

Hansa Trust

Positioned for interesting times

Hansa Trust (HAN/HANA) seeks to be differentiated from peers by giving investors access to a portfolio of global equities, specialist funds and a strategic (c 20%) holding with exposure to Brazil, which began as a small position but has grown as a result of superior long-term performance. There is a long-term bias to equities but the focus on preserving and growing capital means that, at certain points in the cycle, the manager may invest more in defensive assets to dampen volatility. Strategy changes since the start of FY15 appear to be bearing fruit and recent NAV and share price performance have been strong, yet Hansa Trust remains at a wide discount to NAV relative to peers. This provides scope for the discount to narrow substantially should the positive performance trend be maintained.

12 months ending	Share price (%)	NAV (%)	MSCI AC World (%)	FTSE All-Share (%)	Bovespa (%)	FTSE Gilts All Stocks TR (%)
30/06/13	9.0	2.7	21.2	17.9	(17.5)	(2.4)
30/06/14	23.5	24.6	9.6	13.1	(0.4)	2.3
30/06/15	(8.8)	(4.4)	10.1	2.6	(23.0)	8.9
30/06/16	(13.5)	(6.8)	13.9	2.2	10.7	13.5
30/06/17	29.5	24.2	22.9	18.1	21.5	(0.9)

Note: Twelve-month rolling discrete £-adjusted total return performance.

Investment strategy: Dynamic multi-asset approach

After overhauling its investment approach in early 2014, Hansa Trust's portfolio is now a blend of global equities, regional equity funds, specialist thematic and diversifying funds and a long-standing strategic investment in Ocean Wilsons Holdings (OWHL), which holds a majority stake in Brazilian maritime services company Wilson Sons. Manager Alec Letchfield says the aim is to construct a diversified portfolio of investments that individual investors would be unable or unlikely to access directly. The focus is on long-term preservation and growth of capital and the strategy is managed dynamically through the business cycle.

Market outlook: Time to look beyond the mainstream?

In spite of widespread fears over the outcome of the US election and the effect of Brexit on both the UK and the rest of Europe, equity markets have continued to grind higher, with valuations across world markets now above five-year averages. Interest rates remain ultra-low, putting pressure on cash and bond returns and suggesting that investors who wish to preserve and grow their capital may prefer to seek uncorrelated returns away from the mainstream.

Valuation: Attractive double discount

At 20 July, Hansa Trust's A (non-voting) shares traded at a 32.4% discount to cumulative income NAV while the ordinary shares were at a 29.7% discount. This is wider than peer discounts, possibly owing to ongoing concerns over Brazil, a perception of illiquidity as a result of the strategic investment in OWHL, or a lack of awareness of the revamped strategy. OWHL also trades below NAV (see Exhibit 4) creating a double discount; on a look-through basis the combined discount is 40.6%, meaning that each £1 invested in the trust buys exposure to underlying assets worth £1.68.

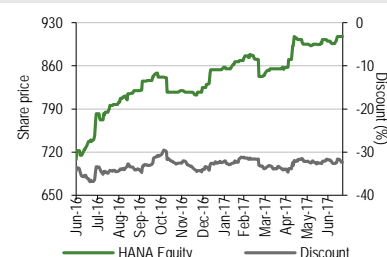
Investment trusts

25 July 2017

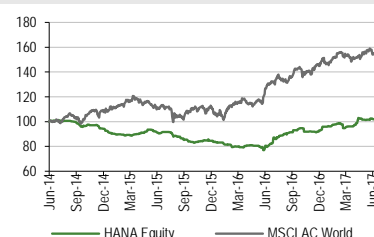
Price Ord	942.8p
Price A-share	907.5p
Market cap	£220.6m
AUM	£317.9m

NAV*	1,324.3p
A-share discount to NAV	31.5%
NAV**	1,341.9p
A-share discount to NAV	32.4%
*Excluding income. **Including income. NAV data at 20 July 2017.	
Yield	1.8%
Ord. voting shares in issue	8.0m
A-shares in issue	16.0m
Code Ord/A shares	HAN/HANA
Primary exchange	LSE
AIC sector	Global

Share price/discount performance



Three-year cumulative perf. graph



52-week high/low*	907.5p	737.5p
NAV** high/low	1,341.9p	1,166.5p

*A-shares. **Including income.

Gearing

Gross*	0.0%
Net cash*	2.8%

*As at 30 June 2017.

Analysts

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Exhibit 1: Trust at a glance
Investment objective and fund background

Hansa Trust seeks to achieve growth of shareholder value by investing in a portfolio of quoted and unquoted investments, which may not normally be available to the general public. The trust combines a strategic stake in OWHL with a portfolio of global equities and funds managed mainly by third-party managers, giving access to primarily non-UK equities and more thematic and diversifying investments. Until the end of FY17, Hansa Trust had an absolute benchmark based on the rolling three-year average return of a five-year UK government bond +2% with interest reinvested semi-annually. It no longer has a benchmark, but measures its performance against a number of key performance indicators (KPIs), including the FTSE Gilts All Stocks Total Return index, the rate of CPI inflation, the returns of a selected peer group (see Exhibit 10), appropriate equity indices, the level of ongoing charges and the discount to NAV.

Recent developments

- 26 June 2017: Annual results for the year ended 31 March. NAV TR +22.0% and A share TR +19.3% versus absolute benchmark TR of +3.4%. Five-year NAV TR +3.0% and A share TR -17.1% versus benchmark TR of +18.1%. Dividends of 16p paid for FY16 and guided for FY17.
- 16 May 2017: Announcement of intention to pay two interim dividends of 8.0p each in respect of FY18.
- 12 April 2017: Second interim dividend of 8.0p declared for FY17.

Forthcoming

AGM	July 2017
Interim results	November 2017
Year end	31 March
Dividend paid	November, May
Launch date	1912
Continuation vote	No

Capital structure

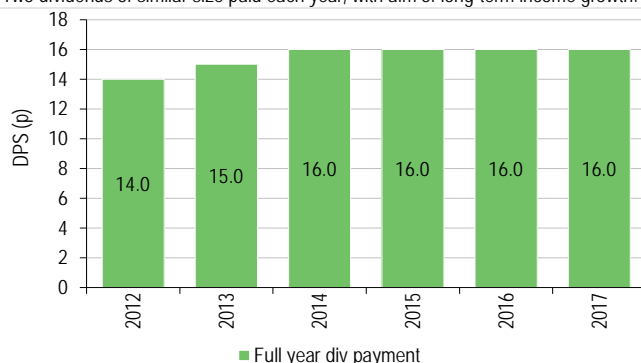
Ongoing charges	1.0%
Net cash	2.8% (30 June 2017)
Annual mgmt fee	1% of NAV ex OWHL
Performance fee	No
Trust life	Indefinite
Loan facilities	£30m facility

Fund details

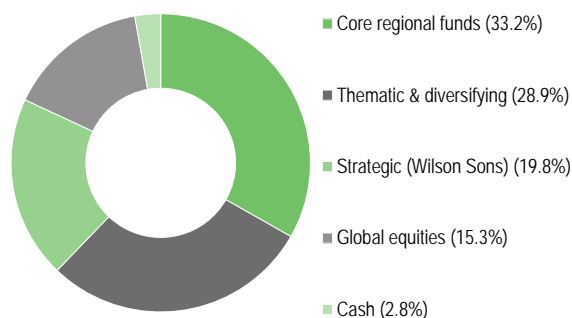
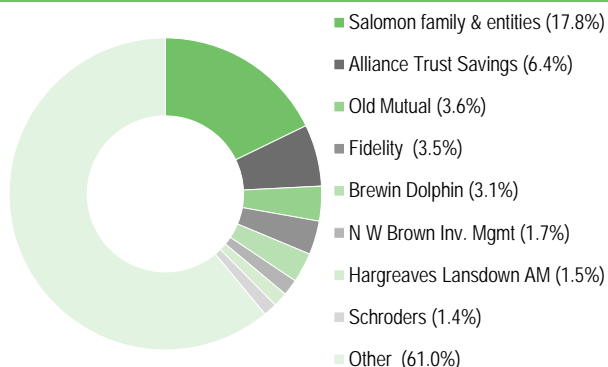
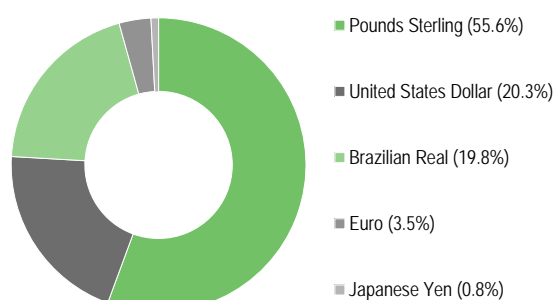
Group	Hansa Capital Partners LLP
Managers	Alec Letchfield
Address	50 Curzon Street, London, W1J 7UW
Phone	+44 (0) 20 7647 5750
Website	www.hansatrust.com

Dividend policy and history (financial years)

Two dividends of similar size paid each year, with aim of long-term income growth.


Hansa Trust portfolio by silo (as at 30 June 2017)

Note: Wilson Sons (part of OWHL investment) shown on a look-through basis.


Shareholder base (ordinary and A non-voting at 30 March 2017)

Currency exposure (as at 30 June 2017)

Top 10 holdings (as at 30 June 2017)

Company	Country/domicile	Sector	Industry	Portfolio weight %	
				30 June 2017	30 June 2016*
Ocean Wilsons Holdings	Bermuda	Industrials	Transportation & logistics	30.6	27.1
Findlay Park American Fund	US	US equity fund		4.8	4.9
Vulcan Value Equity Fund	US	Value equity fund		3.8	3.2
GAM Star Technology Fund	Global	Technology sector fund		3.8	3.1
DV4	UK	Financials	Unquoted property fund	3.7	4.6
Select Equity Offshore	US	Global equity fund		3.5	3.5
Goodhart Partners Hanjo Fund	Japan	Japan equity fund		3.0	N/A
Hansteen Holdings	UK	Real estate	Real estate	2.8	N/A
Adelphi European Select Equity	Europe	Growth equity fund		2.8	3.1
Indus Japan Long Only Fund	Japan	Japan equity fund		2.6	N/A
Top 10 (% of portfolio)				61.3	61.1

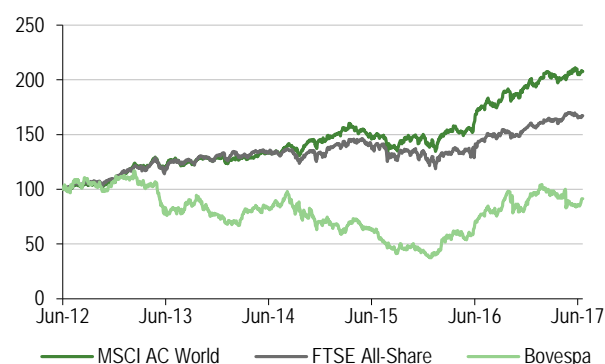
Source: Hansa Trust, Edison Investment Research, Morningstar, Bloomberg. Note: *N/A where not in the top 10 at 30 June 2016.

Market outlook: Less fundamental support for markets

Amid a climate of global uncertainty, stock markets have continued to grind higher, with sterling weakness since the UK's EU referendum boosting domestic investors' returns from overseas, as well as the more internationally focused UK companies (Exhibit 2, left-hand chart). With company earnings growth remaining relatively subdued, equity valuations in most cases look less attractive relative to history (right-hand chart), although dividend yields remain a useful source of return. Away from the developed markets, Brazilian equities recovered markedly following the enforced removal of President Dilma Rousseff, although the corruption charges brought against her successor, Michel Temer, have caused a further period of instability in the stock market and currency. While the latest IMF projections anticipate that the country will exit recession in 2017, its forecast growth rate is still the lowest of all the major economies. With political risks still in play on both sides of the Atlantic and arguably less fundamental support for continued equity market advances, investors may prefer a strategy that looks beyond mainstream equity markets to preserve and grow their capital.

Exhibit 2: Market performance and valuation

Brazil, World and UK indices (£ total returns) over five years



Valuation metrics as at 27 June 2017

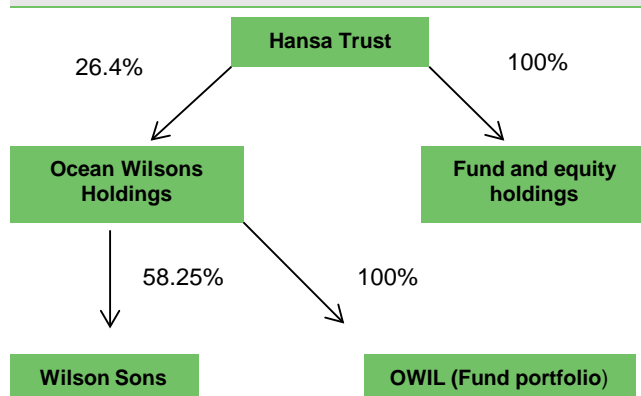
	Forward P/E	P/E as % of 5-year avg	Price/book	Yield (%)
World	15.6	112	2.1	2.4
UK	14.4	106	1.7	3.6
US	18.1	114	3.2	2.0
Europe ex-UK	14.6	116	1.8	2.9
Japan	14.8	107	1.4	1.9
Brazil	11.8	101	N/A	3.4

Source: Thomson Datastream, Edison Investment Research. Note: Valuation chart uses Datastream indices.

Fund profile: Diversified, long-term multi-asset portfolio

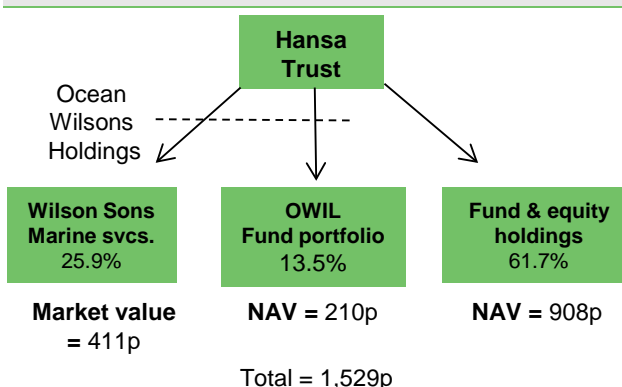
Hansa Trust began life in 1912 as Scottish & Mercantile Investment Trust. In the 1950s the Salomon family, who have a long involvement in banking and finance, took a significant stake; they remain majority holders of the 8m voting shares through family entities as well as owning a smaller proportion of the 16m non-voting A shares, giving them a 17.2% overall stake (see Exhibit 1).

Exhibit 3: Hansa asset ownership structure



Source: Edison Investment Research

Exhibit 4: Hansa Trust look-through NAV exposure



Source: Edison Investment Research. Note: % figures based on look-through values. OWIL based on end-April 2017 value.

The company is managed by Hansa Capital Partners, the Salomon family office. It has a long-standing strategic investment in OWHL, which in turn holds a 58.25% majority stake in Brazilian maritime services company Wilson Sons (Exhibit 3). OWHL also owns a portfolio of investment funds, Ocean Wilsons Investments Ltd (OWIL) which is managed by Alec Letchfield, Hansa Trust's manager since 2013. The OWHL investment (including OWIL and Wilson Sons) makes up c 30% of Hansa Trust's portfolio; the manager points out that this reflects the long-term success of Wilson Sons, which was initially a much smaller position. The balance is a diversified mix of equities, core regional funds and thematic and diversifying funds (OWIL is classified as part of this allocation). The aim is to build a portfolio of investments that individual investors would be unable or unlikely to access directly, with a focus on long-term preservation and growth of capital.

Until the end of FY17, Hansa Trust had an absolute benchmark based on rolling three-year average returns on a five-year UK government bond +2% with interest reinvested semi-annually. It no longer has a benchmark, but measures its performance against a number of key performance indicators (KPIs), including the FTSE Gilts All Stocks index, the rate of CPI inflation, the returns of a selected peer group (see Exhibit 10), appropriate equity indices, the level of ongoing charges and the discount to NAV.

The fund manager: Alec Letchfield

The manager's view: Maturing cycle supports defensive tilt

Manager Alec Letchfield argues that enhancements made to the Hansa Trust investment approach in recent years mean the fund now has a coherent balance of investments and an improving performance record. While the capital preservation and growth objective means there is a natural bias to equities, the manager aims to manage the portfolio dynamically through the business cycle and assesses equity valuations accordingly. He currently sees a balance of positive and negative factors. A historical analysis of cyclically adjusted P/E valuations suggests that simply buying the S&P 500 today would result in negative returns over a five-year period, added to which the current economic cycle is looking protracted, interest rates are beginning to rise and there is heightened political risk on both sides of the Atlantic. Yet economic indicators show no sign of a recession, perhaps because the 2008/9 crisis was so severe and the recovery from it has been relatively muted; monetary policy remains accommodative even in the US, and there could also be a boost from higher fiscal spending; and company earnings are beating estimates for the first time in several years. This balance of factors informs Letchfield's view that equity markets have not yet reached the top of their current cycle, and although valuations are no longer cheap, they are not yet excessively extended in most cases.

At certain times in the cycle Letchfield notes that he will tend to invest more in defensive assets in order to dampen volatility, and in the past year he has increased the trust's exposure to more defensive hedge fund strategies (see Current positioning), although he stresses that this allocation can be managed quite nimbly should conditions change. The manager favours these assets rather than the more traditional 'safe haven' of government bonds, as a decade of extraordinary monetary policy has left fixed income valuations stretched and vulnerable to a sell-off. Letchfield has also added exposure to frontier markets funds, which provide exposure to the positive demographic factors of emerging markets in general but have historically been less correlated with mainstream equities. The recovery in Brazil following the impeachment and subsequent removal of President Dilma Rousseff has been positive for strategic holding Wilson Sons, which has benefited from a stronger currency and should see a further improvement in its business if the pick-up in economic activity proves strong enough to outweigh the renewed political instability following the corruption charges against Dilma's successor, Michel Temer.

Asset allocation

Investment process: Diversified and dynamic approach

Hansa Trust overhauled its investment process in early 2014 in a move to create a more diversified portfolio with the flexibility to move dynamically from higher-risk to more defensive asset classes in response to changing cycles. Previously a predominantly UK equity portfolio with a strategic holding in OWHL and hence Wilson Sons, two new strands or 'silos' were added to the strategy in the form of a core regional funds portfolio, and an allocation to thematic and diversifying assets. A further change to the approach has occurred since the start of 2017, with the retirement of UK equity manager John Alexander and a move to a more global equity allocation under new team member Rob Royle, who has joined Hansa Capital Partners from Smith & Williamson.

Portfolio manager Alec Letchfield joined Hansa in September 2013, bringing expertise in multi-asset class investing. His aim with the new silos is to gain exposure to funds that individual investors would be unable or unlikely to access themselves. As a family office, Hansa has established networks with a broad range of fund management groups, and Letchfield builds on these relationships when constructing the portfolio. The OWIL funds portfolio, which is managed by Letchfield and has a bias to emerging markets and private equity, is classified in the 'thematic and diversifying' silo.

In terms of the overall portfolio, the focus on preserving and growing capital leads to a natural bias towards equities over the longer term, although all asset classes are considered and the proportion in non-equity investments may rise when stock market volatility is expected. Asset class and regional exposures are the product of top-down allocation, including an assessment of the business cycle and market valuations, with individual investments selected on the basis of detailed fundamental analysis. Royle's global equity selections focus on capturing intrinsic upside while avoiding downside; he seeks to invest in cash-generative businesses with improving prospects, which are able to reinvest for long-term growth. Letchfield says the global equities allocation may also be used to gain more exposure to individual holdings in the various underlying funds' portfolios as a result of insights gained from discussions with fund managers, where these positions would otherwise be a very small part of Hansa Trust's overall portfolio. The manager's aim is to blend all the exposures so that holdings are uncorrelated with one another and new investments complement existing holdings.

Current portfolio positioning

As shown in Exhibit 5 below, the split between the four silos in Hansa Trust's portfolio has changed somewhat since 12 months ago. Three principal factors underlie this: an increase in the value of the strategic holding in Wilson Sons (+2.8pp), caused partly by a strengthening in the Brazilian real; a higher allocation to thematic and diversifying assets; and the change in the UK equity portfolio to a more global focus following the retirement of John Alexander and the recruitment of Rob Royle.

During the second half of 2016, Letchfield added exposure (c 10pp) to hedge funds, including some defensively orientated strategies (Hudson Bay International, Field Street Offshore and MKP Opportunity Offshore) that use derivatives to structure trades in order to achieve upside potential with downside protection. The manager has also bought positions in trend-following funds Schroder GAIA BlueTrend and Cantab CCP Core Macro. The latter two funds tend to do well in downturns; they did less well in the whipsaw market conditions of 2016 but Letchfield says he has confidence in them on a medium-term view. In the thematic part of the Hansa Trust portfolio, the manager notes he has a bias to areas offering long-term growth, such as technology, and he has also added exposure to a fund tracking a global financials index, as he views this as better placed to capture

cyclical upside from the sector than many actively managed funds, which have been heavily underweight banks as a result of post-crisis regulatory pressures.

The manager notes that having built the hedge fund allocation, it can be raised or lowered with relative ease. A market pullback leading to more favourable equity valuations could see the defensive exposure dialled back, while the reverse could occur if equities continue to become more expensive.

Hansa Trust's portfolio has a broad geographic spread. The core regional funds allocation has a developed market focus, although Letchfield has added exposure to frontier markets funds managed by Sloane Robinson and BlackRock on the basis that valuations are attractive, the return profile is favourable and performance tends to be less correlated with other equity markets. The OWIL funds portfolio is tilted to non-Latin American emerging markets to balance the Brazil exposure of Wilson Sons.

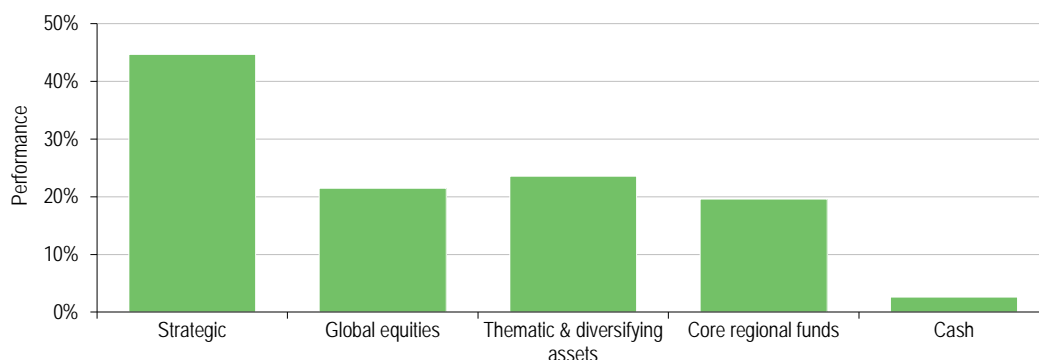
Exhibit 5: Portfolio analysis by sector, geography and investment silo (30 June 2017 unless stated)

Sector	Weighting (%)		Geography	Weighting (%)		30 June 2017		30 June 2016	
	Portfolio	MSCI ACWI		Portfolio	MSCI ACWI	Silo	%	Silo	%
Info technology	18.7	16.9	North America	32.2	55.8	Core regional funds	33.2	Strategic - Wilson Sons	17.0
Consumer disc.	14.1	12.1	UK	18.5	5.8	Thematic & diversifying	28.9	UK Equity	20.5
Financials	14.1	18.6	Other Emerging Asia	10.1	8.2	Strategic (Wilson Sons)	19.8	Thematic & diversifying	28.0
Industrials	10.4	10.9	Developed Europe ex UK	8.6	15.2	Global equities	15.3	Core Regional Funds	31.5
Real estate	8.7	3.1	Japan	8.2	7.7	Cash	2.8	Cash	3.1
Healthcare	6.9	11.4	Developed Asia ex Japan	2.3	4.0				
Consumer staples	3.8	9.4	Africa	2.2	0.7				
Materials	3.3	5.2	Latin America	1.9	1.4				
Telecommunications	3.1	3.2	Emerging Europe	1.5	0.7				
Energy	2.3	6.1	Middle East	0.6	0.4				
Utilities	0.6	3.1	Diversifying hedge funds	10.7	0.0				
Diversifying hedge fds	10.7		Cash/liquidity funds	3.4	0.0				
Cash/liquidity funds	3.4								
	100.0	100.0		100.0	100.0		100.0		100.0

Source: Hansa Trust. Note: Thematic & diversifying includes OWIL. MSCI ACWI is the MSCI All Countries World Index.

Performance: Positive contribution from all areas

Exhibit 6: Hansa Trust silo performance 12 months to 30 June 2017



Source: Hansa Trust

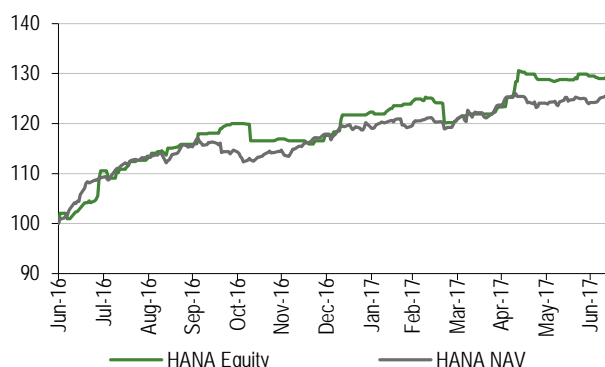
Hansa Trust has experienced a period of strong performance since the UK's EU referendum in June 2016, buoyed partly by the weakness of sterling and a recovery in the Brazilian real following the decision to suspend (and subsequently remove) the country's president Dilma Rousseff from office. The allocation to thematic and diversifying assets has also made a notable contribution. As shown in Exhibit 6, over 12 months to the end of June 2017, the strategic investment in Wilson

Sons increased in value by more than 40%, dwarfing the positive returns from all the other portfolio areas and reversing some of the previous underperformance. The overall NAV total return for the portfolio over this period was 24.9%.

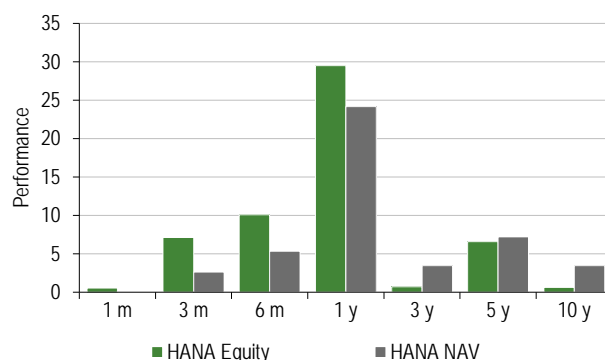
As shown in Exhibit 7, the trust's share price total return has been in line with or ahead of its NAV performance over one, three, six and 12 months to 30 June 2017 (left-hand chart). Over longer periods the NAV total return is ahead of the share price total return.

Exhibit 7: Investment trust performance to 30 June 2017

Price and NAV total return performance, one-year rebased



Price and NAV total return performance (%)



Source: Thomson Datastream, Edison Investment Research. Note: Three, five and 10-year performance figures annualised.

Exhibit 8 looks at Hansa Trust's performance relative to a range of KPIs: the FTSE All-Share (included for its broad relevance to UK investors), the main Brazilian index (given the exposure to Brazil through Wilson Sons) and the MSCI World, given the global investment remit, as well as the FTSE Gilts All Stocks index and cumulative CPI inflation. The trust's recent performance has been strong, although the longer-term record versus the equity indices is mixed.

Exhibit 8: Share price and NAV total return performance, relative to KPIs (% , all in £)

	One month	Three months	Six months	One year	Three years	Five years	10 years
Price relative to MSCI AC World	0.7	6.5	3.5	5.4	(33.7)	(32.8)	(54.7)
NAV relative to MSCI AC World	0.3	2.1	(0.9)	1.1	(28.1)	(30.8)	(40.2)
Price relative to FTSE All-Share	3.1	5.6	4.4	9.7	(17.5)	(16.8)	(36.8)
NAV relative to FTSE All-Share	2.7	1.2	(0.1)	5.1	(10.6)	(14.3)	(16.6)
Price relative to Bovespa	3.1	20.0	12.8	6.6	(1.4)	61.6	2.5
NAV relative to Bovespa	2.6	15.0	8.0	2.2	6.9	66.4	35.3
Price relative to FTSE Gilts All Stocks TR	2.6	8.5	9.8	30.7	(16.6)	12.4	(43.2)
NAV relative to FTSE Gilts All Stocks TR	2.2	4.0	5.0	25.3	(9.6)	15.8	(25.0)
Price relative to UK CPI	0.6	7.1	10.1	29.5	(0.8)	31.0	(3.3)
NAV relative to UK CPI	0.1	2.6	5.4	24.2	7.5	34.9	27.7

Source: Thomson Datastream, Edison Investment Research. Note: Data to end-June 2017. Geometric calculation.

Discount: Wider after period of strong NAV returns

As shown in Exhibit 9, Hansa Trust's discount to cum-income NAV has broadly moved in a 20-30% range for most of the past five years, but has widened a little in the past 12 months to stand at 32.4% on 20 July 2017, following a period of strong NAV performance. Because OWHL also trades at a discount to the value of its underlying assets, the trust's look-through discount is wider at c 40%. While the board has the authority to buy back shares, it has stated that it would not do so simply with the aim of narrowing the discount, as this would risk reducing liquidity in the shares, curtailing the manager's investment flexibility by requiring the portfolio to be more liquid, shrinking the size of the portfolio and inflating the percentage exposure to OWHL. The board views building awareness of Hansa Trust's differentiated investment approach and capital preservation focus as a better way to address the discount. Before the financial crisis, the discount was much narrower. The manager notes that while Wilson Sons had, until recently, detracted from performance over

much of this period, as a long-term strategic holding it has significantly added to performance over time. A continued reappraisal of the business against the backdrop of an improving economy in Brazil could see the asset once more viewed in a positive light by potential investors.

Exhibit 9: Share price premium/discount to NAV (excluding income) over 10 years (%)



Source: Thomson Datastream, Edison Investment Research

Capital structure and fees

Hansa Trust has two classes of share; a majority of the voting ordinary shares (8m in issue) are held by entities beneficially owned by the Salomon family, while there are also 16m non-voting A shares. The trust is authorised to buy back up to 14.99% of the A shares but in practice has not made any repurchases. A £30m borrowing facility is in place with BNP but is currently unused; if fully drawn this would equate to gearing of 9.4% based on 20 July 2017 net assets. The manager states that gearing is unlikely to be deployed in the near term unless there is a substantial market sell-off.

Hansa Capital Partners is paid a management fee of 1.0% of net assets (excluding any borrowings), after deducting the value of the stake in OWHL. There is no performance fee, and ongoing charges for FY17 were 1.0% (FY16: 1.2%).

Dividend policy and record

Hansa Trust pays two interim dividends a year, in November and May. It adopted its current distribution policy in 2014 (effective from the start of FY15) at the same time as its new investment approach. Previously, dividends largely reflected income received, and could vary substantially from year to year depending on the timing of income receipts. In order to provide income visibility to shareholders, dividends are declared at the start of the year and the two payments are roughly equal. The trust may also pay a final dividend if income received during the year is higher than anticipated, for example from special dividends. For FY18, Hansa Trust has announced dividends of 16p, in line with the total for FY17. This represents a yield of 1.8% on the non-voting A shares, based on the share price at 21 July 2017. Dividends may be funded from capital or income and at 31 March 2017 the trust had revenue reserves equivalent to 11.9p per share.

Peer group comparison

Hansa Trust is a member of the AIC's Global sector, although its unusual portfolio mix means it has few direct comparators in the sector. Exhibit 10 below brings together the group of funds (four from the Global sector, three from the UK All Companies sector and four from the Flexible Investment sector) that Hansa Trust has chosen as one of its KPIs. Within this group, Hansa Trust's NAV total return performance is below average over one, three, five and 10 years, although one-year underperformance is marginal. The dividend yield on the 'A' shares is slightly above average, while the ongoing charges are in line. In common with the majority of peers, Hansa Trust is currently ungeared, while its discount to NAV is the widest in the peer group.

At the beginning of 2016, the Association of Investment Companies created a new Flexible Investment sector designed for investment companies that offer a multi-asset and/or absolute return approach. While the trusts in this sector are diverse and, again, none is directly comparable with Hansa Trust, for comparative purposes the average NAV total return for this group over the past 12 months was 14.0%.

Exhibit 10: Selected peer group as at 21 July 2017*

% 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 (ex-par)	Net gearing	Dividend yield (%)
Hansa Trust 'A'	217.8	15.8	12.2	48.5	41.1	1.1	No	(32.0)	100	1.8
Hansa Trust Ord	226.3	16.5	12.8	49.4	42.0	1.1	No	(29.4)	100	1.7
Artemis Alpha Trust	116.1	24.6	10.2	23.2	70.6	0.9	Yes	(20.5)	107	1.5
British Empire	811.1	31.5	44.3	86.6	83.8	0.9	No	(10.5)	100	1.7
Caledonia Investments	1,577.8	19.0	47.0	105.0	85.6	1.1	No	(15.7)	100	1.9
Capital Gearing	184.7	10.2	25.3	34.3	100.6	1.0	No	2.2	100	0.5
Fidelity Special Values	642.1	25.1	42.9	135.5	141.2	1.1	No	(2.6)	103	1.5
Henderson Opportunities	72.6	24.6	27.0	115.6	64.3	0.9	Yes	(18.1)	111	2.2
Henderson Alternative Strategies Trust	106.6	21.2	21.5	9.5	(15.3)	1.0	Yes	(17.5)	100	1.4
RIT Capital Partners	3,004.5	12.2	39.6	69.9	84.2	1.1	Yes	5.8	104	0.0
Ruffer Investment Company	386.3	6.3	17.1	28.9	131.8	1.2	No	2.3	100	0.8
Witan	1,842.6	24.3	57.5	122.4	143.9	0.8	Yes	(2.6)	111	1.8
Weighted average		18.7	41.9	88.1	99.1	1.0		(4.4)	104	1.7
HANA rank in peer group	8	9	11	8	11	4		12	6	4

Source: Morningstar, Edison Investment Research. Note: Performance data to 20 July 2017. TR = total return. Net gearing is total assets less cash and equivalents as a percentage of net assets.

The board

Hansa Trust has five directors, four of whom are independent. Chairman Alex Hammond-Chambers has been on the board since 2002. Geoffrey Wood became a director in 1997. Jonathan Davie and Raymond (Lord) Oxford were appointed in January 2013. William Salomon, who is deemed non-independent, has served on the board since 1999. He is also the senior partner of Hansa Capital Partners and deputy chairman of OWHL and Wilson Sons. He is a significant shareholder in Hansa Trust both directly and through family entities. The directors have backgrounds in asset management, academia, capital markets and the diplomatic service. The board and the portfolio manager regularly visit Brazil to ensure oversight of the large holding in OWHL/Wilson Sons.

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