

### Investment objective

Capital and income growth from a diversified portfolio of investments in the Asia Pacific region designed to outperform the MSCI AC Asia Pacific Free Index (£).

### Monthly commentary

Equity markets, as measured by the MSCI AC World Index, advanced by 1.9% over the month of August. Within this, there were quite disparate returns, with the US the sole significant gainer (+4.6%) and the UK declining by 2.8%. Other regional indices were also in negative territory with Europe falling by 1.5% and Emerging Markets enduring ongoing weakness with a decline of 2.5%. Asian markets achieved a moderate return of 0.3%, with gains in Japan (+1.2%), Korea (+2.8%), Taiwan (+2.1%) and India (+1.9%) offsetting losses in China (-2.9%) and Hong Kong (-1.4%). Emerging economies are suffering from a toxic cocktail of US Dollar strength, potential trade tariffs and financial instability. In some cases, including Turkey and Russia, this instability is being exacerbated by US foreign policy decisions in 2018. Witan Pacific's

benchmark, which includes Japan and Australia, has outperformed less developed Asian indices this year as a result of its more diverse economic composition.

Witan Pacific's NAV total return was 0.0% in August and the share price total return was -1.2%. The benchmark total return was +0.3%. Over the first seven months of the Company's financial year to date, the NAV total return was -0.6% and the share price total return was -5.2% as the discount to NAV has widened over the year. The benchmark delivered a total return of +0.3% over the same period. The Company has been repurchasing shares on a regular basis, in response to the increased NAV enhancement offered by a widening discount. Over the past twelve months, the NAV total return of 2.8% and the share price total return of 1.7% both underperformed the benchmark total return of 4.7%.

The wide disparity between market returns in 2018 is partly a reflection of US leadership in terms of economic

growth, corporate earnings growth (aided by tax cuts) and the market's advantageous sector mix. Other markets (especially emerging markets) have lagged because growth (both economic and corporate) is more vulnerable to external factors and because President Trump has taken advantage of America's relative strength to employ exceptionally boorish trade tactics which have spooked investors in target economies. Despite this, recent events suggest that Trump's trade rhetoric may be used largely as a negotiating tactic, with an eye on the mid-term US elections in November. Such performance disparities rarely endure and any reduction in trade rhetoric (especially towards China) or a softening of the strong US dollar could lead to a reversal in relative fortunes for the Asia Pacific region.

Further information about the Company is available on Witan Pacific's website, [www.witanpacific.com](http://www.witanpacific.com).

31 August 2018

**\*Please remember, past performance is not a guide to future performance, and 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 the same as NAV performance.**

### Trust statistics

| Gross assets | Share price | NAV per ordinary Share <sup>†</sup> | Premium (Discount) | Yield <sup>*</sup> |
|--------------|-------------|-------------------------------------|--------------------|--------------------|
| £240m        | 323.00p     | 381.06p                             | (15.2%)            | 1.70%              |

Source: BNP Paribas as at 31.08.18.

<sup>†</sup> NAV is inclusive of income.

<sup>\*</sup> Based upon the total dividend for the financial year ending 31.01.18.

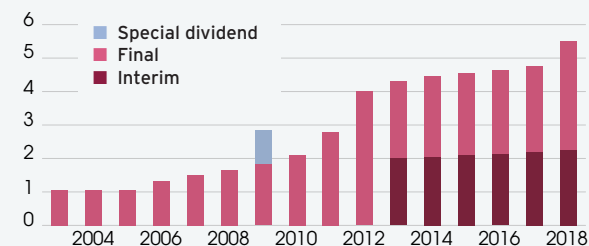
### Trust information

|                                      |                            |
|--------------------------------------|----------------------------|
| Epic Code                            | WPC                        |
| Sector                               | Far East - Including Japan |
| Trust Type                           | Conventional               |
| Launch Date                          | 1907                       |
| Financial Year End                   | 31 January                 |
| Dividend Payment Dates               | June, October              |
| Last Ex Dividend Date                | 17 May 2018                |
| AGM                                  | June                       |
| Shares in Issue (excluding treasury) | 62,908,796                 |
| Ongoing Charges <sup>†</sup>         |                            |
| Including performance fee            | 0.99%                      |
| Excluding performance fee            | 0.99%                      |

Source: BNP Paribas as at 31.08.18. Since 28th March 2014 the Company's policy has been not to employ gearing. <sup>†</sup>Ongoing charges as disclosed in the Annual Report for the year ended 31.01.18.

### A history of dividend growth

#### Dividend history (pence per share)



#### Dividend schedule<sup>†</sup>

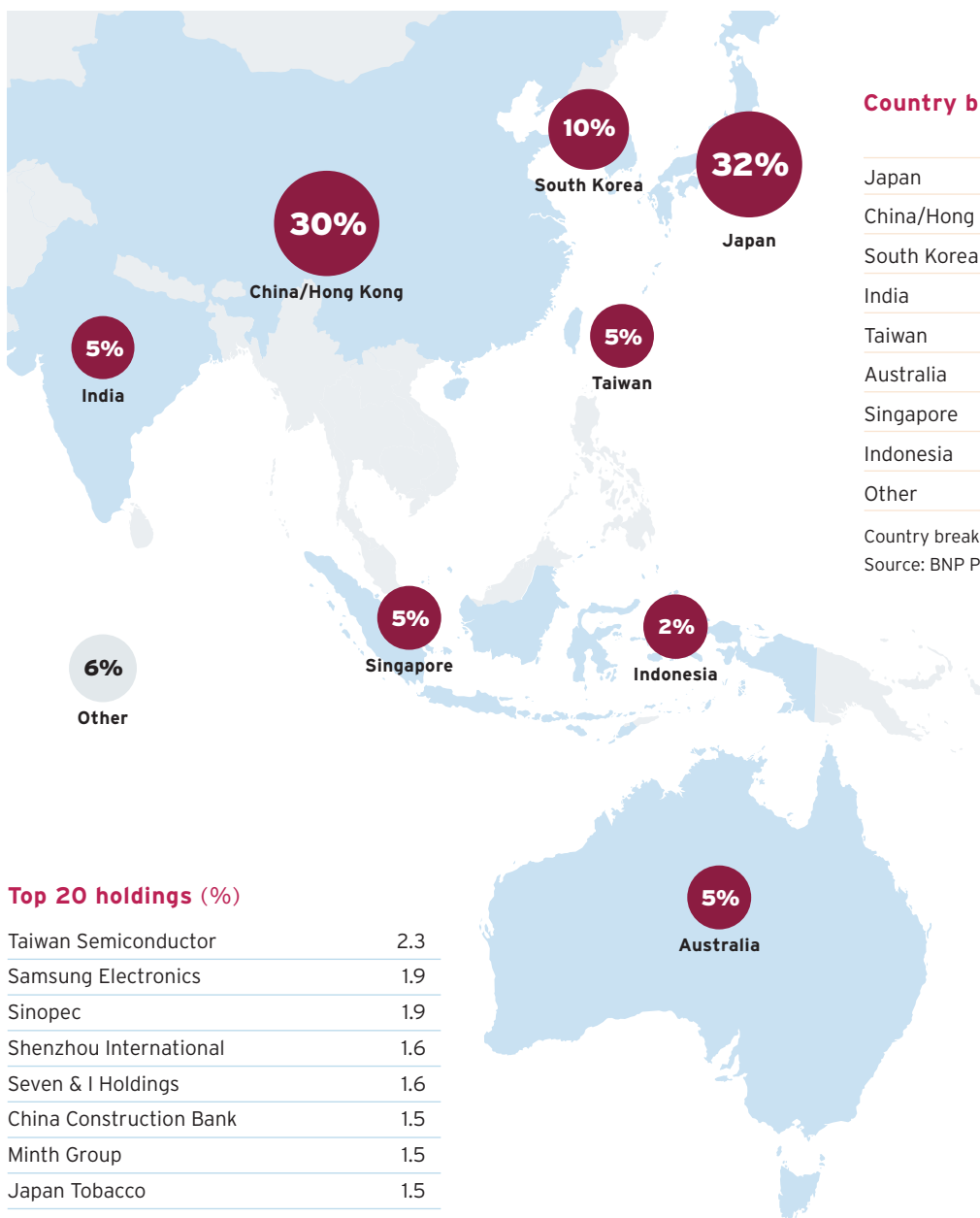
| Ex-div date | Pay date   | Type         | Amount per share |
|-------------|------------|--------------|------------------|
| 19.10.2017  | 30.10.2017 | Interim 2018 | 2.25p            |
| 17.05.2018  | 18.06.2018 | Final 2018   | 3.25p            |

<sup>†</sup>Please note that the dates and amounts for dividends not yet paid could be subject to change.



© Morningstar. All rights reserved. Morningstar is not responsible for any trading decisions, damages or other losses related to the information or its use. FE Crown Fund Ratings do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision. All rights reserved. For more information go to [www.witanpacific.com/legal-information](http://www.witanpacific.com/legal-information).

## PORTFOLIO OVERVIEW



### Country breakdown (%)

|                 | Trust | Index | Under/overweight |
|-----------------|-------|-------|------------------|
| Japan           | 32    | 38    |                  |
| China/Hong Kong | 30    | 23    |                  |
| South Korea     | 10    | 9     |                  |
| India           | 5     | 5     |                  |
| Taiwan          | 5     | 7     |                  |
| Australia       | 5     | 11    |                  |
| Singapore       | 5     | 2     |                  |
| Indonesia       | 2     | 1     |                  |
| Other           | 6     | 4     |                  |

Country breakdown excluding cash, rebased to 100.  
Source: BNP Paribas as at 31.08.18.

### Top 20 holdings (%)

|                                 |     |
|---------------------------------|-----|
| Taiwan Semiconductor            | 2.3 |
| Samsung Electronics             | 1.9 |
| Sinopec                         | 1.9 |
| Shenzhou International          | 1.6 |
| Seven & I Holdings              | 1.6 |
| China Construction Bank         | 1.5 |
| Minth Group                     | 1.5 |
| Japan Tobacco                   | 1.5 |
| HSBC                            | 1.4 |
| Rohm Semiconductor              | 1.3 |
| China Mobile                    | 1.2 |
| Hyundai Mobis                   | 1.2 |
| Kao Corporation                 | 1.2 |
| Ntt Docomo                      | 1.1 |
| Sumitomo Mitsui Financial Group | 1.1 |
| United Overseas Bank            | 1.1 |
| LG Chemical                     | 1.0 |
| Nitori Holdings                 | 1.0 |
| BHP Billiton                    | 0.9 |
| Misumi Group                    | 0.9 |

**Top 10 Holdings** 16.5

**Top 20 Holdings** 27.2

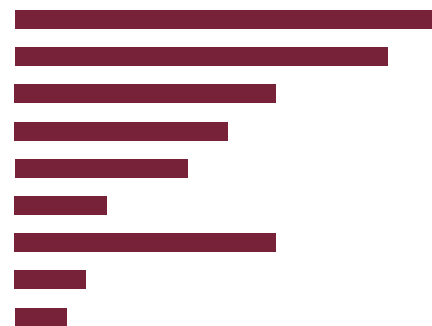
On a look through basis across managers, excluding open-ended funds.

Source: BNP Paribas as at 31.08.18.



### Sector breakdown (%)

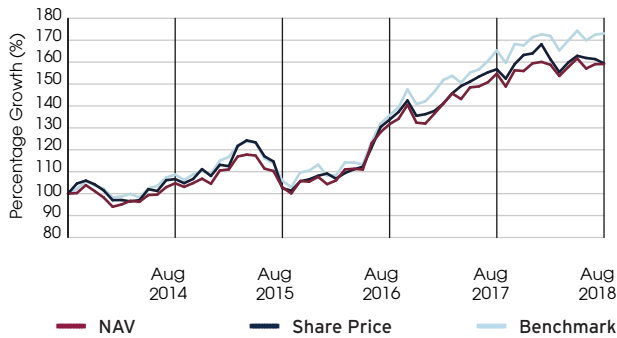
|                   |      |
|-------------------|------|
| Financials        | 22.1 |
| Consumer Goods    | 19.4 |
| Industrials       | 13.6 |
| Technology        | 11.1 |
| Consumer Services | 9.0  |
| Basic Materials   | 4.8  |
| Other             | 13.6 |
| Open Ended Funds  | 3.7  |
| Cash              | 2.7  |



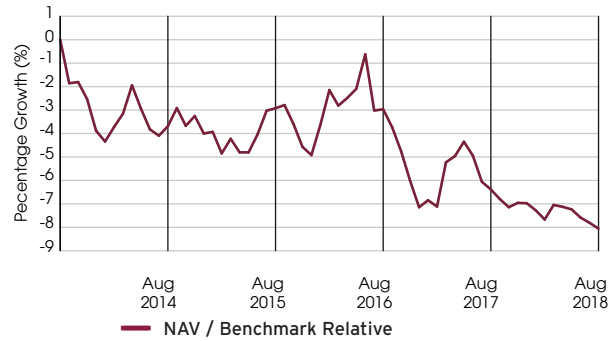
Source: BNP Paribas as at 31.08.18.

## INVESTMENT PERFORMANCE\*

### Absolute performance (total return)†



### Relative performance (total return)†



### Total performance (% growth to 31.08.2018) over†

|                                | 3 m  | 6 m  | 1 yr | 3 yrs | 5 yrs | 10 yrs |
|--------------------------------|------|------|------|-------|-------|--------|
| Share Price (Total Return)     | -2.1 | -1.2 | 1.7  | 55.5  | 59.4  | 151.2  |
| Net Asset Value (Total Return) | -1.6 | 0.2  | 2.8  | 54.8  | 59.1  | 145.5  |
| Benchmark‡ (Total Return)      | -0.7 | 0.6  | 4.7  | 63.5  | 73.1  | 143.2  |
| Relative NAV Performance       | -0.9 | -0.4 | -1.9 | -8.6  | -13.9 | 2.3    |

### Discrete performance (%)†

|                                | Q2 2013<br>Q2 2014 | Q2 2014<br>Q2 2015 | Q2 2015<br>Q2 2016 | Q2 2016<br>Q2 2017 | Q2 2017<br>Q2 2018 |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Share Price (Total Return)     | -3.6               | 15.6               | 3.6                | 26.5               | 5.5                |
| Net Asset Value (Total Return) | -4.1               | 11.9               | 10.4               | 21.1               | 5.5                |
| Benchmark‡ (Total Return)      | 1.7                | 12.1               | 6.6                | 26.6               | 8.5                |
| Relative NAV Performance       | -5.8               | -0.2               | 3.8                | -5.5               | -3.0               |

Relative numbers may not add up due to rounding

† Source: Morningstar, total return includes the notional reinvestment of dividends. Annualised figures updated each calendar quarter.

‡The benchmark for the Witan Pacific Investment Trust plc is the MSCI AC Asia Pacific Free Index (£).

Source: MSCI, for more information please go to [www.witanpacific.com/legal-information](http://www.witanpacific.com/legal-information).

**\*Please remember, past performance is not a guide to future performance, and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested.**

## INVESTMENT MANAGERS



Aberdeen, which has delegated management of the Company's assets to Aberdeen Asset Management Asia Limited (also part of the Standard Life Aberdeen PLC group of companies), was established in Asia in 1992 and at 31 December 2017 was managing £47.1bn of assets in Asia. The 40 fund managers in the equity team follow a fundamental investment style emphasising the identification of good quality companies on reasonable valuations relative to their growth potential.



Dalton Investments was established in 1999 and as of 31 January 2018, was managing \$3.9bn in strategies focused on Asian, global and emerging market equities, and high-yield fixed income. Dalton follows a disciplined value investment process to identify good business trading at significant discount to intrinsic value and whose management share an alignment of interest with shareholders.



Based in San Francisco, Matthews Asia is an independent, privately owned firm, and the largest dedicated Asia investment specialist in the United States. As at 31 December 2017, Matthews Asia had US\$33.9bn in assets under management. Matthews believes in the long-term growth of Asia and employs a bottom-up, fundamental investment philosophy with a focus on long-term investment performance.



Robeco Institutional Asset Management B.V. is an international asset manager founded in 1929. Robeco offers investors an extensive selection of active investment strategies, covering a broad range of asset classes. The Asian equity team has been in place since 1990 and manages US\$8.5bn out of its office in Hong Kong.

## HOW TO INVEST

Naturally, Witan Pacific's shares can be traded through any UK stockbroker but there is a variety of other ways to invest in Witan Pacific Investment Trust plc.

### Savings schemes

Witan Pacific is available for investment through Witan Wisdom, a savings scheme managed by Witan Investment Services Limited.



Witan Wisdom provides two different options to enable investors to access Witan Pacific shares.

### Witan Wisdom Share Plan

The Witan Wisdom Share Plan is our standard, low-cost savings scheme.\*

### Witan Wisdom ISA

The Witan Wisdom ISA is a stocks and shares ISA that enables investors to buy Witan shares within a tax efficient wrapper.\* Savers can also transfer existing ISA's to Witan Wisdom via the Witan Wisdom Transfer ISA.\*

\*Terms and conditions apply.

**Information and application forms for all of the Witan Wisdom products are available by calling 0800 082 8180 or online via [www.witanpacific.com](http://www.witanpacific.com). Please read the Important Information and Terms & Conditions document or speak to an adviser before making a decision to invest. You must also read the most recent Witan Pacific Key Information Document (KID) and the relevant pre-sale (ex-ante) cost disclosure before placing an investment in Witan Pacific Investment Trust, which is available on the website [www.witanpacific.com](http://www.witanpacific.com).**

### Advisers

Advisers who wish to purchase Witan Pacific shares for their clients can do so via a stockbroker, the Witan Savings Scheme or via a growing number of dedicated platforms. These include Ascentric, Nucleus, Seven Investment Management and Transact.

### Online platforms

A growing number of platforms offer investment trusts directly to investors including Alliance Trust Savings, Hargreaves Lansdown, Barclays Stockbrokers, Halifax Share Dealing Limited, Interactive Investors and AJ Bell.



## BOARD OF DIRECTORS



**SUSAN PLATTS-MARTIN**  
Chair



**DERMOT MCMEEKIN**  
Senior Independent Director,  
Nomination & Remuneration  
Committee Chairman



**CHRIS RALPH**



**ANDREW ROBSON**  
Audit Committee Chairman



**DIANE SEYMOUR-WILLIAMS**

## IMPORTANT INFORMATION

Please remember, past performance is not a guide to future performance and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested. This marketing communication is provided for informational purposes only and should not be construed as constituting an offer or a solicitation to buy or sell interests or investments in Witan Pacific Investment Trust plc. Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered. Funds which specialise in investing in a particular region or market sector are more risky than those which hold a very broad spread of investments. Funds investing in overseas securities are exposed to and can hold currencies other than Sterling. As a result, exchange rate movements may cause the value of investments to decrease or increase. Some, or all, of the annual management fee may be charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns that equal NAV performance. Where a fund holds a limited number of investments and one or more of those investments declines or is otherwise adversely affected, it may have a more pronounced effect on the Fund's value than if a larger number of investments were held.

## CONTACT DETAILS

**0800 082 81 80**

**[www.witanpacific.com](http://www.witanpacific.com)**

This marketing communication is issued and approved by Witan Investment Services Limited. Witan Investment Services Limited is registered in England no. 5272533 of 14 Queen Anne's Gate, London, SW1H 9AA. Witan Investment Services Limited provides investment products and services and is authorised and regulated by the Financial Conduct Authority. Calls may be recorded for our mutual protection and to improve customer service.