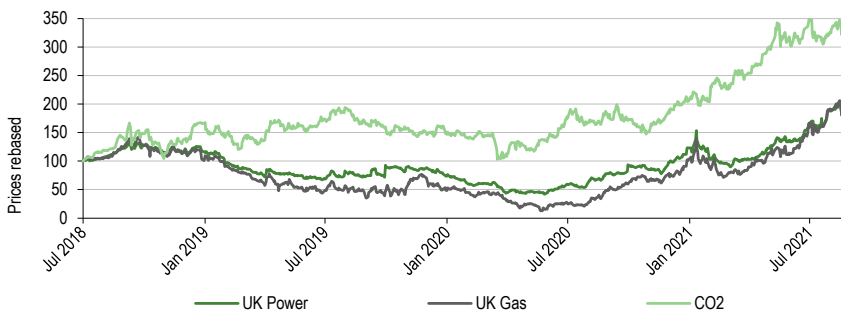


Premier Miton Global Renewables Trust

Are higher power prices here to stay?

Premier Miton Global Renewables Trust (PMGR) is arguably unique among UK investment companies for its broad global focus on renewable energy securities, aiming for both income (current yield c 5.5%) and capital growth. Fund manager James Smith believes that renewable infrastructure operators, in which the trust invests, are likely to greatly benefit from a sustainable potential upward shift in power prices. He views this as driven primarily by increasing demand for electricity as the world transitions to cleaner sources of energy. The trust changed its mandate in late 2020, having shifted in recent years towards renewable energy stocks from its previous wider focus on utilities, water and energy companies. Given that most closed-ended renewable peers trade at a premium, a narrowing of PMGR's discount over time could present an opportunity for investors.

Increasing UK power prices benefit renewable infrastructure investments



Source: PMGR, Bloomberg, Edison Investment Research

Why PMGR now?

The manager has spent the last 18 months restructuring the portfolio and the trust now invests in global renewable stocks (see our [initiation note](#) for details about the transition and evolution of the portfolio). PMGR posted positive NAV TR of c 2% during the last six months, despite a pullback in renewable energy company valuations during H121 resulting in the weaker performance of renewables equities. Given their lower share prices, Smith is looking for more investment opportunities.

The analyst's view

Rising commodity prices and higher CO₂ emission costs have led to higher power prices. Coupled with potential increase in electricity consumption, this should lead to higher demand for renewably generated electricity and increase expected investment returns on renewables. We agree with the manager that if power prices continue to climb into Q421, the likelihood of a scenario of higher power prices over the long term increases. If this scenario materialises, PMGR will continue to perform strongly. Its one-year performance (35.0% NAV TR versus 17.2% for peers to end-July 2021) has already benefited considerably from the strong recovery in renewable energy stocks bought during the March 2020 sell-off. While the dividend per share has come down by 3.2p, this was more than compensated for by the reduction in finance costs of c 3.6p, following the refinancing of zero dividend preference shares or ZDPs (see our initiation note for details).

NOT INTENDED FOR PERSONS IN THE EEA

Investment trusts Renewable energy equities

31 August 2021

Price 173.0p
Market cap £31.6m
AUM £76.7m

NAV* 183.7p
Discount to NAV 5.8%
NAV** 187.8p
Discount to NAV 7.9%

*Excluding income. **Including income. As at 26 August 2021.

Yield 5.5%
Ordinary shares in issue 18.2m
ZDP shares in issue 14.2m
Code/ISIN PMGR/GB0033537902
Primary exchange LSE
AIC sector Infrastructure Securities

52-week high/low* 196.0p 119.5p
NAV** high/low 198.5p 131.1p

**Including income.

Gearing

Gross gearing* 31.1%

*As reported at 30 June 2021.

Fund objective

Premier Miton Global Renewables Trust's (PMGR) investment objectives are to achieve a high income and realise long-term growth in the capital value of its portfolio. PMGR seeks to achieve these by investing principally in the equity and equity-related securities of companies operating primarily in the renewable energy sectors and other sustainable infrastructure investments. The trust is structurally geared via zero dividend preference shares (ZDPs) maturing in 2025.

Bull points

- Strong support for increased renewable energy capacity to meet climate change targets.
- Differentiated global strategy targeting income and growth from a range of sectors.
- Energy transition is not economically sensitive.

Bear points

- Greater development and technology risk of earlier-stage projects.
- Possible pressure on PMGR's income and dividends from smaller pool of total assets.
- Gearing effect can be negative in a falling market.

Analysts

Victoria Chemykh +44 (0)20 3077 5700
Sarah Godfrey +44 (0)20 3681 2519

investmenttrusts@edisongroup.com

[Edison profile page](#)

Premier Miton Global Renewables Trust a research client of Edison Investment Research Limited

The manager's view and portfolio positioning

The renewables opportunity

Considering that power prices are, arguably, the key factor affecting the profitability of renewable energy generators, the upward shift in the power price curve will be hugely beneficial for the renewable infrastructure industry. According to a number of industry participants (such as Foresight Solar Fund (FSFL) and Bluefield Solar Income Fund (BSIF)) that a combination of fixed-price contracts (with little dependency on power prices expectations and accounting for about two-thirds of renewables' annualised total revenues) and merchant pricing (direct exposure to power price volatility, approximately one-third of revenues) will exist for decades to come. Merchant revenues would get a boost from a rise in power prices. Moreover, as power prices rise, renewable companies such as wind and solar, which operate at effectively zero marginal cost (as most of their costs are fixed), will gain at the cost of fossil fuel generators, whose costs will be hit by carbon taxes.

BP's Energy Outlook 2020 suggests three possible scenarios for the energy mix by 2050 compared with 2018. Regardless of which scenario materialises, renewable energy will significantly increase its share of the mix and renewable energy companies will benefit from capturing more business. The scale of this shift varies significantly across the three scenarios, with the share of hydrocarbons in primary energy declining from around 85% in 2018 to 70–20% by 2050 and the share of renewable energy increasing to 20–60%. Considering the UK government's efforts to achieve Net Zero by 2050, it is plausible that the renewables share will be higher than in the 'business-as-usual' scenario, where it hovers around 20%.

The manager's view of future UK and European power prices is based on three pillars. Firstly, the price of gas has increased to around three times the 2019 average price of c 35p per therm to c 105p per therm at end-July 2021. Secondly, power prices are beginning to be more obviously defined by a combination of gas (c 85%) and emissions permits (CO₂) pricing (c 15%), rather than the gas price alone, as it was until recently. Thirdly, Smith believes that electricity demand will grow very quickly from the current level and push power prices up in the mid- and long term.

Smith expects mid- and long-term power prices to be higher than market consensus (provided by independent third-party power forecasting companies) currently suggests. In December 2020, consensus by industry consultants (consensus data from FSFL's FY20 annual report) was for UK power prices to increase gradually from the near-term level of c 45/MWh to c £50/MWh by 2026 and continue until about 2040. End-July UK power prices have more than doubled subsequently to £105/MWh and continues to climb. Smith believes the market will be tighter this autumn and winter, and contracts will be signed at even higher prices. A more up-to-date report on the forecast curve for power prices (from NextEnergy Solar Fund's (NESF) FY21 annual report, published on 16 June 2021) shows no changes to long-term power price forecast levels.

The manager believes that the adoption of hydrogen will accelerate within the next few years, particularly within the heavy industry and transport sectors of the economy. This broadened usage of hydrogen and the consequent increase in demand for electricity generation required to manufacture the hydrogen could progress quicker than expected, and lead to materially higher electricity prices than those currently modelled by power price forecasting consultants.

Portfolio

At end-July 2021, the portfolio included 39 holdings (compared to 42 at end-December 2020 and 48 at end-July 2020). As the portfolio was generally restructured by the end of 2020 and sector classification was changed (see our [initiation note](#) for details) to fit the new mandate in November

2020, we compare end-July 2021 sectoral and geographical breakdowns with PMGR's financial year-end data (at 31 December 2020) to gauge the manager's activity to capture new opportunities.

Exhibits 1 and 2 present sizeable sectoral and geographic changes, with the reshaped portfolio representing Smith's views and stock performance dynamics. The manager categorises listed renewable energy companies into two broad groups: 'yieldcos' and developers. The former invest in built or construction-ready assets that pay out the majority of cash flow to investors and raise capital through new equity (PMGR's yieldcos & funds sector).

Exhibit 1: Portfolio sector exposure (% unless stated)

Sector	Portfolio weight 31-Jul-21	Portfolio weight 31-Dec-20	Change
Yieldcos & funds	28.3	31.5	(3.3)
Renewable energy developers	26.4	19.9	6.5
Renewable focused utilities	14.6	11.8	2.9
Energy storage	7.0	4.7	2.4
Biomass generation and production	6.2	10.3	(4.1)
Electricity networks	5.1	4.2	0.9
Waste to energy	4.8	5.3	(0.5)
Renewable technology and service	2.8	4.6	(1.8)
Liquidation portfolio	2.1	3.1	(1.0)
Carbon markets	1.0	0.5	0.5
Renewable financing and energy efficiency	0.0	3.0	(3.0)
Cash	1.6	1.1	0.5
Total including cash	100.0	100.0	

Source: PMGR, Edison Investment Research

Developers are integrated companies, which develop projects from first inception, retaining some assets but raising capital through a combination of retained earnings and project sales (whole or in part, to yieldcos and financial investors). These two sectors remain the largest within the portfolio, accounting for c 55% of portfolio assets at end-July 2021, up from c 51.5% at end-December 2020.

The main area of portfolio activity in the half was a reduction in some of the North American holdings (North American allocation down 9.7pp to 16.2% at end July 2021). Smith believes these are likely to underperform in the scenario of a material rise in interest rates, which would curb inflation, he explains. North American holdings performed well in 2020, and the manager envisages lower potential returns than historically. He reduced the position in Atlantica Sustainable Infrastructure (formerly Atlantica Yield), the portfolio's largest holding at end-2020, to 3.8% of the portfolio at end-June 2021 (the latest date for full portfolio disclosure) following the 2.0pp share price decline over the previous six months. He also reduced the position in TransAlta Renewables (3.1%) and Clearway Energy ('A' Class share, 2.8%), as their share prices had declined by 4.3pp and 14.7pp, respectively. He retains holdings in all three as he views of the continuing combination of long-term growth and revenue visibility attractive.

Smith partially reallocated the proceeds into UK yieldcos (UK allocation up 5.5pp to 26%, the top position). Having fallen during 2020, the share prices of UK renewable investment companies now look more attractive to the manager. He points out that in contrast to their US counterparts, UK companies have a greater level of inflation linkage (through the indexation of renewable obligation certificates), together with higher exposure to power prices. US renewables tend to sell power on long-term contracts with fixed, predefined prices. The manager believes that this additional risk to UK names is compensated by potentially higher returns when electricity prices rise.

In the UK, the manager has increased the position in NESF (4.8% of the portfolio at end-June 2021), whose shares fell by 4.9pp, and initiated a position in FSFL (2.5%), whose shares fell 7.9pp in the half. Both have been weak as lower long-term electricity price forecasts were incorporated into their net asset values. He believes that longer-term pricing may be higher than currently assumed (see The renewables opportunity section above), and that their recent share price movements are inconsistent with the increase in UK electricity prices seen in H121.

Exhibit 2: Portfolio geographic exposure versus benchmark (% unless stated)

	Portfolio end- July 2021	Portfolio end- December 2020	Change (pp)
UK	26.0	20.5	5.5
Europe ex-UK	20.3	16.3	4.0
China	17.7	14.0	3.7
North America	16.2	25.9	(9.7)
Global	13.3	17.4	(4.1)
Latin America	2.7	1.7	1.0
India	2.1	3.1	(1.0)
Cash	1.6	1.1	0.5
Total:	100.0	100.0	

Source: PMGR, Edison Investment Research

Renewable energy developers sector exposure grew by 6.5pp. Developers tend to have higher returns than yieldcos, to compensate for development and construction risk, and the manager has bought several at attractive prices. Smith added to the positions in RWE (4.4% at end-July 2021, top 10 holding), which is building a sizable renewables business and is now one of the world's largest investors in offshore wind projects. He also added to global renewables developer Acciona (2.7% of the portfolio at end-June 2021), listed in Spain. The company has three divisions: renewables, construction and infrastructure, with renewables accounting for the bulk of its earnings. PMGR established a new position in another Spanish solar developer, Grenergy Renewables (2.6% of the portfolio), which has an extensive solar growth pipeline with a particularly strong position in Latin America. These two holdings have made considerable contributions to the increase in Europe-ex UK exposure of 4.0pp by end-July 2021.

The manager believes that several of the portfolio's top 10 holdings (Exhibit 3), including Drax, SSE, RWE, plus the UK renewable funds, look set to benefit from increased electricity pricing over the short to medium term. Smith has been selling Indian power company OPG Power Ventures – the only Indian holding and the only stock in the liquidation portfolio. It no longer conforms to the new investment policy, (still 2.1% of the portfolio at end-July 2021 on low liquidity, but this will be sold in due course).

Exhibit 3: Top 10 holdings (% unless stated)

Company	Industry	Country	31-Jul-21	31-Dec-20
China Suntien Green Energy	Renewable energy developers	China	7.3	4.5
Drax Group	Biomass generation and production	United Kingdom	5.2	5.0
National Grid	Electricity networks	Global	5.1	4.2
NextEnergy Solar Fund	Yieldcos & funds	United Kingdom	5.0	1.9
Gresham House Energy Storage Fund	Energy storage	United Kingdom	4.9	4.1
China Everbright Environment	Waste to energy	China	4.8	5.3
SSE	Renewable-focused utilities	United Kingdom	4.8	4.3
China Longyuan Power Group	Renewable-focused utilities	China	4.6	2.9
Algonquin Power & Utilities	Renewable-focused utilities	North America	4.5	2.9
RWE	Renewable energy developers	Europe (ex-UK)	4.4	3.8
Top 10 (% of holdings)			50.6	N/A

Source: PMGR, Edison Investment Research.

Performance

PMGR's shift from a broad global infrastructure portfolio to a narrower focus on renewable energy stocks has paid off. Over the past 12 months (Exhibits 4 and 5), the trust's performance has recovered well from the March 2020 market sell-off, driven by pandemic fears. Both the trust's NAV and share price outperformed the blended benchmark, as well as both the infrastructure and utilities indices over the 12 months to end-July 2021. Most notably, PMGR's stronger performance (33.7% and 36.6% for NAV and share price total return (TR), respectively) versus the MSCI AC World Index (26.3% TR) over the period demonstrated the considerable recovery in portfolio stocks bought during the March 2020 market sell-off over 2020.

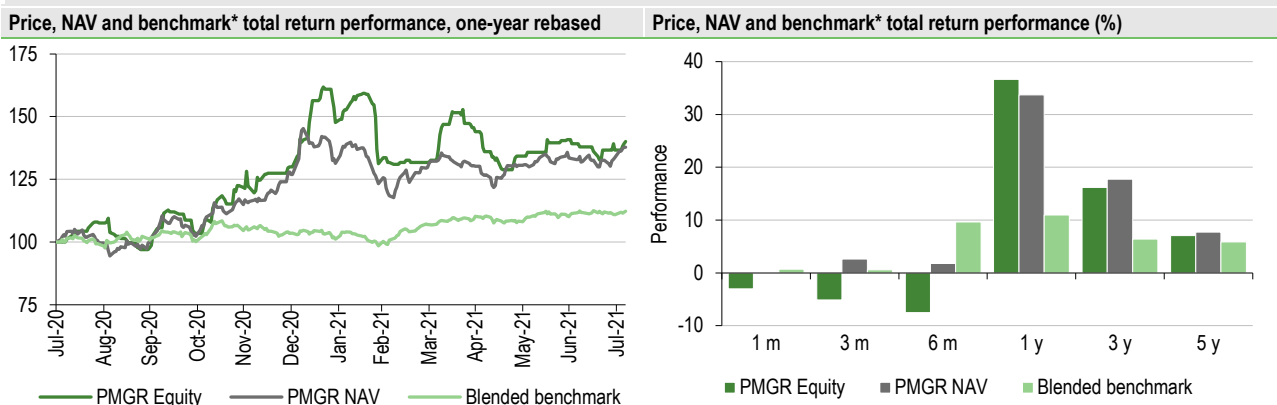
Exhibit 4: Five-year discrete performance data

12 months ending	Share price (%)	NAV (%)	Blended benchmark (%)	Infrastructure index (%)	Utilities index (%)	MSCI AC World (%)
31/07/17	2.8	9.1	7.7	12.4	7.7	18.5
31/07/18	(12.8)	(18.5)	2.6	3.5	3.5	12.1
31/07/19	12.0	20.9	21.5	21.5	19.9	10.9
31/07/20	2.4	1.0	(10.7)	(10.7)	(1.8)	0.5
31/07/21	36.6	33.7	10.9	10.9	6.0	26.3

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

The fortunes of renewables equities have changed somewhat during the past six months.

Exhibit 5: Investment company performance to 31 July 2021



Source: Refinitiv, Edison Investment Research. Note: Three- and five-year performance figures annualised. Data to end-May 2021. *Comparator benchmark is FTSE Global Core Infrastructure 50/50 Index from 1 January 2018, previously FTSE All-World Utilities Index.

The renewable and clean energy sector has weakened following a very strong performance in 2020. Expectations of rising inflation have weighed on renewable and other energy infrastructure companies. However, the precise make-up of revenues from renewable energy assets varies across the world. For instance, US renewable assets tend to sell power on long-term, predefined prices and could be expected to underperform in an inflationary environment. By contrast, UK renewable assets have a combination of inflation-linked subsidy revenues plus market price exposures. Smith currently favours those renewable energy operators with higher inflation and market price linkages and believes that the higher electricity price environment is, in many cases, yet to be adequately reflected in share prices. Despite a weakening sector performance in the first half of the current year, PMGR's NAV generated a positive TR. This was partly due to very strong performances in PMGR's Chinese investments.

In Exhibit 6 we show PMGR's performance relative to peers. Apart from the only other peer listed in the Association of Investment Companies' (AIC) Sector Specialist: Infrastructure Securities sector, Ecofin Global Utilities & Infrastructure (EGL), we note that PMGR is the only pure-play listed renewable energy investment trust in the UK market. EGL has limited crossover with PMGR as it is currently only c 26% invested in renewable energy. In Exhibit 6 we have also included funds from the AIC Sector Specialist: Environmental peer group (although these tend to be more focused on the technology underlying sustainable solutions), as well as the renewable energy infrastructure sector, whose constituents mainly invest directly in operating assets, and Utilico Emerging Markets, which focuses on utilities and infrastructure but comes under the global emerging markets sector.

Given the narrowing of the mandate from broader infrastructure to renewable energy sector during 2020, PMGR's most relevant peer performance comparison is over the past 12 months. The trust ranks second on NAV TR over the past 12 months, following Impax Environmental Markets - a highly technology exposed mandate. This period demonstrates that the strategy shift has so far paid off, and the manager looks into future returns with optimism.

Exhibit 6: Selected peer group as at 31 July 2021*

% unless stated	Market cap £m	NAV TR 1 year	NAV TR 3 year	NAV TR 5 year	NAV TR 10 year	Ongoing charge	Perf. fee	Discount (cum-fair)	Net gearing	Dividend yield
Premier Miton Gbl Renewables Trust	29.9**	35.0	66.9	49.2	130.5	1.7	No	(10.2)	131	5.5
Impax Environmental Markets	1,424.2	51.2	71.4	126.8	297.3	1.0	No	1.9	101	0.5
Jupiter Green	54.2	32.3	39.5	70.8	157.2	1.6	No	(8.1)	103	0.5
Menhaden	86.4	31.8	61.8	84.6		2.0	Yes	(29.9)	100	0.0
Ecofin Global Utilities & Infra	187.9	16.3	48.2			1.5	No	(2.4)	117	3.5
Bluefield Solar Income Fund	590.3	5.5	25.1	62.2		1.1	No	6.3	100	9.0
Foresight Solar	635.6	9.9	15.5	36.1		1.2	No	7.7	100	7.2
Gore Street Energy Storage Fund	308.0	11.5	20.6			2.6	Yes	11.1	100	7.2
Greencoat UK Wind	2,698.7	10.7	30.8	60.9		1.0	No	8.5	145	5.8
Gresham House Energy Storage	529.8	18.6				2.2	No	14.6	100	8.3
JLEN Environmental Assets Group	651.9	7.8	15.8	37.0		1.3	No	12.1	100	7.2
NextEnergy Solar	602.2	7.9	17.2	38.1		1.1	No	2.8	100	7.1
Octopus Renewables Infrastructure	544.4	3.0				1.2	No	12.4	100	4.6
Renewables Infrastructure Grp	2,822.8	8.3	31.1	61.7		0.9	No	15.7	100	6.0
SDCL Energy Efficiency Income	795.6	8.4				1.0	No	14.0	100	5.4
Utilico Emerging Markets	471.1	22.4	10.9	30.0	85.9	1.1	No	(12.8)	110	3.2
Simple average (16 funds)	797.5	17.2	37.0	62.7	195.0	1.4		3.8	107	5.2
PMGR rank in peer group	15	2	2	7	3	4		14	2	10

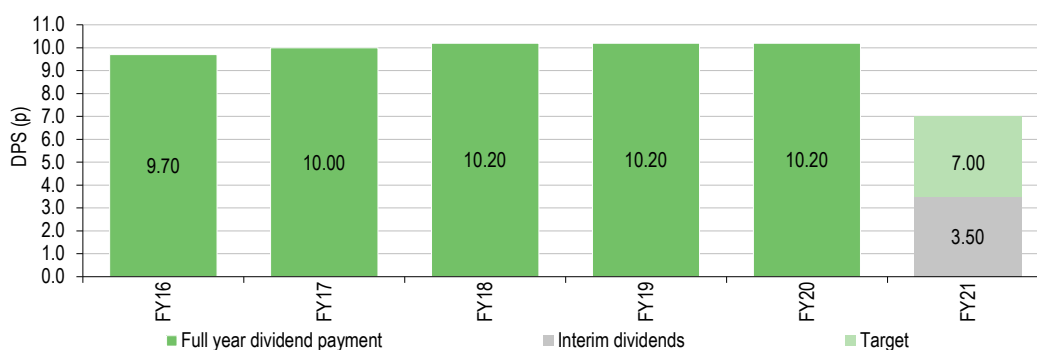
Source: Morningstar, Edison Investment Research. Note: *Performance as at 31 July 2021 based on ex-par NAV. **Ordinary shares only. TR = total return. TER = total expense ratio. Net gearing is total assets less cash and equivalents as a percentage of net assets, and in the case of funds investing directly in operating assets, does not include gearing at the underlying asset level.

We note that it is difficult to directly compare the level of gearing for the peer group like-for-like, as companies can either carry debt at parent or project companies' level, and this is not always consolidated. PMGR's level of gearing, the second highest in the group, is a result of the trust's capital structure. The fund is relatively small (the second smallest in the peer group) and as typical with smaller funds, the discount to NAV is relatively wide (third widest among the peer group). The 5.5% dividend yield is 0.3pp above the mean.

Dividend, ZDPs refinancing and gearing reduction

On 22 July, the company announced the second interim dividend for FY21 of 1.75p per ordinary share, to be paid on 30 September. This is in line with the board's target of paying an annual dividend of at least 7.00p per share for FY21 (see Exhibit 7).

In November 2020, following the refinancing of and reduction in the ZDP liability, funded through the sale of investments from the portfolio and the board's announcement of an expected consequent reduction in income generation, the expected annual dividend per share has been reduced by c 3.2p from 10.2p. This is compensated by a reduction in finance costs of c 3.6p per share. Gross gearing (as reported by PMGR, excluding current period revenue) was down from 52.5% at end-December 2019 to 31.1% at end-June 2021.

Exhibit 7: Dividend history and target*


Source: Bloomberg, Edison Investment Research. Note: *FY21 target is at least 7.00p per share.

General disclaimer and copyright

This report has been commissioned by Premier Miton Global Renewables Trust and prepared and issued by Edison, in consideration of a fee payable by Premier Miton Global Renewables Trust. Edison Investment Research standard fees are £19,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright: Copyright 2021 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

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
1185 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