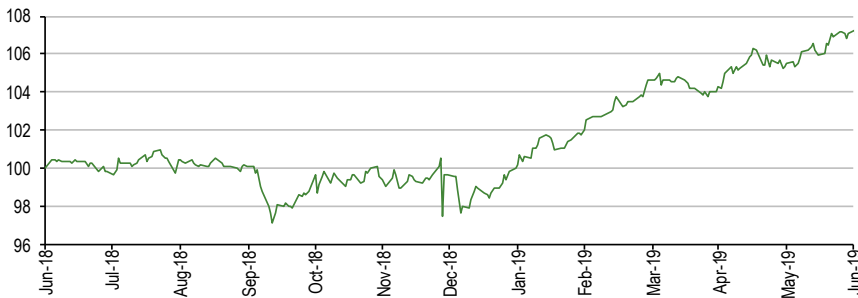


Martin Currie Global Portfolio Trust

New manager motoring ahead

Martin Currie Global Portfolio Trust's (MNP) investment performance has improved considerably following the appointment of Zehrid Osmani as lead manager on 1 October 2018. However, he remains vigilant, continuing to seek long-term, attractive investment opportunities. The trust's more concentrated portfolio contains the manager's highest-conviction ideas, and is constructed without reference to the FTSE World index benchmark. Part of the in-depth fundamental research process involves focusing on three long-term megatrends: the future of technology, demographic change and resource scarcity. MNP is a member of the large AIC Global sector; while the peers follow different mandates, the trust's pure equity, fundamental investment approach has proved successful and MNP is ranked second out of 16 funds over the last 12 months.

New manager driving NAV outperformance versus the benchmark



Source: Refinitiv, Edison Investment Research

The market opportunity

In recent years, global equities have significantly outpaced the performance of UK shares, largely driven by the particularly strong performance of the US. However, with a clouded macro backdrop (including uncertainty surrounding ongoing trade disputes), along with above-average valuation multiples, shareholders may be rewarded by employing a more discerning approach to global investment.

Why consider investing in MNP?

- Improved investment performance under new manager.
- Exposure to a high-conviction portfolio of global equities.
- Competitive fee structure.
- Active zero discount management policy, ensuring MNP's shares usually trade close to NAV.

Resumption of allotments

There has been increased demand for MNP's shares, arguably because of a marked improvement in the trust's investment performance, which has led the board to resume issuing shares for the first time since FY16. The trust is currently trading at a 1.3% premium to cum-income NAV, compared with a 0.6% average discount over the last one, three and five years. MNP currently offers a 1.4% dividend yield.

Investment trusts Global equities

17 July 2019

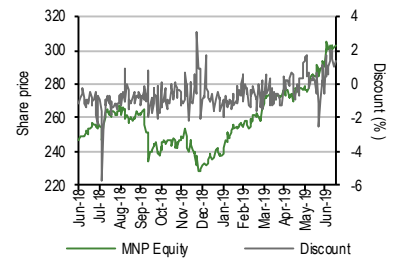
Price 303.0p
Market cap £253m
AUM £249m

NAV* 298.2p
 Premium to NAV 1.6%
 NAV** 299.0p
 Premium to NAV 1.3%

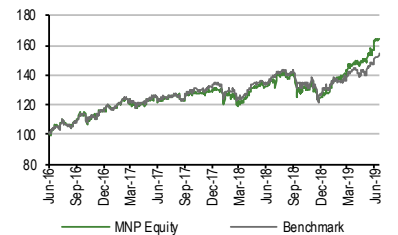
*Excluding income. **Including income. As at 15 July 2019.

Yield 1.4%
 Ordinary shares in issue 83.6m
 Code MNP
 Primary exchange LSE
 AIC sector Global
 Benchmark FTSE World

Share price/discount performance



Three-year performance vs index



52-week high/low 305.0p 228.5p
 NAV** high/low 301.5p 226.4p

**Including income.

Gearing

Gross* 0.0%
 Net cash* 2.3%

*As at 30 June 2019.

Analysts

Mel Jenner +44 (0)20 3077 5720
 Sarah Godfrey +44 (0)20 3681 2519

investmenttrusts@edisongroup.com

[Edison profile page](#)

Martin Currie Global Portfolio Trust is a research client of Edison Investment Research Limited

Exhibit 1: Trust at a glance

Investment objective and fund background

Martin Currie Global Portfolio Trust's objective is to achieve long-term capital growth in excess of the capital return of the benchmark FTSE World Index by investing in a diversified portfolio of international quoted investments. The benchmark was changed on 1 June 2011 from the FTSE All-Share Index to the FTSE World Index when the trust adopted a more global focus, and another change to the MSCI AC World index (total return) has been approved with effect from FY20 (see Fund profile section).

Recent developments

- 21 June 2019: Announcement of the appointment of Christopher Metcalfe as a non-executive director, with effect from 19 September 2019.
- 11 June 2019: Announcement of 0.9p first interim dividend for FY20 (flat year-on-year).
- 11 June 2019: Retirement of non-executive director Mike Balfour at AGM.
- 25 April 2019: 12-month report to 31 January 2019. NAV TR +1.6% versus benchmark TR +0.9%. Share price TR -0.3%.

Forthcoming

AGM	June 2020
Interim results	September 2019
Year end	31 January
Dividend paid	Jul, Oct, Jan, Apr
Launch date	March 1999
Continuation vote	None

Capital structure

Ongoing charges	0.63% (FY19)
Net cash	2.3%
Annual mgmt fee	0.4%
Performance fee	See page 8
Trust life	Indefinite
Loan facilities	None

Fund details

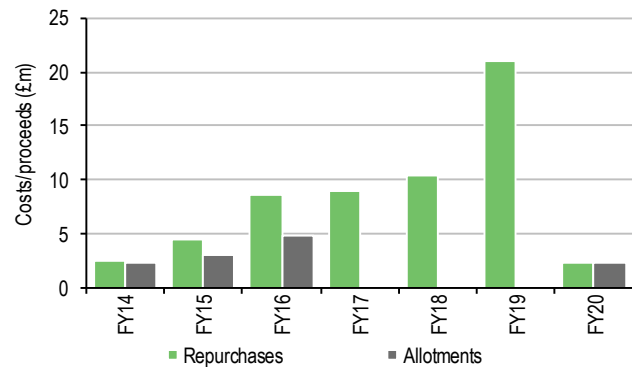
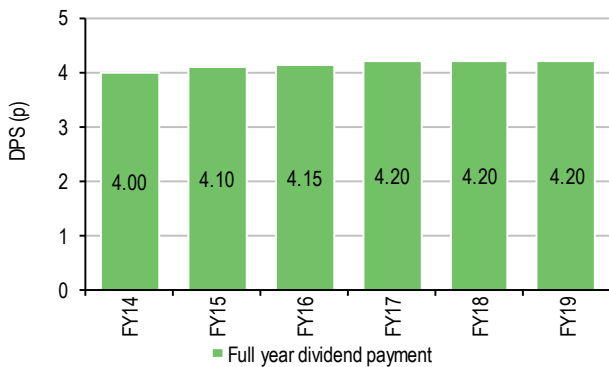
Group	Martin Currie Investment Mgmt (UK)
Manager	Zehrid Osmani
Address	Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ES
Phone	+44 (0)131 229 5252
Website	www.martincurrieglobal.com

Dividend policy and history (financial years)

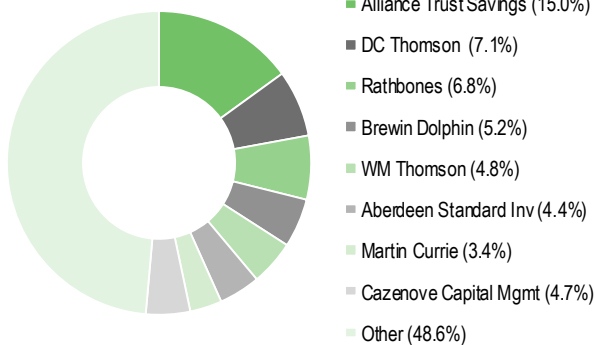
MNP moved to paying quarterly dividends from FY14 (previously semi-annual). Dividends are paid in July, October, January and April. The board is committed to a progressive dividend policy over the longer term.

Share buyback policy and history (financial years)

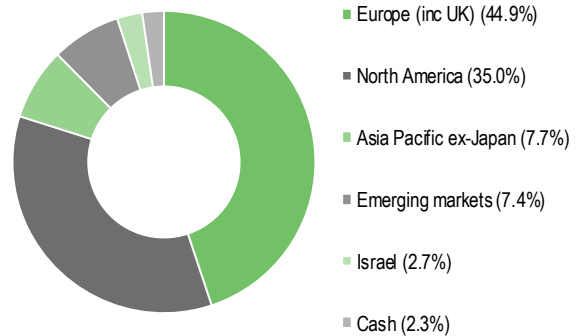
Renewed annually, the trust has authority to purchase up to 14.99%, and allot up to 10% of issued share capital.



Shareholder base (as at 30 June 2019)



Portfolio exposure by geography (as at 30 June 2019)



Top 10 holdings (as at 30 June 2019)

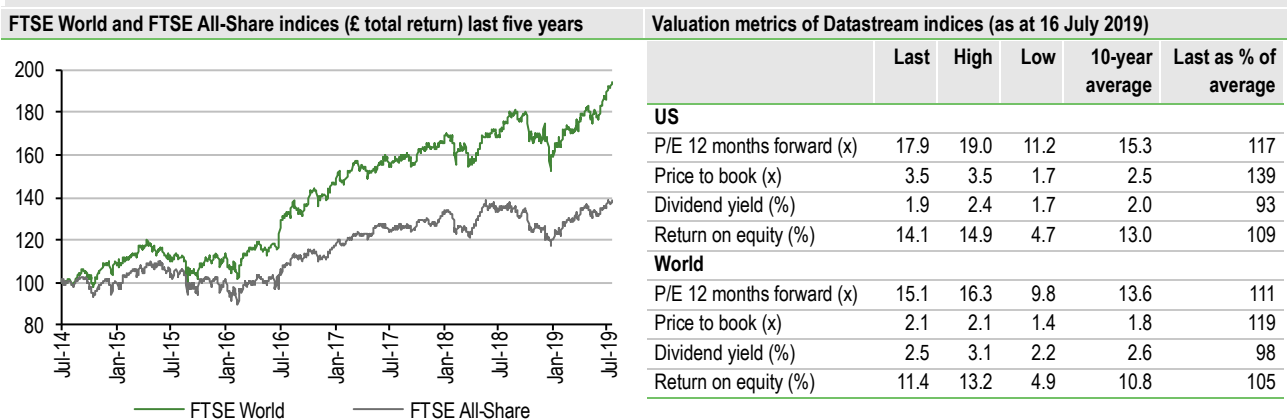
Company	Country	Sector	Portfolio weight %	
			30 June 2019	30 June 2018*
AIA	Hong Kong	Financials	4.4	4.3
Visa	US	Technology	4.2	4.3
Automatic Data Processing	US	Industrials	4.2	4.0
Linde	US	Basic materials	4.1	3.3
Straumann	Switzerland	Healthcare	4.0	N/A
Microsoft	US	Technology	3.7	N/A
Adidas	Germany	Consumer goods	3.5	N/A
ResMed	US	Healthcare	3.4	N/A
Kering	Europe	Consumer goods	3.3	N/A
CSL	Australia	Healthcare	3.3	N/A
Top 10 (% of holdings)			38.1	35.2

Source: Martin Currie Global Portfolio Trust, Edison Investment Research, Bloomberg, Morningstar. Note: *N/A where not in end-June 2018 top 10.

Market outlook: Time to be more selective

Global equities have delivered handsome total returns to investors over the last five years, meaningfully outpacing the performance of the UK market (Exhibit 2, LHS). However, in recent quarters, world markets have become more volatile as investors focus on slowing economic growth (partly due to the ongoing dispute between the US and its trading partners), along with changes in monetary policy. Global markets have reacted positively to the US Federal Reserve's move towards a more dovish stance; as an example, according to Barron's, the US S&P 500 bellwether index generated its best first half-year gain since 1997 (H119 total return of 18.5%). However, buoyant stock markets have resulted in less attractive valuation multiples. Looking at Datastream indices, on a forward P/E multiple basis, US and global equities are trading respectively at 17% and 11% premiums to their 10-year averages. In an environment of slowing economic growth and above-average valuations, investors may benefit from a more discerning approach; a fund with a concentrated, high-conviction portfolio, which is enjoying a meaningful improvement in investment performance, may hold appeal.

Exhibit 2: Market performance and valuation



Source: Refinitiv, Edison Investment Research

Fund profile: High-conviction, concentrated portfolio

MNP was launched in March 1999 and is listed on the Main Market of the London Stock Exchange. On 30 June 2018, Zehrid Osmani (ex-senior portfolio manager and head of European equities research at BlackRock) was appointed as the trust's co-portfolio manager, becoming sole manager on 1 October 2018 following the retirement of Tom Walker. Osmani is head of Martin Currie's global long-term unconstrained (GLTU) team. MNP holds a diversified portfolio of 25-40 high-quality global equities. There are no limits on portfolio construction, except that there must not be a reliance on a particular macroeconomic factor such as interest rates or oil prices. Gearing of up to 20% of NAV is permitted (not employed since 2008); at end-June 2019, MNP had a net cash position of 2.3%.

Currently, MNP's objective is to achieve 'long-term capital growth in excess of the capital return from the FTSE World index'. However, at the June 2019 AGM, a resolution was passed to change the objective to 'long-term returns in excess of the total return from the MSCI All Country World index'. Benchmarking against a total rather than capital return will improve MNP's comparability with other trusts, while the MSCI index is deemed to represent the global market more effectively, including emerging market coverage. These changes to MNP's objective and benchmark will come into effect at the start of FY20 (1 February 2020).

Data from MNP show that from launch to end-January 2019, the trust's NAV and share price total returns of 277.1% and 366.0% are ahead of the benchmark's 253.7% total return.

The fund manager: Zehrid Osmani

The manager's view: Uncertain macro environment

Osmani comments that there are still uncertainties in terms of the macro background; he had hoped that by now there would have been more progress made in the US-China trade dispute, although there were encouraging signs of a step forward at the recent G20 meeting. The manager describes global economic momentum as 'soggy', and notes that earnings estimate revisions, on balance, are negative rather than positive. This is not just due to trade tensions; he also notes that Chinese economic weakness is spilling over into Europe, particularly affecting Germany's export-led economy. Osmani suggests this 'is not helpful', and also believes that the lack of a Brexit resolution is negatively affecting growth and sentiment. On the flip side, he says that a positive outcome of weaker economic momentum is more dovish central bank monetary policy. In the US, the Federal Reserve has paused hiking interest rates, and has signalled that they could be lowered if required; while in Europe, the president of the ECB has said there may be further quantitative easing in an attempt to stimulate the economy.

With an uncertain macro backdrop, the manager stresses the importance of focusing on companies that have an element of pricing power and 'can deliver in all weathers'. In terms of sectors, he notes particular strength at luxury goods firms, mixed outlooks for industrial companies and a very weak environment for operators involved in the auto supply chain. Considering different geographies, Osmani comments that he is finding some good long-term opportunities outside of the US, including in emerging markets.

Asset allocation

Investment process: Focused and high conviction

Osmani heads up Martin Currie's seven-strong GLTU team, which is part of a wider group of 55 investment professionals. The GLTU team's philosophy is that companies with a high and sustainable return on invested capital generate above-average total returns over the long term. Environmental, social and governance (ESG) considerations are an important element to the research process, and the investment team has engaged with almost all of MNP's investee companies during the last financial year, covering a range of issues including supply chains, sustainable packaging and water policies, and senior management remuneration. The focus on ESG also includes detailed analysis of investee companies' accounts, Osmani suggests that this is one of MNP's competitive advantages and helps to protect its investors' assets.

There are three stages to the stock selection process, building conviction at each stage:

- idea generation, seeking sustainable growth businesses that are attractively valued;
- in-depth fundamental research; and
- portfolio construction, ensuring that MNP's holdings are all high conviction.

In January 2019, the board approved the adoption of a fully unconstrained approach, which allowed the manager to buy what he considers to be 'some very exciting' new names. Osmani stresses that MNP is a very concentrated, high-conviction portfolio. He has reduced the number of holdings from the mid-40s to the current level of 32 (while retaining a diversified exposure), and he says that he would be comfortable reducing this number to below 30 if the right opportunities present themselves. The trust's active share has continued to rise (currently 93.9%); this is a measure of how a fund differs from its benchmark, with 0% representing full index replication, and 100% showing no commonality. Reflecting the growth and high-quality nature of MNP's investments, compared with the index it has higher forecast earnings and dividend growth, a higher return on equity and, in aggregate, a stronger balance sheet. Due to repositioning the fund, Osmani reports

that MNP's portfolio turnover is running around 35% pa; however, once this is complete, a 'steady state' level should be less than 20% pa, implying a holding period of more than five years.

Much of the GLTU team's research efforts focus on three overarching themes (the future of technology, demographic change and resource scarcity), which the manager believes will remain relevant for multiple decades. They include sub-themes such as cyber threats, robotics, climate change, organic food, growth of the emerging markets middle class and bespoke healthcare. Osmani highlights the electric vehicle market, which he suggests could grow at 30% pa to 2030, explaining that he focuses on researching companies higher up the value chain where there is less competition and risk of disruption, so pricing power is higher. The manager believes that the 'mega-theme' research approach is a very sensible framework and can highlight which areas require more focus. He says it captures a high level of intellectual capital and is an imaginative way to highlight an important element of the research process.

Current portfolio positioning

At end-June 2019, MNP's top 10 holdings made up 38.1% of the portfolio. This was a modest increase in concentration versus 35.2% a year earlier; four positions were common to both periods. There have been meaningful changes in the trust's geographic exposure over this period (Exhibit 3), most notably a higher European weighting (+17.0pp, and now more than double the index level) and a lower weighting in North America (-13.1p). There are no longer any Japan-listed companies in the portfolio (-3.8pp). However, Osmani and his team are less focused on where companies are listed, and also analyse the portfolio based on where investee companies generate their revenue. On this basis, the fund has an overweight versus the MSCI AC World index to developed markets (including an above-index exposure to the US economy) and is underweight in emerging markets.

Exhibit 3: Portfolio geographic exposure vs FTSE World index (% unless stated)

	Portfolio end-June 2019	Portfolio end-June 2018	Change (pp)	Index weight	Active weight vs index (pp)	Trust weight/index weight (x)
Europe (inc UK)	46.0	28.9	17.0	20.6	25.4	2.2
North America	35.8	48.9	(13.1)	60.7	(24.9)	0.6
Asia Pacific ex-Japan	7.9	6.8	1.1	5.9	2.0	1.3
Emerging markets	7.6	8.7	(1.1)	4.4	3.2	1.7
Israel	2.8	2.9	(0.2)	0.2	2.6	13.8
Japan	0.0	3.8	(3.8)	8.2	(8.2)	0.0
Total	100.0	100.0		100.0		

Source: Martin Currie Global Portfolio Trust, Edison Investment Research. Note: Adjusted for cash.

Changes in MNP's sector exposure are more modest (Exhibit 4), led by healthcare (+8.2pp), consumer goods (+5.6pp) and industrials (+4.1pp), with notable reductions in telecoms (-5.2pp), and consumer services (-3.4pp). It is interesting to note that MNP now has zero exposure to the oil & gas, telecoms and utilities sectors, which together make up c 12% of the benchmark.

Exhibit 4: Portfolio sector exposure vs FTSE World index (% unless stated)

	Portfolio end-June 2019	Portfolio end-June 2018	Change (pp)	Index weight	Active weight vs index (pp)	Trust weight/index weight (x)
Industrials	23.1	19.0	4.1	13.4	9.7	1.7
Consumer goods	18.8	13.2	5.6	11.3	7.5	1.7
Healthcare	17.0	8.8	8.2	11.3	5.7	1.5
Technology	15.2	17.6	(2.3)	15.8	(0.6)	1.0
Financials	13.6	15.6	(2.0)	20.8	(7.2)	0.7
Consumer services	8.1	11.5	(3.4)	11.3	(3.2)	0.7
Basic materials	4.2	5.7	(1.5)	4.3	(0.1)	1.0
Telecommunications	0.0	5.2	(5.2)	2.7	(2.7)	0.0
Utilities	0.0	1.8	(1.8)	3.3	(3.3)	0.0
Oil & gas	0.0	1.6	(1.6)	5.6	(5.6)	0.0
Total	100.0	100.0		100.0		

Source: Martin Currie Global Portfolio Trust, Edison Investment Research. Note: Adjusted for cash.

Osmani highlights a few of MNP's recent new holdings:

- **Adidas** (sportswear) – the manager says the company has a very strong growth outlook, and is expanding its margins, helped by cost efficiencies. He notes that this firm has one of the strongest return improvement profiles in the trust's portfolio.
- **Beazley** (specialist insurance) – forecast top- and bottom-line growth of 9% pa and 26% pa respectively over the next five years, led by structural growth in the company's niche operations, such as cybersecurity risk.
- **Canadian National Railway** (railroads) – Osmani views this company as a steady value creator, led by solid demand growth and pricing power.
- **Ferrari** (luxury cars) – the manager says this firm has a very attractive, unique franchise with a high degree of pricing power. The company's free cash flow is growing at 30% pa, with potential to increase its return on invested capital meaningfully over the next five years.
- **Kering** (luxury goods) – the firm has a strong portfolio of brands with potential for further growth. Osmani suggests the company can increase its return on invested capital from 10% to the mid-20% over the next five years.
- **Microsoft** (IT software, hardware and services) – while the stock has performed strongly, the manager believes there is further upside. Due to its subscription-based model, an increasing percentage of the company's business is in high-margin recurring revenues.
- **Moncler** (luxury apparel) – the firm generates very high returns and its brand has the potential to increase its global presence.
- **ResMed** (medical equipment) – Osmani says that this is a particularly high-conviction position, initiated following a period of share price weakness. He forecasts top- and bottom-line growth of 9% pa and 20% pa respectively over the next five years, with return on invested capital rising from 20.0% to 22.5% over this period.

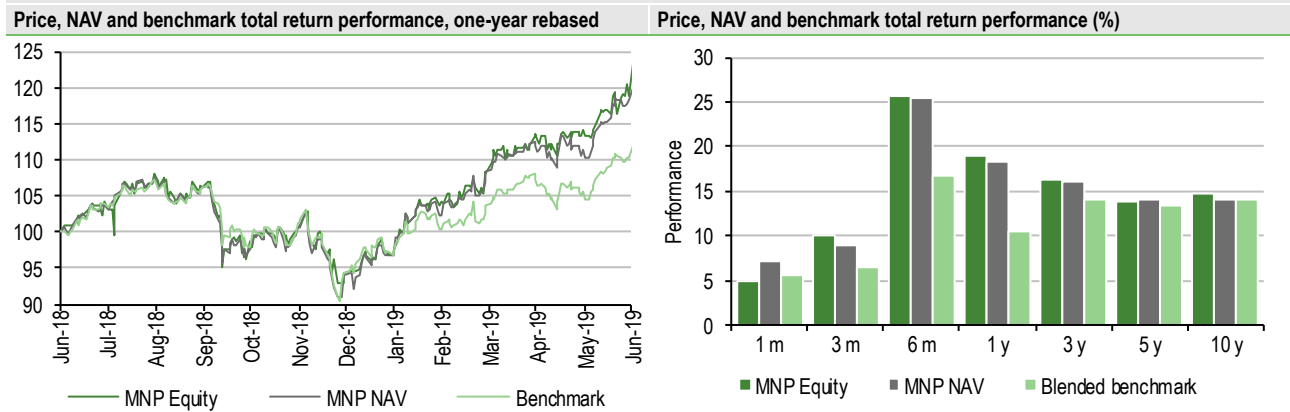
Recent complete disposals include: 3M (limited upside to target price – since the sale, the stock has underperformed following a profits warning); Airbus (the stock had performed well and the risk/reward profile looked less compelling); Aptiv (lower-conviction position); Cognizant (a poorly performing holding that has subsequently continued to underperform due to lowering its earnings guidance); Compass (lower-conviction holding, sold to fund the Beazley position); Croda (lower-conviction position); CVS Health (potential merger and regulation risks); Inditex (growth outlook is challenged); Lockheed Martin (lower-conviction position); Richemont (stronger demand outlook for soft rather than hard luxury goods, so sold to fund the Kering position); and The Cooper Companies (regulation risks).

Performance: Recent significant improvement

12 months ending	Share price (%)	NAV (%)	FTSE World (%)	MSCI AC World (%)	FTSE All-Share (%)
30/06/15	9.5	10.5	9.9	10.1	2.6
30/06/16	11.2	11.3	14.6	13.9	2.2
30/06/17	22.1	22.1	22.9	22.9	18.1
30/06/18	8.1	8.5	9.3	9.5	9.0
30/06/19	18.9	18.3	10.4	10.3	0.6

Source: Refinitiv. Note: All % on a total return basis in pounds sterling.

During FY19 (to 31 January), MNP produced NAV and share price total returns of +1.6% and -0.3% respectively, compared with the benchmark's +0.9% total return. Positive contributors included ADP (human resources software), AIA (life insurance), CSL (blood fractionation), Shire (taken over by Takeda Pharmaceutical), Visa (electronic payments), and Waters (analytical laboratory instruments and software). Positions detracting from performance included British American Tobacco (increased regulatory threat) and Facebook (higher scrutiny surrounding data protection).

Exhibit 6: Investment trust performance to 30 June 2019


Source: Refinitiv, Edison Investment Research. Note: Three-, five- and 10-year performance figures annualised. Benchmark changed from FTSE All-Share to FTSE World index on 1 June 2011.

Exhibits 7 and 8 highlight the significant improvement in MNP’s relative performance. Osmani suggests this is evidence that the research process and high-conviction approach is working well. Over the last six months, positive contributors include new holdings in Ferrari, Kering and Moncler, while the manager notes some of the names that have exited the portfolio have subsequently underperformed, including 3M, Cognizant and ProSiebenSat.1 Media.

Due to the recent improvement in performance, MNP has now outperformed its benchmark in both NAV and share price terms over almost all periods shown. The potential benefits of global investment are also highlighted by the trust’s meaningful outperformance of the FTSE All-Share index over all periods shown.

Exhibit 7: Share price and NAV total return performance, relative to indices (%)

	One month	Three months	Six months	One year	Three years	Five years	10 years
Price relative to FTSE World	(0.6)	3.3	7.6	7.7	5.8	2.3	8.1
NAV relative to FTSE World	1.6	2.3	7.5	7.1	5.7	3.2	1.6
Price relative to MSCI AC World	(0.6)	3.5	7.7	7.8	5.8	2.7	9.8
NAV relative to MSCI AC World	1.5	2.6	7.6	7.3	5.6	3.6	3.2
Price relative to FTSE All-Share	1.2	6.6	11.2	18.3	21.2	40.7	47.5
NAV relative to FTSE All-Share	3.4	5.6	11.1	17.6	21.0	42.0	38.6

Source: Refinitiv, Edison Investment Research. Note: Data to end-June 2019. Geometric calculation.

Exhibit 8: NAV total return performance relative to benchmark over three years


Source: Refinitiv, Edison Investment Research

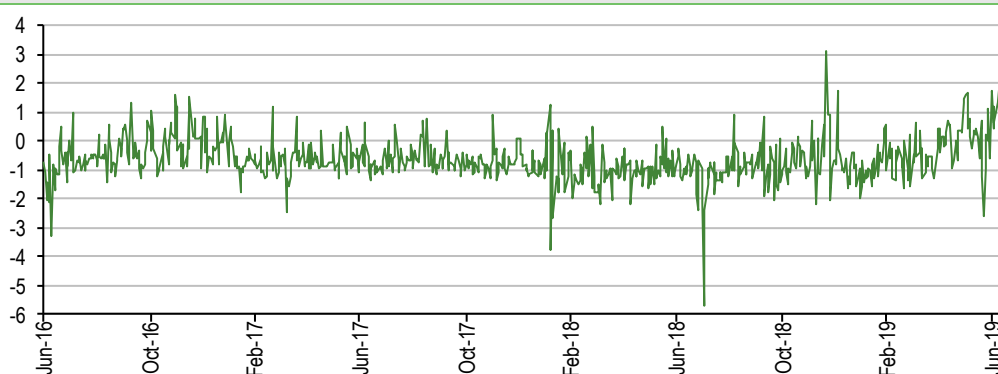
Discount: Return of share issuance

The board has employed a zero discount policy since July 2013, aiming to ensure that, in normal market conditions, MNP’s shares trade close to NAV. Renewed annually, the trust has authority to

repurchase up to 14.99% of its shares and allot up to 10% of its issued share capital in order to manage a discount or premium. During FY19, the board repurchased c 8.6m shares (9.3% of the end-FY18 share base) at a cost of c £21.2m. In recent months, the discount has narrowed and for the first time since FY16, in response to increased shareholder demand, MNP has been issuing shares at a premium (see Exhibit 1), which is arguably due to the trust's improved investment performance.

The trust is currently trading at a 1.3% share price premium to cum-income NAV (versus a range of a 3.1% premium to a 5.7% discount over the last 12 months). MNP's discount control policy has proved to be effective, as over the last one, three and five years its discount has averaged 0.6%.

Exhibit 9: Share price premium/discount to NAV (including income) over three years (%)



Source: Refinitiv, Edison Investment Research

Capital structure and fees

MNP is a conventional investment trust with one class of share. There are currently 83.6m ordinary shares in issue. Gearing has not been employed since 2008, although this stance is under constant review (gearing of up to 20% of NAV is permitted). At end-June 2019, MNP had a net cash position of 2.3%.

In FY19, ongoing charges of 0.63% were 5bp lower year-on-year and well below the board's target maximum of 0.75% (primarily due to the reduction in the management fee from 0.5% pa to 0.4% pa, with effect from 1 February 2018). A performance fee is payable for outperformance versus the benchmark, capped at 1% of net assets and paid in 12 months' arrears; as at 31 January 2019, a performance fee of £406k had accrued.

Dividend policy and record

MNP pays four dividends a year in July, October, January and April. Total annual distributions have been increased or maintained every year since the trust was launched in March 1999, compounding at an annual rate of 5.6%.

In FY19, the total dividend paid was 4.2p per share, which was in line with the prior two financial years, and was 0.9x covered by income. Income per share in FY19 was 3.47p, 5.4% lower year-on-year, largely due to a stronger pound versus the US dollar over the period. At end-FY19, MNP had revenue reserves (before the final interim payment) of £4.6m, which is c 1.3x the last annual dividend. Based on its current share price, MNP offers a 1.4% dividend yield.

Peer group comparison

MNP is a member of the AIC Global sector, which comprises 16 funds with a variety of investment mandates. There has been a significant improvement in the trust's performance in recent months (achieved without any gearing), which is reflected in its improved standing. MNP now ranks second over one year (10.5pp above the mean), and is now also modestly above average over three and five years. There are two funds (Lindsell Train and Scottish Mortgage) with outsized returns over the medium and long term; if these are excluded, the averages over three, five and 10 years fall to 48.6%, 84.1% and 226.0% respectively. The trust is one of five funds that are currently trading at a premium to NAV. Its ongoing charge is below average, although it is one of three trusts eligible for a performance fee. Befitting its focus on capital growth, MNP has a below-average dividend yield.

Exhibit 10: Selected peer group as at 16 July 2019*

% unless stated	Market cap £m	NAV TR 1 year	NAV TR 3 year	NAV TR 5 year	NAV TR 10 year	Discount (ex-par)	Ongoing charge	Perf. fee	Net gearing	Dividend yield
Martin Currie Global Portfolio	252.7	19.0	56.4	99.9	276.5	1.9	0.6	Yes	100	1.4
Alliance Trust	2,729.2	8.6	49.3	90.7	236.0	(4.1)	0.6	No	104	1.7
AVI Global Trust	865.1	6.3	52.9	66.9	173.1	(8.3)	0.9	No	109	1.7
Bankers	1,184.4	9.6	52.3	90.0	259.3	(0.6)	0.5	No	100	2.0
Brunner	365.9	10.8	44.2	65.8	228.3	(8.1)	0.7	No	107	2.2
EP Global Opportunities	128.6	(0.0)	31.4	52.8	175.0	(6.2)	0.9	No	100	1.8
F&C Investment Trust	3,918.2	8.9	49.7	95.6	272.3	(3.9)	0.6	No	107	1.6
JPMorgan Elect Managed Growth	268.0	4.1	44.9	71.2	247.5	(2.6)	0.5	No	100	1.9
Lindsell Train	322.0	34.4	121.4	242.9	728.3	52.6	0.9	Yes	100	1.8
Majedie Investments	135.1	(4.8)	15.1	50.1	125.5	(16.8)	1.0	No	111	4.5
Manchester & London	152.7	8.6	86.0	123.3	141.6	(8.1)	1.0	No	100	2.7
Mid Wynd International Inv Trust	240.2	14.7	53.3	117.6	311.7	2.4	0.7	No	100	1.0
Monks	2,070.5	9.7	71.6	113.9	266.3	4.7	0.5	No	106	0.2
Scottish Investment Trust	632.8	(0.4)	32.1	62.4	195.3	(8.2)	0.4	No	101	3.1
Scottish Mortgage	8,337.0	2.5	93.5	164.6	564.8	5.7	0.4	No	108	0.6
Witan	1,950.1	4.2	40.9	76.9	255.8	(2.4)	0.8	Yes	111	2.3
Average (16 trusts)	1,472.0	8.5	55.9	99.0	278.6	(0.1)	0.7		104	1.9
MNP rank in peer group	12	2	5	6	4	5	10		10	13

Source: Morningstar, Edison Investment Research. Note: *Performance data to 15 July 2019 based on ex-par NAV. TR = total return. Net gearing is total assets less cash and equivalents as a percentage of net assets (100 = ungeared).

The board

Following the retirement of Mike Balfour at the June 2019 AGM, there are now four directors on MNP's board, all of whom are non-executive and independent. Chairman Neil Gaskell joined the board on 24 November 2011 and assumed his current role on 22 May 2012. The other three directors and their dates of appointment are Gillian Watson (1 April 2013, senior independent since 11 June 2019), Marian Glen and Gary Le Sueur (both 1 December 2016).

On 21 June 2019, the board announced the appointment of Christopher Metcalfe as MNP's fifth non-executive, independent director (effective 19 September 2019). His background is in equity fund management and investment trusts, having held senior positions at Newton Investment Management, Schroder Investment Management and Henderson Global Investors. Metcalfe is a non-executive director of JPMorgan US Smaller Companies Investment Trust.

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Frankfurt +49 (0)69 78 8076 960
Schumannstrasse 34b
60325 Frankfurt
Germany

London +44 (0)20 3077 5700
280 High Holborn
London, WC1V 7EE
United Kingdom

New York +1 646 653 7026
1,185 Avenue of the Americas
3rd Floor, New York, NY 10036
United States of America

Sydney +61 (0)2 8249 8342
Level 4, Office 1205
95 Pitt Street, Sydney
NSW 2000, Australia