

# The North American Income Trust plc

NAIT

## Morningstar Peer Group Classification

North America

### Investment Objective

To provide investors with above average dividend income and long-term capital growth through investing predominantly in S&P 500 US equities.

### Valuation statistics (NAVs estimated<sup>1</sup>) GBX

	22 May 2019	12 m High	Low
Price	1,457.50	1,485.00	1,207.50
Fair Cum NAV	1,468.55		
Fair Ex NAV	1,454.06		
Par Cum NAV	1,468.55		
Par Ex NAV	1,454.39	1,489.63	1,230.61
Fair Cum Discount	-0.75		
Fair Ex Discount	+0.24		
Par Cum Discount	-0.75		
Par Ex Discount	+0.21	+3.26	-8.78
Peer Group Discount	-3.04		
Z-Statistic <sup>2</sup>	1.07		

### Last Actual NAVs (GBX) as at 21 May 2019

Fair Cum NAV	1464.53
Fair Ex NAV	1450.04
Par Cum NAV	1464.53
Par Ex NAV	1450.04

### Key Data

Domicile	UK
Launch Date	05 Jun 1997
Financial Year-end	31 Jan
Exchange	London (LSE)
Next AGM	Jun 2019
NAV Frequency	Daily
Dividend Frequency	Quarterly
Total Assets (GBP)	445.1m
Net Assets (GBP)	413.5m
Shares Outstanding	28,430,504
Gross Gearing <sup>3</sup>	108
Net Gearing <sup>4</sup>	108
Average Daily Shares Traded (1yr)	0.029m
Average Daily Value Traded (1yr)	0.403m
Total Expense Ratio <sup>5</sup> (2019)	0.95%
Market Capitalisation (GBP)	414.4m
Net Dividend Yield <sup>6</sup>	3.02%

### Dividend Policy

The fund intends to pay quarterly dividends

### Year-on-Year Dividend Growth % (financial year 31 Jan)

	2020	2019	2018	2017	2016
	0.00	7.69	8.33	9.09	10.00

### Dividend Growth % (annualised on current financial year)<sup>7</sup>

	1 year	2 years	3 years	4 years	5 years
	8.64	6.22	6.92	7.46	7.96

### Directors

James Ferguson (Chairman), Karyn Lamont, Susannah Nicklin, Charles Park, Susan Rice

**Fund Manager:** Ralph Bassett (30 Jun 2015) / Francis Radano (29 May 2012)

### Aberdeen Standard Investments

London

### Telephone:

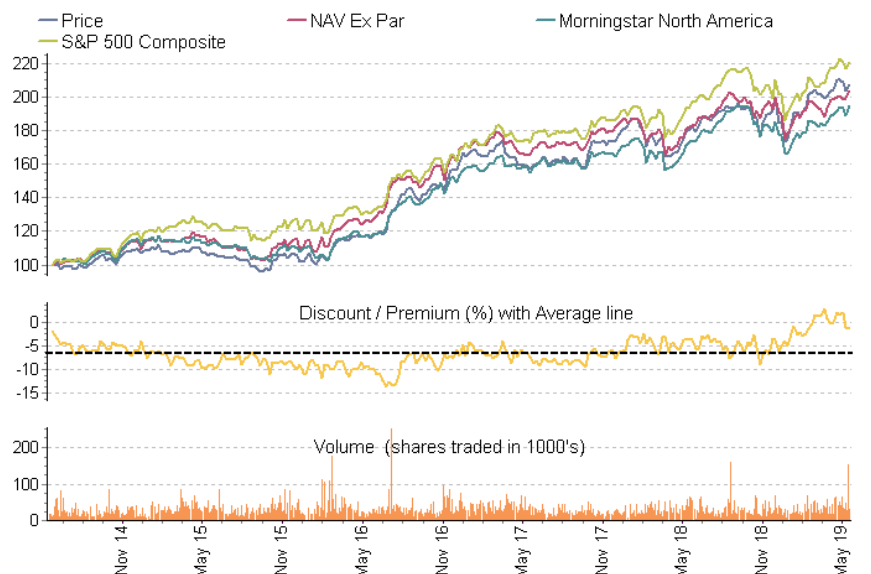
**Website:** <http://www.northamericanincome.co.uk>

**Stockbroker:** Winterflood Securities Limited

### Management Fee Summary

Management fee 0.75% of NAV up to GBP 350m, 0.6% between GBP 350m and GBP 500m and 0.5% over GBP 500m. Contract terminable on notice period of three months.

## Total Return Performance (GBP) over 5 years (or since inception)



## Performance (Total Return %)<sup>8</sup> GBP

	1 month	3 months	6 months	1 year	YTD	3 years	5 years
Price	+0.08	+3.59	+10.25	+14.75	+19.81	+81.81	+108.87
NAV	+2.26	+3.50	+5.81	+11.19	+14.16	+62.92	+104.71
Peer Group (Price)	+1.38	+4.97	+9.19	+11.40	+16.38	+66.59	+94.79
Peer Group (NAV)	+1.40	+4.76	+8.83	+10.92	+15.76	+63.56	+100.20
Benchmark	+1.08	+6.05	+10.81	+13.54	+16.35	+69.76	+123.06

Peer Group: Morningstar IT North America P

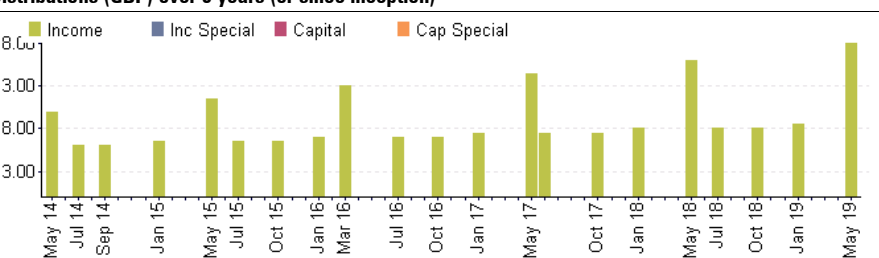
Morningstar Benchmark: S&P 500 Composite

Fund distributions reinvested on ex-dividend date<sup>9</sup>

## Dividend Yields over 5 years (or since inception)



## Distributions (GBP) over 5 years (or since inception)



## Latest Dividend History (GBP)

Type	Dividend	Declared Date	Ex Div Date	Record Date	Payment Date	Financial Year
Income	18.000	11 Apr 19	09 May 19	10 May 19	07 Jun 19	2019
Income	8.500	17 Jan 19	24 Jan 19	25 Jan 19	15 Feb 19	2019
Income	8.000	03 Oct 18	04 Oct 18	05 Oct 18	26 Oct 18	2019
Income	8.000	12 Jul 18	19 Jul 18	20 Jul 18	03 Aug 18	2019
Income	16.000	28 Mar 18	10 May 18	11 May 18	08 Jun 18	2018
Income	8.000	18 Jan 18	25 Jan 18	26 Jan 18	16 Feb 18	2018
Income	7.500	27 Sep 17	12 Oct 17	13 Oct 17	31 Oct 17	2018
Income	7.500	28 Jun 17	13 Jul 17	14 Jul 17	04 Aug 17	2018
Income	14.500	24 Mar 17	18 May 17	19 May 17	16 Jun 17	2017
Income	7.500	12 Jan 17	19 Jan 17	20 Jan 17	31 Jan 17	2017
Income	7.000	03 Oct 16	13 Oct 16	14 Oct 16	31 Oct 16	2017
Income	7.000	05 Jul 16	14 Jul 16	15 Jul 16	05 Aug 16	2017

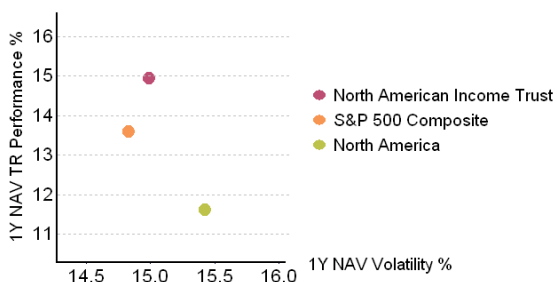
## Initial Public Offering

on 05 Jun 1997

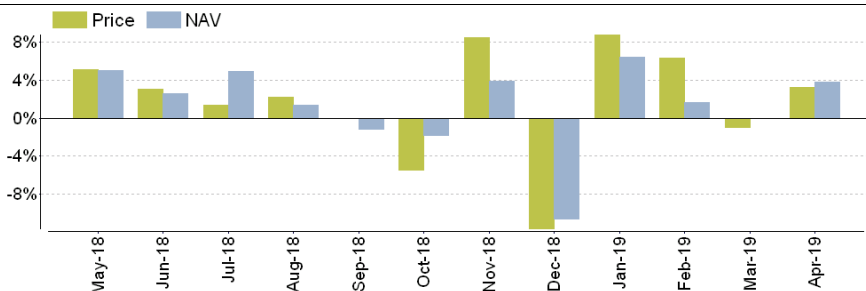
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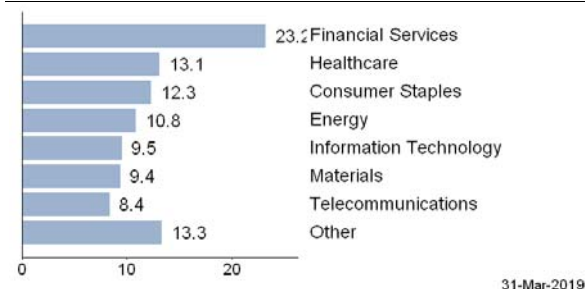
## Risk & Return<sup>9</sup>



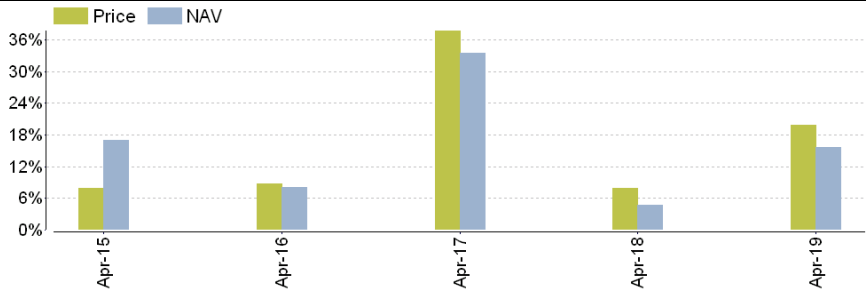
## Discrete Monthly Price & NAV Total Return % (GBP)



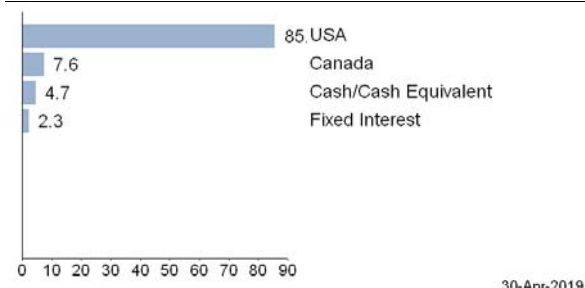
## Sector Breakdown (%)



## Discrete Yearly Price & NAV Total Return % (GBP)



## Geographic Breakdown (%)



## Risk & Correlation

	3 months	6 months	1 year	3 years	5 years
Alpha (NAV) <sup>11</sup>	-0.03	-0.03	-0.14	-0.10	-0.07
Beta (NAV) <sup>12</sup>	0.89	0.87	0.89	0.98	0.94
R-squared (NAV) <sup>13</sup>	0.77	0.88	0.82	0.81	0.79
Sharpe (NAV) <sup>14</sup>	1.05	0.70	0.96	1.27	1.24
Price Volatility <sup>15</sup>	16	22	19	17	17
NAV Volatility <sup>15</sup>	14	17	15	15	15
Benchmark Volatility <sup>15</sup>	11	17	15	12	13
Peer Group Price Volatility <sup>15</sup>	12	15	14	13	14
Peer Group NAV Volatility <sup>15</sup>	14	17	15	14	15

## Largest Holdings (% Portfolio<sup>10</sup>) as at 31 Mar 2019

Chevron Corp	5.5%
Cisco Systems Inc	4.8%
Philip Morris International, Inc.	3.8%
Johnson & Johnson	3.7%
Bb&T Corp	3.3%
Verizon Communications Inc	3.2%
CME Group, Inc. A	2.9%
Citigroup Inc	2.8%
Texas Instruments Inc.	2.8%
Procter & Gamble Company	2.8%
<b>Total</b>	<b>35.6%</b>

## Additional Performance (Total Return<sup>8</sup>) GBX

Period	Price	NAV	Peer Price	Peer NAV	Benchmark
2019	#y1prigbp	#y1navgbp	#y1pgpgbp	#y1pnggbp	#y1bmggbp
2018	-	-	-	-	-
2017	+9.53	+8.97	+8.72	+9.65	+11.28
2016	+56.05	+48.36	+41.71	+37.08	+33.55
2015	-1.87	+1.25	-3.38	+2.25	+7.26
2014	+7.34	+16.72	+15.63	+17.39	+20.76
Since FTSE 2009 Low (13 Mar 09)	+361.61	+361.26	+352.00	+376.56	+464.69
Since Sub-Prime (20 Nov 07)	#primprigbp	#primnavgbp	#primpgpgbp	#primpnggbp	#primbmggbp
Since FTSE 2007 Peak (13 Oct 07)	#octprigbp	#octnavgbp	#octpgpgbp	#octpnggbp	#octbmggbp

## Capital Structure

Number of Shares	Share Type
28,430,504	Ord 25p

Loan CCY	£m	Redemption	Coupon
USD	31.6		2.180%

## Wind-up Provisions/Buy Back Policy

Shareholders are given the opportunity to vote on the continuation of the company every 3 years at the AGM in that year. The continuation vote will be proposed at the next AGM in 2021.

1 **NAV Estimation** - Fair value of debt refers to the market price of the debt if it is traded or, if it is not traded, an estimation of its value calculated using points over gilt methodology.  
 Cum Income NAVs include net revenue in the financial year to date. All estimates are fully diluted for the effects of warrants, convertibles or treasury shares. NAV estimations are created and maintained by Morningstar. For more detailed methodology document please contact FD.Support@morningstar.com

2 **Z-Statistic 1y** - Shows whether the fund's current discount is significantly higher or lower than the average over the past year, calculated as (Current Discount - Mean) / Std Dev

3 **Gross Gearing** - The ratio of estimated gross Assets to the Net Assets, expressed as a percentage

4 **Net Gearing** - The ratio of estimated Gross Assets minus cash and fixed interest to the Net Assets, expressed as a percentage. Cash and fixed interest represents not-equity exposure.

5 **Total Expense Ratio** - (Total Expenses - Performance Fees - Cost of Leverage - Tax - Restructuring Costs) / Average Net Assets

6 **Net Dividend Yield** - This is calculated by dividing the current financial years dividends (this will include prospective dividends) by the current price.

7 **Dividend Growth** - The annualised percentage growth in dividends. Based upon the current financial year, including any future estimates or forecasts.

8 **Performance** - Calculated using start and end period Share Prices or NAV Dividends are reinvested on the ex-dividend date at the prevailing Share Price or NAV.

9 **Risk & Return** - 1 Year ex income par NAV total return performance against 1 Year NAV volatility. Please see notes 8 and 15 for performance and volatility definitions respectively.

10 **Portfolio** - In order to calculate the portfolio value we deduct any holdings in cash only (Note that Fixed Interest is not included).

11 **Alpha** - The difference between the fund's average excess total return and the benchmark's average excess total return.

12 **Beta** - The sensitivity of the fund to broad market movements. A Beta of 0.5 would imply the fund will move by half as much as the index.

13 **R-squared** - A measure of correlation between the fund and index. A value of 0.8 means that 80% of the fund's NAV changes can be explained by changes in the index.

14 **Sharpe** - A risk-adjusted return measure, calculated by dividing the fund's average monthly excess total return over the risk-free rate by the standard deviation of those returns. The figure shown is the annualized Sharpe Ratio.

15 **Volatility** - The annualized standard deviation of the logged daily returns, adjusting for distributions from capital.