Investment Management. He joined the firm following Voya's integration of certain assets and teams comprising the substantial majority of Allianz Global Investors U.S. business, where he was a portfolio manager, analyst and director on the U.S. global technology team. Prior to that, he worked at a number of hedge funds, including Pequot Capital, Andor Capital and Citadel Investment Group. He also worked in the software industry and at Oracle Corporation. Michael earned a BS in business administration from the University of Colorado and an MBA with concentrations in finance and accounting from Columbia Business School.

### New buys and sells

Turnover in August was at a slightly higher level due to a slew of earnings results and overall market volatility. We newly purchased music content provider **Spotify Technology S.A.** due to the company's leadership position, increased consumer adoption and defensive-growth profile. We added infrastructure software platform **Dynatrace, Inc.** given their attractive growth versus valuation mix and potential to build momentum following recent earnings results, as well as application software maker **Palantir Technologies Inc.** amid expectations that the company can leverage their AI expertise to drive customer demand. Lastly, we purchased leading global provider of payments and financial services provider **Fiserv, Inc.** due to the company's management team and potential to drive free cash flow generation. Regarding sales, we fully exited three stocks: **Synopsys, Inc.** to reduce our overall allocation to semiconductors, **Western Digital Corp.** amid concerns that the PC cycle may continue to disappoint and in order lower cyclically-oriented exposure, and social networking site **Pinterest, Inc.** due to weaker-than-expected results and concerns of slowing growth.

### Outlook

We continue to have a constructive mid-to-long term outlook for equity markets and believe that volatility may be elevated in the short-term amid a less certain macroeconomic backdrop and what appears to be a closely contested U.S. presidential election in early November. Investors remain increasingly fearful of a deeper economic slowdown and late timing of interest rate cuts, given recent softer employment numbers, economic indicators and consumer spending trends, and look for the high likelihood of an interest rate cut in September to help improve sentiment.

We have seen solid quarterly earnings results from the majority of stocks. Our expectation is that merger and acquisition activity may rise as capital markets continue to show signs of strength and valuations remain attractive, particularly relative to medium-term growth expectations. We continue to anticipate a potential broadening of performance across industries and market caps, consistent with a more normalised environment.

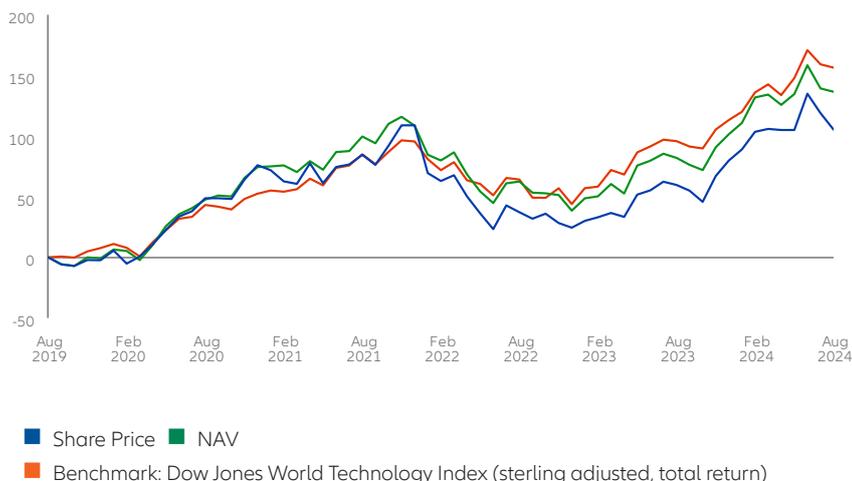
Our focus remains on building the portfolio from a bottom-up perspective with a macro-overview. Technology remains a key enabler across almost every vertical industry, and we will continue to seek stocks which solve difficult problems and can be long-term outperformers. Despite short-term periods of higher volatility, earnings growth ultimately drives stock prices over the long term, and in our view, we are still early in the spending trend supporting this dynamic segment.

Mike Seidenberg  
13 September 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 (%)



### 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.

Competition among technology companies may result in aggressive pricing of their products and services, which may affect the profitability of the companies in which the Trust invests. In addition, because of the rapid pace of technological development, products or services developed by these companies may become rapidly obsolete or have relatively short product cycles. This may have the effect of making the Trust's returns more volatile than the returns of a fund that does not invest in similarly related companies.

Derivatives can be used to manage the Trust efficiently.

### Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	0.1	0.9	28.6	11.2	105.3
NAV	0.8	1.8	29.7	18.9	137.4
Benchmark	3.5	8.7	31.0	38.7	156.4

### Discrete 12 Month Returns to 31 August (%)

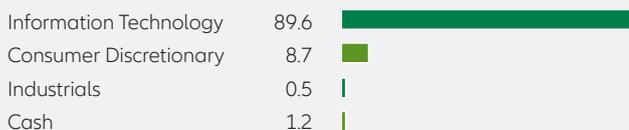
	2024	2023	2022	2021	2020
Share Price	28.6	16.4	-25.7	24.1	48.7
NAV	29.7	12.7	-18.6	35.2	47.6
Benchmark	31.0	19.3	-11.2	29.2	43.2

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.08.24. 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.

## Portfolio Breakdown

### Sector Breakdown (%)

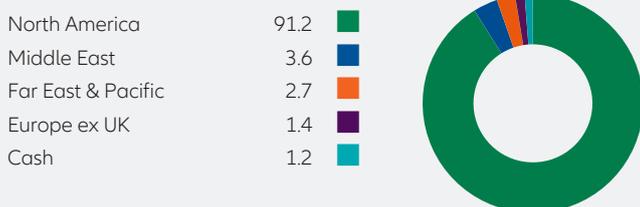


### Top Ten Holdings (%)

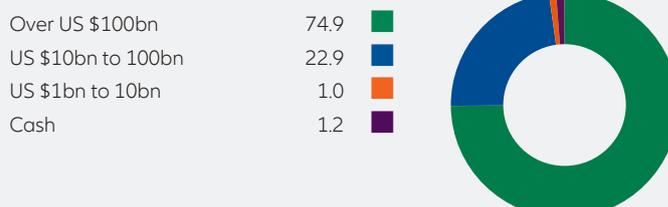
Nvidia	10.8
Apple	9.3
Microsoft	8.3
Meta	7.2
Broadcom	4.7
Alphabet	3.7
Monolithic Power Systems	3.1
Amazon	3.0
ServiceNow	2.8
Taiwan Semiconductor	2.7

Total number of holdings 45

### Geographic Breakdown (%)



### Market Cap Breakdown (%)



This is for guidance only and not indicative of future allocation. Totals may not sum to 100.0% due to rounding. This is no recommendation or solicitation to buy or sell any particular security.

## Board of Directors

Tim Scholefield (Chairman)

Katya Thomson (Chair of the Audit & Risk Committee)

Neeta Patel (Senior Independent Director)

Sam Davis

Elisabeth Scott

## Glossary

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

**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. An undiluted, cum-income NAV is shown.

**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 discount or premium.

## 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:

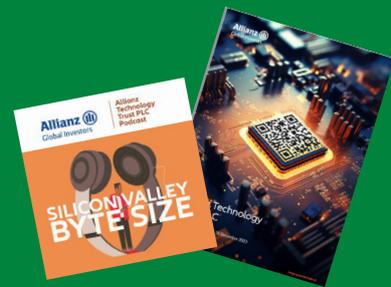
0800 389 4696

[www.allianztechnologytrust.com](http://www.allianztechnologytrust.com)

**E-mail:** [investment-trusts@allianzgi.com](mailto:investment-trusts@allianzgi.com)

You will find much more information about Allianz Technology 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.



**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 may not get back the full amount invested.** The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. We assume no obligation to update any forward-looking statement. 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. For further information contact the issuer at the address indicated below.

**All data source Allianz Global Investors as at 31.08.24 unless otherwise stated.**

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