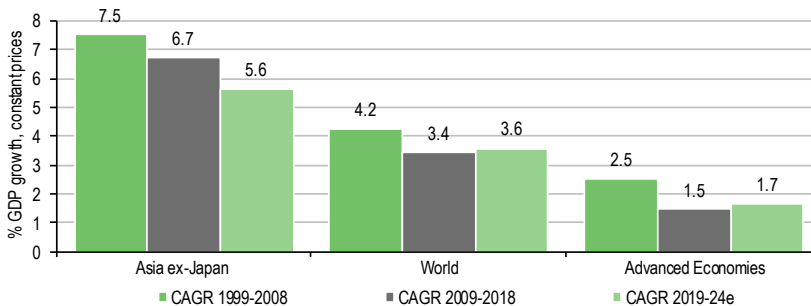


Invesco Asia Trust

Exciting opportunities emerging

Invesco Asia Trust (IAT) aims to deliver significant capital returns to shareholders over the long term through investing in Asian equities, following a rigorous bottom-up process. The manager, Ian Hargreaves, is not constrained by index considerations and the portfolio of 50–70 stocks represents his highest-conviction investment ideas over a three- to five-year horizon. The trust has a solid medium- and long-term performance track record and has generated an annualised NAV total return of 11.3% over 10 years, while its dividend per share has more than doubled.

Asia remains the biggest driver of global growth



Source: IMF April 2019 World Economic Outlook, Edison Investment Research

The market opportunity

Against a backdrop of slowing global economic growth and an ongoing US-China trade dispute, Asian equities have been weakened, and currently trade at an attractive 13% discount to global equities despite brighter economic prospects. The IMF forecasts the region's GDP to grow nearly three times faster than advanced economies over 2019–24.

Why consider investing in Invesco Asia Trust?

- Tried and tested, well-defined investment process.
- Experienced and well-resourced team of six Asian equities specialists.
- The manager is focused on valuation discipline and is comfortable being contrarian, investing in companies that are out-of-favour.
- Hargreaves is finding opportunities to buy attractive companies that historically, have rarely met his valuation criteria.
- Proactive board, committed to the promotion of the trust, with the aim to narrow its NAV discount, which is one of the widest among peers.

Board actions may support narrowing discount

IAT currently trades on a discount to cum-income NAV of 13.4%, which wider than its three-year average of 11.7%. The trust's discount is also wider than many of its peers despite solid long-term performance. IAT's board has introduced a number of changes to broaden the appeal of the trust, which may help to narrow the discount over time.

Investment trusts Asia ex-Japan equity

27 September 2019

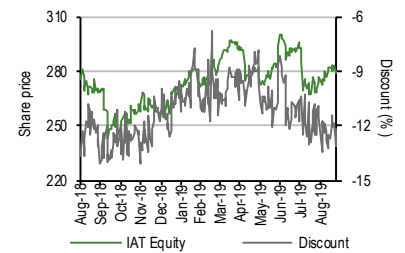
Price 276.0p
Market cap £191.8m
AUM £226.2m

NAV* 312.9p
Discount to NAV 11.8%
NAV** 318.7p
Discount to NAV 13.4%

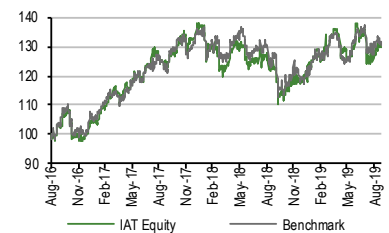
*Excluding income. **Including income. As at 25 September 2019.

Yield 2.0%
Ordinary shares in issue 69.5m
Code IAT
Primary exchange LSE
AIC sector Asia Pacific ex-Japan
Benchmark MSCI AC Asia ex-Japan

Share price/discount performance



Three-year performance vs index



52-week high/low 300.0p 243.0p
NAV* high/low 332.9p 281.0p

*Including income.

Gearing

Gross* 0.0%
Net cash* 0.9%

*As at 31 July 2019.

Analysts

Helena Coles +44 (0)20 3681 2522
Mel Jenner +44 (0)20 3077 5720

investmenttrusts@edisongroup.com

[Edison profile page](#)

**Invesco Asia Trust is a research client
of Edison Investment Research
Limited**

Exhibit 1: Trust at a glance

Investment objective and fund background

Invesco Asia Trust's objective is to provide long-term capital growth by investing in a diversified portfolio of Asian companies. On 1 May 2015, the trust adopted a new benchmark, MSCI AC Asia ex-Japan, in place of the former benchmark, MSCI AC Asia Pacific ex-Japan. While the new benchmark excludes Australasia, the trust may still invest in these markets.

Recent developments

- 11 July 2019: annual report for 12 months ending 30 April 2018. NAV TR +0.8% versus benchmark TR +1.6%. Share price TR +6.0%. Declared final dividend of 2.9p per share.
- 17 December 2018: interim report for six months ending 31 October 2018. NAV TR -10.5% versus benchmark TR -11.0%. Share price TR -10.8%.
- 17 December 2018: declaration of first interim dividend of 2.8p per share.

Forthcoming

AGM	September 2020
Interim results	December 2019
Year end	30 April
Dividend paid	January, August
Launch date	July 1995
Continuation vote	Three yearly

Capital structure

Ongoing charges	0.94% (July 2019)
Net cash	0.9%
Annual mgmt fee	Tiered (see page 7)
Performance fee	None
Trust life	Indefinite
Loan facilities	£20m multi-currency

Fund details

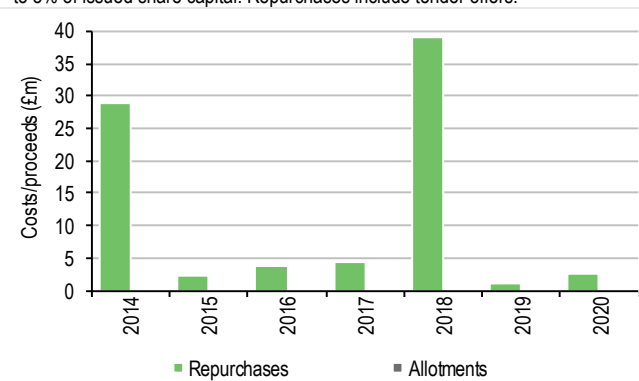
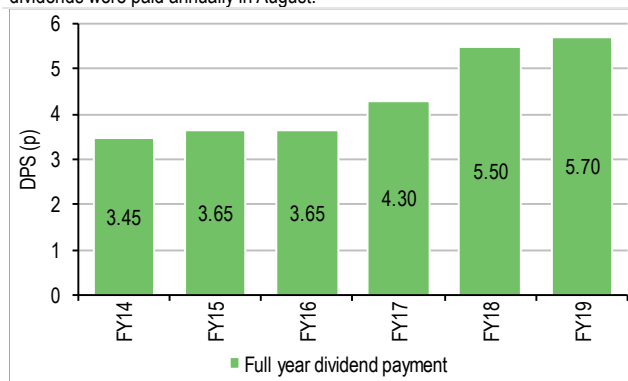
Group	Invesco Asset Management
Manager	Ian Hargreaves
Address	43-45 Portman Square London W1H 6LY
Phone	+44 (0)20 3753 1000
Website	www.invesco.co.uk

Dividend policy and history (financial years)

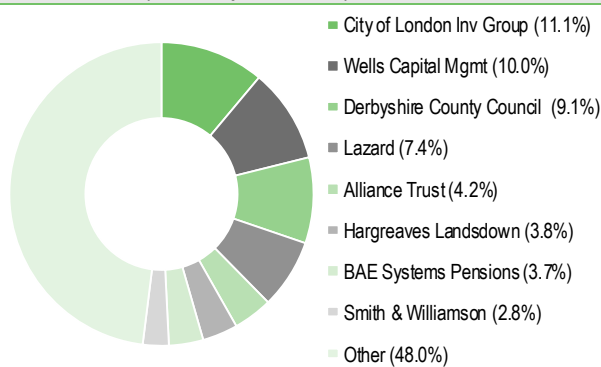
An interim dividend was introduced in FY19, payable in January. Previously, dividends were paid annually in August.

Share buyback policy and history (financial years)

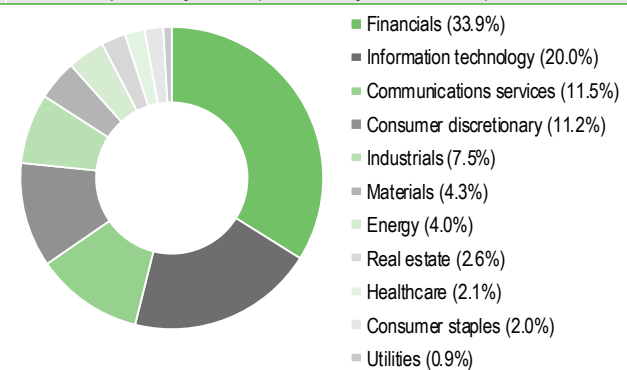
Renewed annually, the trust has authority to purchase up to 14.99% and allot up to 5% of issued share capital. Repurchases include tender offers.



Shareholder base (as at 3 September 2019)



Portfolio exposure by sector (as at 31 July 2019, ex-cash)



Top 10 holdings (as at 31 July 2019)

Company	Country	Sector	Portfolio weight %	
			31 July 2019	31 July 2018*
Samsung Electronics	South Korea	Technology hardware & equipment	5.9	5.6
Tencent	Hong Kong	Software & services	5.0	3.2
TSMC	Taiwan	Semiconductors & semiconductor equipment	4.6	3.9
AIA	Hong Kong	Insurance	3.8	4.3
ICICI	India	Banks	3.8	N/A
Alibaba	China	Retailing	3.6	N/A
HDFC Bank	India	Banks	3.4	4.0
United Overseas Bank	Singapore	Banks	3.3	N/A
MediaTek	Taiwan	Semiconductors & semiconductor equipment	3.2	N/A
Industrial & Commercial Bank of China - H	China	Banks	3.2	N/A
Top 10			39.8	36.1

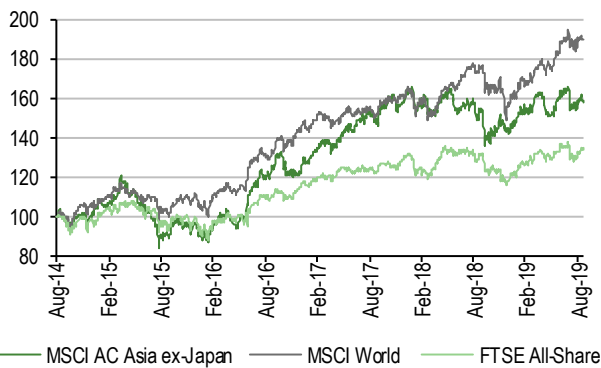
Source: Invesco Asia Trust, Edison Investment Research, Bloomberg, Morningstar. Note: *N/A where not in end-July 2018 top 10.

Market outlook: Asia appears relatively attractive

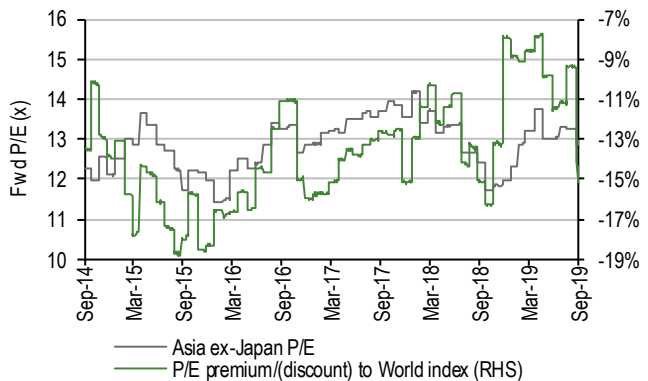
Global growth is slowing, as evidenced by leading economic indicators across most major countries trending downwards. Following a decade of unprecedentedly low interest rates and abundant liquidity, central banks started to unwind quantitative easing in late 2017 and 2018, and a cyclical slowdown was widely anticipated. However, geopolitical events, the ongoing US-China trade dispute in particular, have exacerbated the slowdown, and are taking a significant toll on world trade. The global manufacturing purchasing managers' index, seasonally adjusted, is now at its lowest levels since 2012. Germany, the world's third largest economy, is on the brink of recession as data suggest its economy may contract in Q319 for a second consecutive quarter. Governments are responding to the deteriorating economic data and some central banks, including the US Federal Reserve, have reversed their tightening stances and cut interest rates. However, the impact of policy measures may be limited given interest rates remain close to historic lows, and the Chinese government is concerned about the country's debt level. Geopolitical developments are likely to continue to influence the direction of markets for the time being. However, earnings revisions have adjusted sharply, and may now be at levels that give scope for some positive surprises. As shown in Exhibit 2 (RHS) Asian equities appear relatively attractive compared to global equities. The region is trading at a 13% forward P/E discount to the world market, and as discussed on the front page, its economies are growing significantly faster.

Exhibit 2: Market performance and valuation

Performance of indices (last five years, in £)



DS Asia ex-Japan vs DS World valuation comparison



Source: Refinitiv, Edison Investment Research. Note: Valuation data as at 25 September 2019.

Fund profile: Valuation discipline, long-term horizon

IAT was launched in 1995 and aims to provide long-term capital growth through investing in a diversified portfolio of companies listed in Asia. The trust changed its benchmark from the MSCI Asia Pacific ex-Japan Index to the MSCI AC Asia ex-Japan Index in May 2015 to better reflect its primary focus on Asia and persistently low exposure to Australasia. IAT's investment mandate is flexible and Hargreaves is not constrained by index considerations. He follows a clear investment process combining a rigorous bottom-up approach to stock selection with top down input to determine asset allocation. Emphasis is placed on finding investments that are intrinsically undervalued on a long-term horizon of three to five years or more. IAT has a proactive board, which is committed to promoting the trust and narrowing the discount.

The fund manager: Ian Hargreaves

The manager's view: Uncertain markets create opportunities

Hargreaves thinks the environment for investing in Asian equities is more attractive now than at the start of 2018 when economic data was strong and investor sentiment was bullish. The current outlook for global growth is weak and many leading indicators around the world are close to cyclical lows, and Hargreaves thinks we are near a cycle trough. Asian equity valuations have also moderated, and while they are not at recessionary levels, the manager believes they are at the bottom-end of their range and present some interesting opportunities for long-term investors. Hargreaves notes that it will be harder for economies such as China and India to continue to sustain high GDP growth, and he is cautious on China's economic outlook. The manager believes its policymakers are doing enough to stabilise the economy; however, they have shown reticence to undertake stimulus beyond that goal. Hargreaves thinks China's GDP growth will continue to decelerate as its government balances financial risks (high indebtedness) against short-term economic targets, and this challenge prevents him from being more optimistic on the outlook for Asian equities.

Asset allocation

Investment process: Valuation is paramount

Hargreaves follows a fundamental investment approach and is unconstrained by benchmark considerations. The Invesco Asian equities team consists of six highly experienced investment professionals, and employs a detailed and rigorous stock selection process. The team conduct around 700 company visits each year to find firms with attractive market positions, robust financials, strong managements and a good track record on environmental, social and governance (ESG) issues. Particular attention is paid to valuations and Hargreaves looks to buy companies that trade at a significant discount to his estimate of their long-term fair value. The long-term focus is an important element of the process because the manager believes that over time, share prices reflect fundamentals; therefore, he is patient in waiting for an attractive entry point, and comfortable with being contrarian, investing in stocks that are out of favour. The team also uses top-down macroeconomic analysis to help guide country and sector allocations. Risks are managed through ensuring a diversified portfolio of 50–70 stocks, and the manager's in-depth knowledge of the individual companies, which involves ongoing monitoring and dialogue with managements.

Current portfolio positioning

Exhibits 3 and 4 show IAT's exposures by sector and geography, respectively, at end-July 2019. The largest sector exposure is financials at 33.9% of the portfolio, which also represents the most significant overweight relative to the index at 10.0pp. Hargreaves notes, however, that the financials weighting does not represent a view on interest rates; instead it reflects multiple secular themes. These include Hargreaves' positive long-term view on India (the largest overweight by geography) and its banking sector. He considers India has the most positive economic reform agenda in the region, and Prime Minister Narendra Modi's recent election success may strengthen his ability to continue these. The manager observes Indian banks' balance sheets have improved over recent years, and believes they are in the early stages of a positive credit cycle. IAT's holdings are in private sector banks, including HDFC Bank and ICICI, which are gaining market share from the state banks. Hargreaves also recently added to specialist lender Shriram Transport Finance. The company finances the purchase of second-hand commercial vehicles such as small trucks, construction vehicles and tractors, and is the leading player in the formal sector of the industry, with

over 2m customers. Shriram estimates that around 55–60% of second-hand commercial vehicle financing is provided by informal, private money lenders, who charge very high rates of interest. Formal lenders have the potential to gain market share, while strong demand growth should also be underpinned by increased penetration into rural areas, and the need to replace old vehicles due to legislative pressure to improve emissions standards. Hargreaves has been following this stock for many years, and a sharp fall in the company's share price in response to the country's economic slowdown halved its price-to-book value multiple, presenting a buying opportunity for IAT. Other significant themes within the financial sector include positive prospects for the life insurance industry in China (Hong Kong-listed AIA), and a turnaround in profitability for general insurers (Australia-listed QBE and Korean Re).

Hargreaves also recently purchased a position in Indian commercial vehicle manufacturer Mahindra and Mahindra (M&M). The company makes a broad range of products, including trucks, tractors, two-wheelers and construction equipment. M&M is well-managed, with a leading position in most of its business segments. A poor start to the monsoon season had a negative impact on farmers, exacerbating the effects of a wider economic slowdown. Like Shriram, M&M's share price has fallen significantly, giving the manager an opportunity to purchase the stock at a reasonable valuation.

Exhibit 3: Portfolio sector exposure vs benchmark (% unless stated)

	Portfolio end- July 2019	Portfolio end- January 2019	Change (pp)	Benchmark weight	Active weight vs index (pp)	Trust weight/ index weight (x)
Financials	33.9	31.1	2.8	24.0	10.0	1.4
Information technology	20.0	19.3	0.7	16.8	3.2	1.2
Communications services	11.5	10.9	0.5	13.4	(1.9)	0.9
Consumer discretionary	11.2	12.6	(1.4)	12.5	(1.2)	0.9
Industrials	7.5	6.5	0.9	7.0	0.5	1.1
Materials	4.3	6.0	(1.6)	4.5	(0.1)	1.0
Energy	4.0	4.3	(0.2)	4.3	(0.2)	0.9
Real estate	2.6	3.2	(0.6)	6.3	(3.7)	0.4
Healthcare	2.1	2.5	(0.5)	2.8	(0.8)	0.7
Consumer staples	2.0	2.3	(0.3)	5.2	(3.2)	0.4
Utilities	0.9	1.2	(0.3)	3.4	(2.5)	0.3
Total	100.0	100.0		100.0		

Source: Invesco Asia Trust, Edison Investment Research. Note: Rebased for cash/gearing.

Exhibit 4: Portfolio geographic exposure vs benchmark (% unless stated)

	Portfolio end- July 2019	Portfolio end- January 2019	Change (pp)	Benchmark weight	Active weight vs index (pp)	Trust weight/ index weight (x)
China	31.0	27.1	3.9	37.2	(6.2)	0.8
India	16.3	15.0	1.3	10.1	6.2	1.6
South Korea	16.2	16.5	(0.3)	13.9	2.4	1.2
Taiwan	13.3	12.2	1.1	13.1	0.2	1.0
Hong Kong	10.0	15.5	(5.5)	11.6	(1.6)	0.9
Singapore	3.3	2.5	0.8	4.0	(0.7)	0.8
Thailand	3.3	2.5	0.8	3.5	(0.2)	0.9
Japan	2.3	2.8	(0.5)	0.0	2.3	N/A
Australia	1.9	1.7	0.2	0.0	1.9	N/A
Indonesia	1.5	1.6	(0.1)	2.6	(1.1)	0.6
Malaysia	0.9	1.4	(0.5)	2.5	(1.6)	0.4
Philippines	0.0	1.2	(1.2)	1.3	(1.3)	0.0
Total	100.0	100.0		100.0		

Source: Invesco Asia Trust, Edison Investment Research. Note: Rebased for cash/gearing.

The auto sector has also been extremely weak in China, hit by stricter emissions standards, an economic slowdown and trade tensions with the US. Hargreaves viewed China's auto stocks as oversold, trading at unprecedentedly low valuations and he added to Dongfeng Motor. The company owns 50% joint ventures with each of Nissan, Honda and Peugeot in China, and together, accounted for over 10% market share of China's passenger vehicle sales in 2017. The manager's analysis indicated the market capitalisation of the company was below the value of the combined net cash held in the holding company and joint ventures, suggesting investors were ascribing a negative value to the operating business.

Performance: Solid medium- and long-term returns

As shown in Exhibits 6 and 7, IAT has delivered good medium- and long-term performance. Over five and 10 years, the trust's NAV total return has outperformed its blended benchmark, while the outperformance against the FTSE All-Share Index has been very significant over these periods. Over shorter periods, the trust has performed broadly in line with the benchmark; however, the manager focuses on long-term capital gains and is not influenced by shorter-term performance horizons.

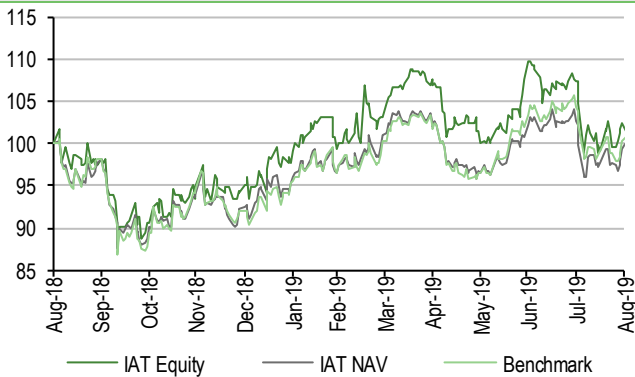
Exhibit 5: Five-year discrete performance data

12 months ending	Total share price return (%)	Total NAV return (%)	Benchmark* (%)	MSCI World (%)	FTSE All-Share (%)	MSCI AC Asia ex-Japan (%)
31/08/15	(9.2)	(10.4)	(12.7)	4.1	(2.3)	(9.1)
31/08/16	39.3	39.3	33.0	26.0	11.7	33.0
31/08/17	26.9	28.0	27.2	18.8	14.3	27.2
31/08/18	(1.1)	0.8	2.2	12.7	4.7	2.2
31/08/19	2.5	(0.5)	0.3	7.6	0.4	0.3

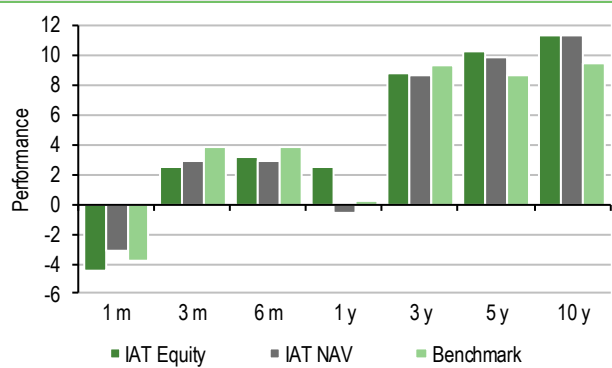
Source: Refinitiv. Note: All % on a total return basis in GBP. *Benchmark is MSCI AC Asia Pacific ex-Japan until 30 April 2015 and MSCI AC Asia ex-Japan thereafter.

Exhibit 6: Investment trust performance to 31 August 2019

Price, NAV and benchmark total return performance, one-year rebased



Price, NAV and benchmark total return performance (%)



Source: Refinitiv, Edison Investment Research. Note: Three-, five- and 10-year performance figures annualised. Benchmark is MSCI AC Asia Pacific ex-Japan until 30 April 2015 and MSCI AC Asia ex-Japan thereafter.

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 benchmark	(0.7)	(1.2)	(0.8)	2.3	(1.3)	7.5	17.8
NAV relative to benchmark	0.8	(0.8)	(0.9)	(0.8)	(1.5)	5.9	18.5
Price relative to FTSE All Share	(0.9)	0.5	(1.1)	2.1	7.0	24.0	29.0
NAV relative to FTSE All Share	0.5	0.9	(1.3)	(1.0)	6.7	22.1	29.7

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

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

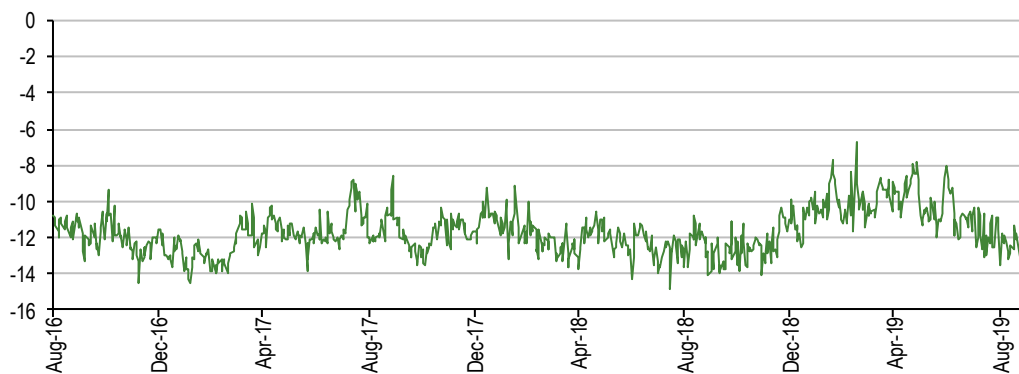


Source: Refinitiv, Edison Investment Research

Discount: New measures may help narrow discount

IAT is currently trading at an 13.4% discount to its cum-income NAV, which is wider than its three-year average of 11.7%. The board considers a discount of less than 10%, in normal market conditions, is desirable and a number of changes were introduced last year to help broaden the appeal of the trust, with the aim of reducing the discount. These include: the intention to increase the dividend per share each year, utilising the company's capital reserves if necessary; to use gearing more actively when appropriate, to take advantage of the closed-end structure of the fund; and; the introduction of a lower marginal management fee of 0.65% on assets above £250m. The board continues to have the ability (renewed annually) to repurchase up to 14.99% of share capital to help manage the discount. However, this facility will only be used when the board thinks repurchases will be effective, taking market conditions and comparable funds into account, and when it can enhance net asset value.

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



Source: Refinitiv, Edison Investment Research

Capital structure and fees

IAT is a conventional investment trust with one class of share: there are currently 69.5m shares in issue and a further 5.5m held in treasury. During FY19, the company repurchased into treasury 0.5m shares (representing 0.6% of the share base) at an average price of 265.3p per share. In FY18, the board conducted a tender offer for 15% of ordinary shares, which resulted in the repurchase and cancellation of 12.5m shares at a total cost of £39.5m. The trust is subject to a continuation vote; the next is due at the September 2022 AGM.

Gearing is permitted up to 25% of net assets and IAT has a £20m multi-currency revolving credit facility with Bank of New York Mellon. At end-July 2019, the facility was undrawn and the trust held net cash of 0.9%. The board has recently agreed a new a tiered fee structure with Invesco Fund Managers. The existing annual management fee of 0.75% of NAV continues to apply on assets up to £250m. A reduced fee of 0.65% will be payable on assets above £250m. The fee is split between the revenue and capital accounts in the proportion of 25:75. At end-July 2019 the ongoing charge ratio was 0.94%.

Dividend policy and record

The trust's investment objective is to provide long-term capital growth. Nevertheless, IAT's dividend per share has more than doubled over the past 10 years to end-FY19 and the board intends for the annual distribution to increase every year. An interim dividend was introduced in FY18, which

should represent around half of the full-year dividend. The board is able to use capital reserves when necessary to smooth dividend payments in years when they are not fully covered by revenue income. The total dividend of 5.7p per share for FY19 represents a 3.6% increase over the previous year, and a yield of 2.0%.

Peer group comparison

Exhibit 10 shows the nine members of the newly created AIC Asia Pacific sector. IAT is one of the smaller funds in the group, ranking eighth by size. Its NAV total return compares favourably over 10 years where it ranks third. Over one, three and five years, the trust ranks sixth, seventh and fifth, respectively. The trust's ongoing charge ranks sixth but there is no performance fee. IAT has one of the higher dividend yields among peers, however, the discount to cum-fair NAV is currently one of the widest.

Exhibit 10: Selected peer group as at 25 September 2019*

% unless stated	Market cap £m	NAV TR 1 year	NAV TR 3 year	NAV TR 5 year	NAV TR 10 year	Discount (cum-fair)	Ongoing charge	Perf. fee	Net gearing	Dividend yield (%)
Invesco Asia	194.6	5.2	25.3	66.1	176.5	(12.1)	0.9	No	100	2.0
Aberdeen New Dawn	273.9	11.0	35.4	53.0	150.1	(12.4)	0.9	No	111	1.7
Edinburgh Dragon	520.4	13.6	33.2	57.7	156.0	(11.6)	0.8	No	104	1.0
Fidelity Asian Values	307.0	6.3	18.2	67.0	165.7	0.3	1.2	No	107	1.3
Pacific Assets	352.0	11.0	27.7	65.9	201.3	(2.5)	1.2	No	100	1.0
Pacific Horizon	185.9	3.0	37.6	69.3	151.2	(7.9)	1.0	No	109	0.2
Schroder Asian Total Return	343.3	6.3	36.4	89.4	143.6	1.3	0.9	Yes	103	1.7
Schroder AsiaPacific	726.0	3.3	28.7	75.6	206.7	(11.9)	0.9	No	100	2.2
Witan Pacific	208.8	1.5	17.4	52.9	118.3	(9.5)	1.0	Yes	100	2.1
Average	345.8	6.8	28.9	66.3	163.3	(7.4)	1.0		104	1.5
Trust rank in sector (9 funds)	8	6	7	5	3	8	6		6	3

Source: Morningstar, Edison Investment Research. Note: *Performance data to 24 September 2019. TR = total return. Net gearing is total assets less cash and equivalents as a percentage of net assets (100 = ungeared).

The board

The IAT board consists of four independent non-executive directors, chaired by Neil Rogan (appointed in September 2017 and assumed his current role in July 2018). Owen Jonathan is the senior independent director (appointed March 2013 and assumed his current role in December 2018). The other directors and their dates of appointment are Tom Maier (March 2009) and Fleur Meijs (December 2016). A search for a new director is underway to replace Tom Maier who has served on the board for more than nine years. He has agreed to extend his tenure to maintain a four-strong board and allow for a smooth succession.

General disclaimer and copyright

This report has been commissioned by Invesco Asia Trust and prepared and issued by Edison, in consideration of a fee payable by Invesco Asia Trust. Edison Investment Research standard fees are £49,500 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 2019 Edison Investment Research Limited (Edison). All rights reserved FTSE International Limited ("FTSE") © FTSE 2019. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under license. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

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

The Investment Research is a publication distributed in the United States by Edison Investment Research, Inc. Edison Investment Research, Inc. is registered as an investment adviser with the Securities and Exchange Commission. 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
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