

# THE BANKERS INVESTMENT TRUST PLC

A local approach to global equity investing

December 2024

Alex Crooke  
Fund Manager

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# Headlines

## Objective

Long term **capital growth** in excess of the **FTSE World Index** and **dividend growth** greater than **inflation (UK 'CPI')**, by investing in companies listed throughout the world.”

- **Global Growth sector of investment companies**
- £1,463m net assets, listed in London and New Zealand
- Alex Crooke, Fund Manager **since 2003**
- Dividend yield: **2.4%**

Source: Factset, Janus Henderson Investors Analysis, as at 30 September 2024.  
Note: Yields may vary and are not guaranteed.  
**Past performance does not predict future returns.**

## The Bankers Investment Trust NAV (pence per share)



Source: Refinitiv Datastream, Janus Henderson Investors Analysis, as at 30 September 2024.  
Note: **Past performance does not predict future returns.**

# Bankers Investment Trust

## Core principles

- **Twin objectives** – Capital and income growth above inflation

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- **Focused** – c.100 stocks, more concentrated than peers or passives

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- **Reach** – Local experts, based in their regions

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- **Flexibility** – Ability to shift between value and growth investments

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- **Low costs** – Ongoing Charge 0.5%\* and low cost of debt at 2.7%

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Source: Janus Henderson Investors, as of 31 July 2024. \*As per the Annual Accounts, as at 31 October 2023.

**Past performance does not predict future returns.**

# The investment team



## TRUST MANAGEMENT



**Alex Crooke**  
Fund Manager appointed 2003  
33 years' experience

## KEY TAKEAWAYS

- ✓ All equity
- ✓ Global
- ✓ 100 holdings
- ✓ 'Best ideas'
- ✓ Dividends matter

Allocations (no % limits) to experienced, high-quality investment teams  
"Focused" sub portfolios 25-35 holdings

## COLLABORATION



**Jeremiah Buckley**  
North America

Portfolio Manager  
25 years experience



**Jamie Ross**  
Pan Europe

Portfolio Manager  
15 years experience



**Junichi Inoue**  
Japan

Portfolio Manager  
27 years experience



**Sat Duhra**  
Pan Asia

Portfolio Manager  
23 years experience

Source: Janus Henderson Investors, as of 1 January 2024.

# The Bankers Investment Trust PLC

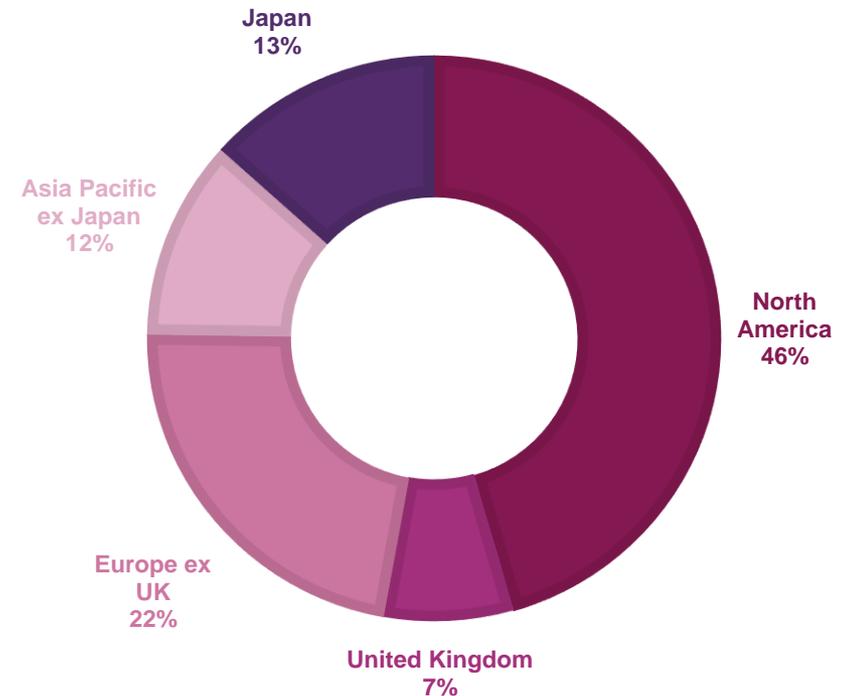
Current positioning as at 30 September 2024

## Bankers total portfolio

	Exposure (%)	Active weight (%)
Information Technology	24.6	-0.8
Financials	19.1	3.1
Industrials	13.4	2.5
Consumer Discretionary	13.1	3.1
Health Care	10.8	-0.3
Communication Services	4.6	-2.7
Utilities	4.0	1.3
Consumer Staples	3.8	-2.7
Energy	2.9	-0.9
Real Estate	2.0	-0.4
Materials	1.8	-2.2

Source: Janus Henderson Investors, as at 30 September 2024.  
Excludes cash. Exposures are subject to change without notice.

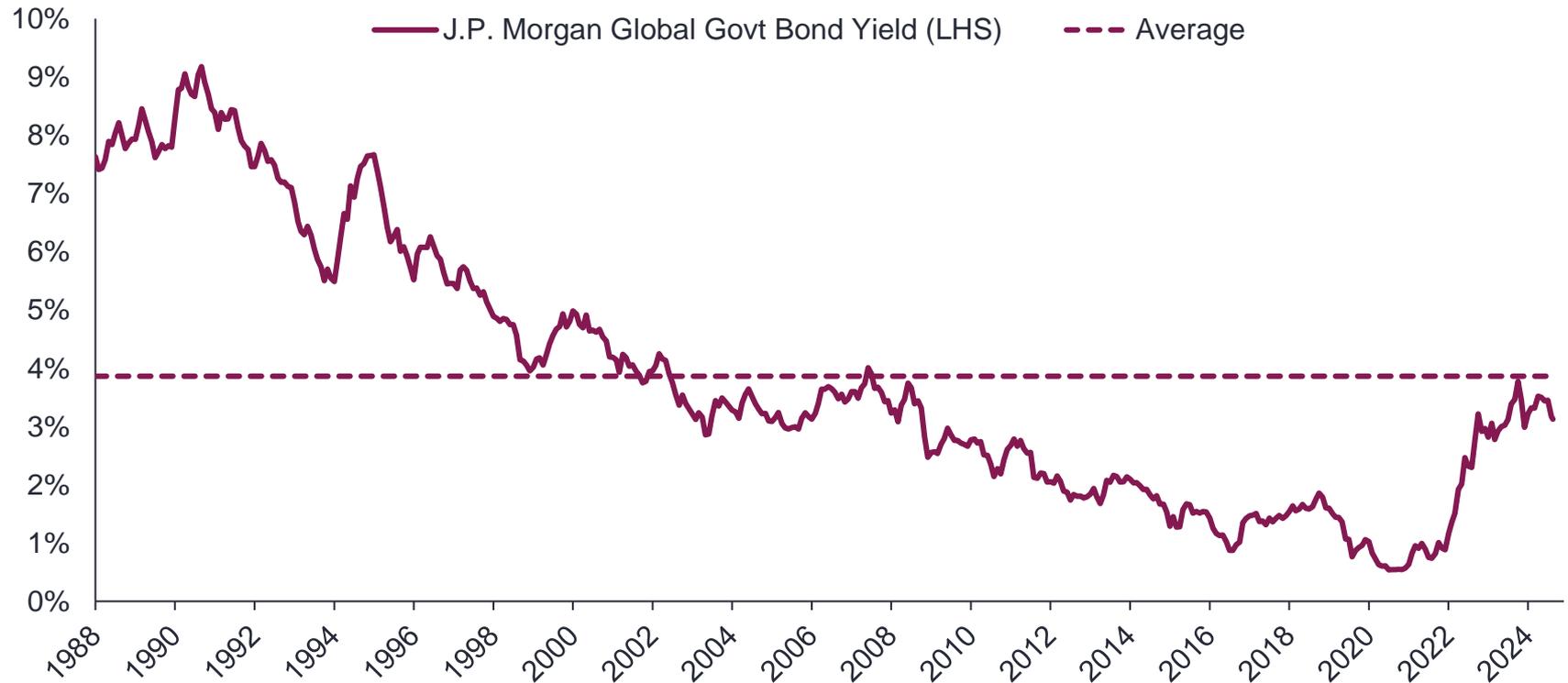
## By listing location



Source: Janus Henderson Investors, as at 30 September 2024.  
Note: Allocations are subject to change without notice. Reweighted to exclude cash. Exposures are subject to change without notice. Totals may not equal 100 due to rounding.

# The big reset

## A dramatic reset on the cost of borrowing



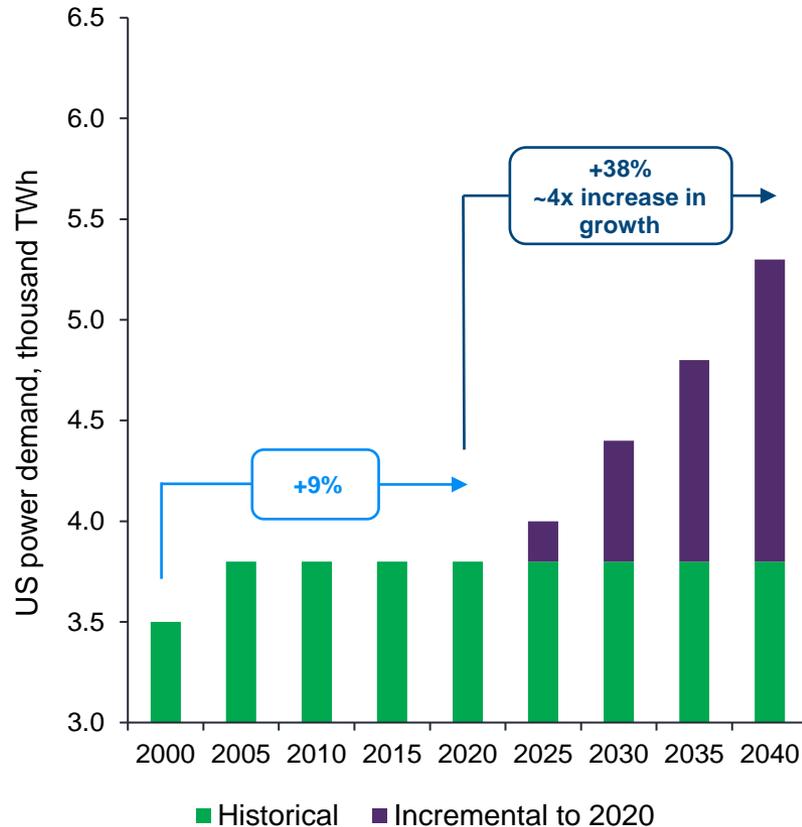
Source: JPMorgan, Datastream, IBES, Janus Henderson Investors, as at 31 August 2024.

There is no guarantee that past trends will continue, or forecasts will be realised. Yields may vary and are not guaranteed.

**Past performance does not predict future returns.**

# Electrification

US power demand is expected to grow ~38% by 2040



Source: Jefferies, NextEra Energy, as at 31 May 2024.

Note: There is no guarantee that past trends will continue, or forecasts will be realised

## Bankers – Electrification exposure

Holding	Region
Nari Technology	Pan Asia
Power Grid	Pan Asia
Siemens	Pan Europe
Hitachi	Japan
Trane Technologies	United States
Honeywell	United States
% of Net Assets	4.4%

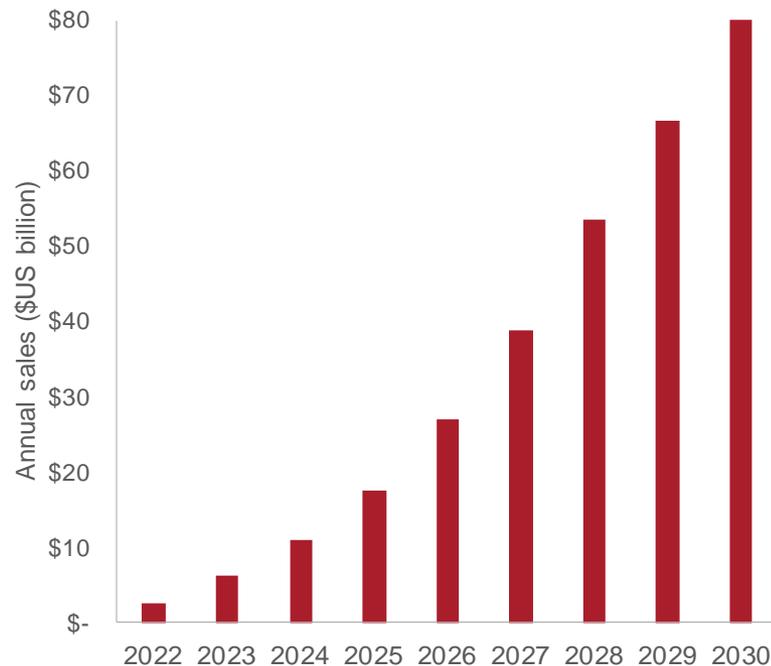
Source: Janus Henderson Investors, as at 31 August 2024.

Note: Portfolio holdings are subject to changes without notice. References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

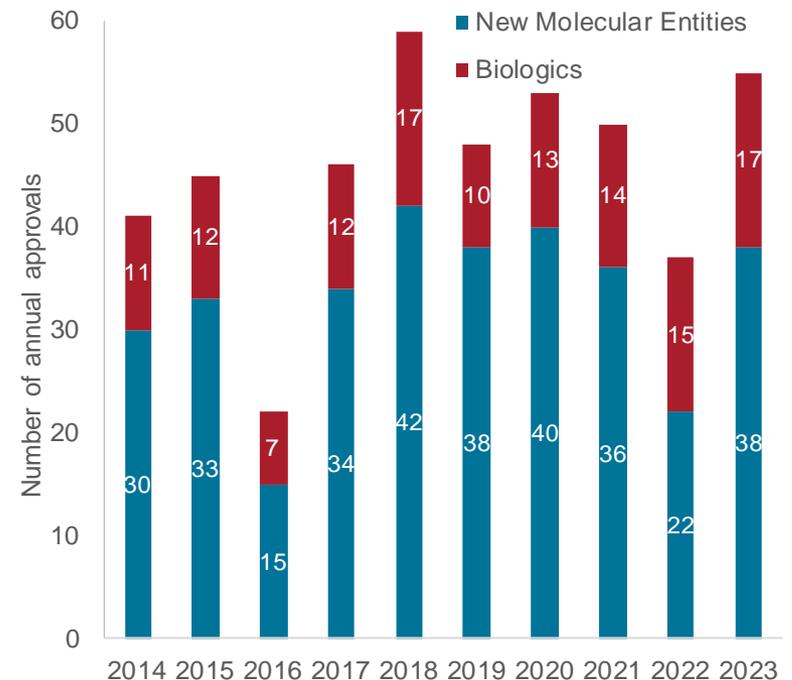
# The age of innovation: healthcare

GLP-1 drugs have shown tremendous potential in addressing obesity and, indirectly, its many associated diseases; 2023 saw 55 drug approvals in the U.S. – the highest level since 2018

GLP-1 revenue projections



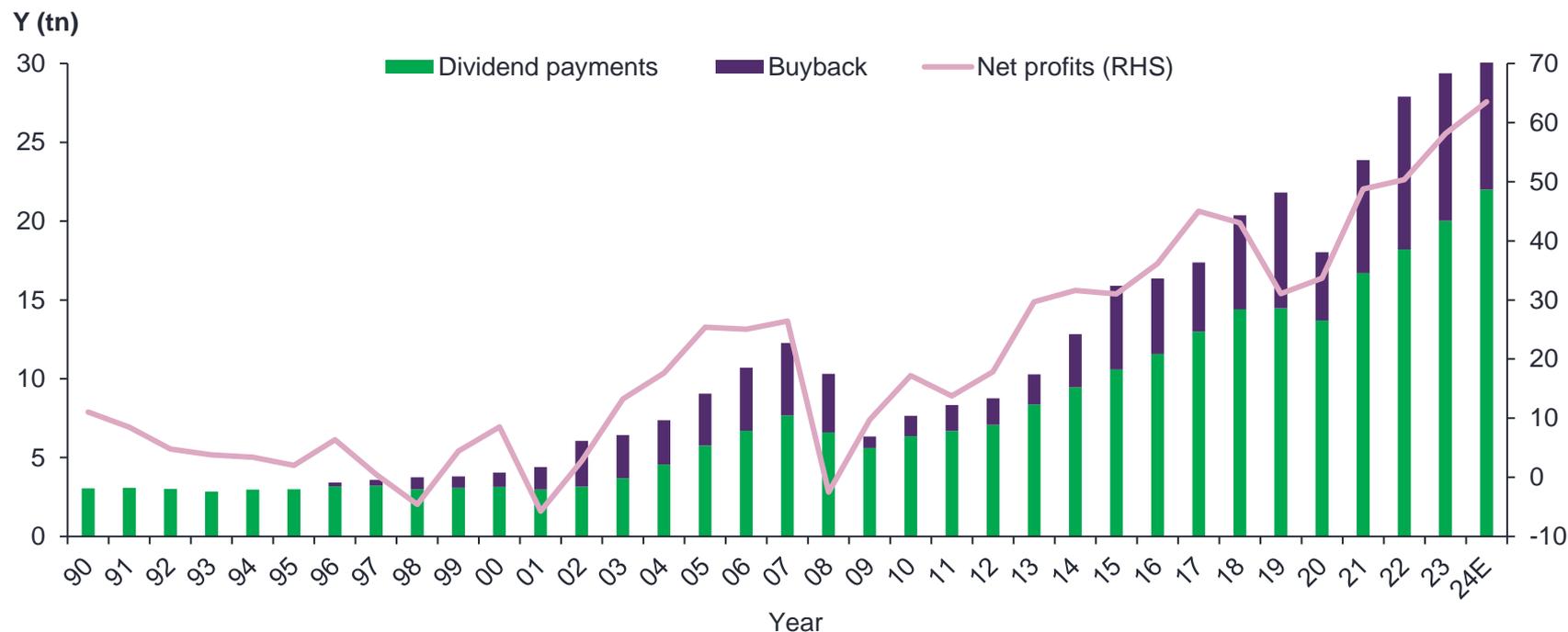
U.S. integrated drug sales and innovative drug approvals



Source: Janus Henderson, Bloomberg Intelligence, as of 31 December 2023.

Notes: GLP-1 revenue figures beyond 2022 are estimates. There is no guarantee that past trends will continue, or forecasts will be realized.

# Japan – return to shareholders



## Growth of total return to shareholders have exceeded EPS growth

- 10Y CAGR<sup>1</sup> is 7% for EPS<sup>2</sup>, 9% for dividend<sup>3</sup>, 17% for buyback<sup>4</sup>

Source: Nomura Research, Janus Henderson Investors Analysis, as at 31 May 2024.  
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# How is Bankers positioned?

- Focus on high cash flow generating companies
- Japan exposure 13%, benefitting from buybacks and dividends
- Decreased exposure to UK and Europe
- Dividend payments are strong from portfolio companies

## Top 10 positions

	Holding	Weight %	12m forward dividend growth <sup>1</sup>
1	Microsoft	4.3	+11%
2	Apple	3.0	+4%
3	American Express	2.1	+12%
4	Amazon	2.0	-
5	KLA Corp	1.9	+17%
6	Broadcom	1.8	+14%
7	UnitedHealth	1.6	+9%
8	CME Group	1.6	+4%
9	Alphabet	1.6	-
10	McDonald's	1.6	+6%

Source: Bloomberg, Janus Henderson Investors Analysis, as at 30 September 2024.

Notes: Top 10 positions, as at 30 September 2024.

<sup>1</sup>Projected 12 month dividend growth, excluding specials, in declared currency, as at 15 November 2024.

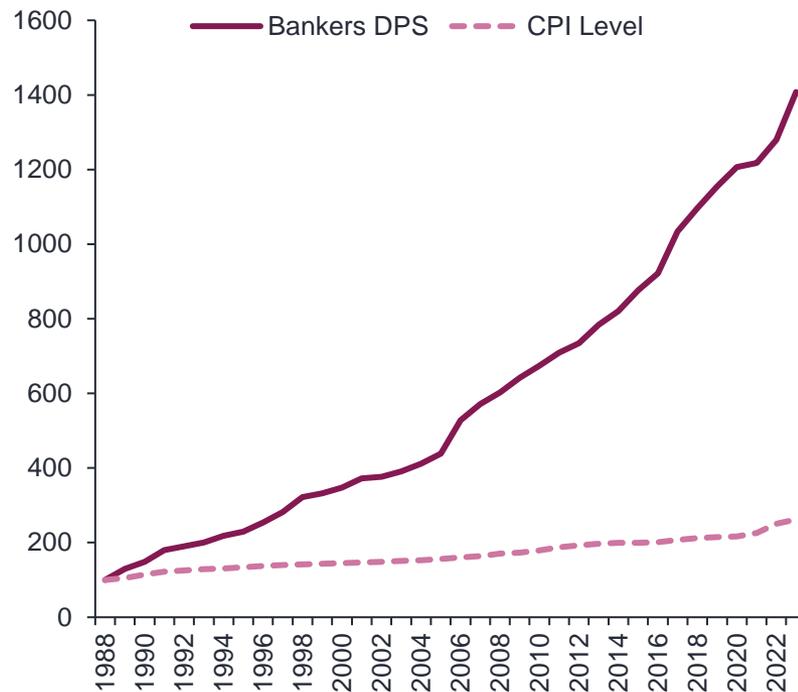
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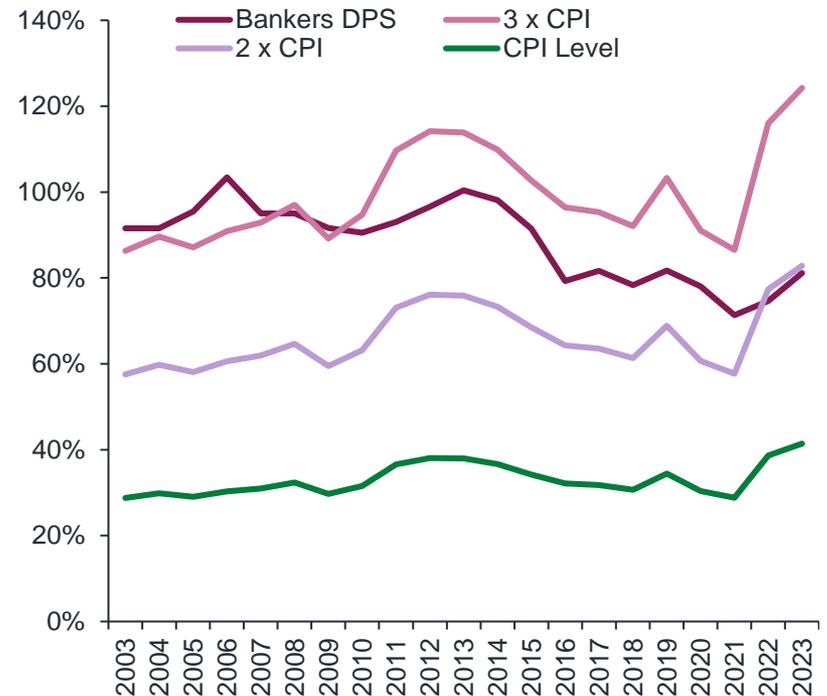
# The Bankers Investment Trust PLC

## Dividend growth

Bankers Dividend vs CPI (rebased to 100)



Bankers Dividend Growth – 10yr Rolling vs Inflation

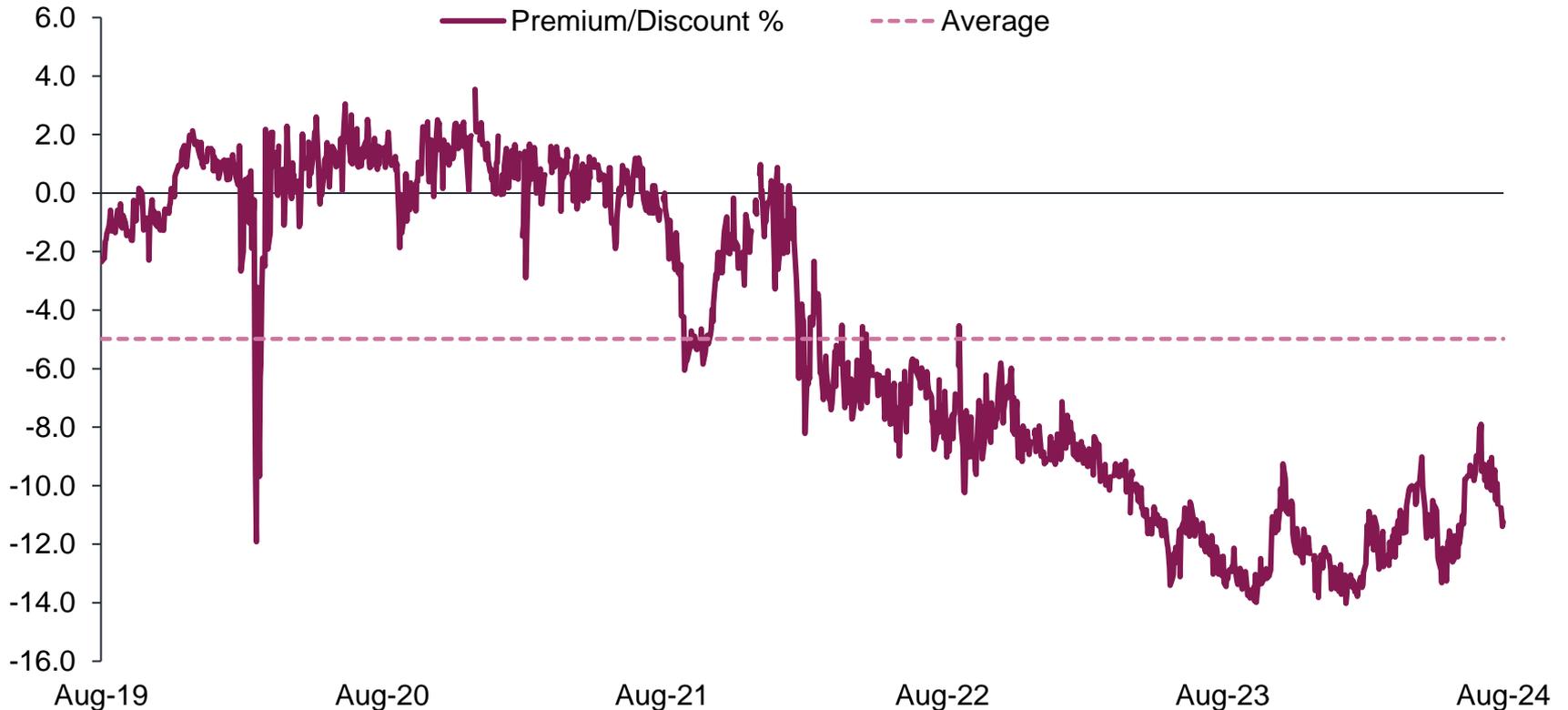


Source: Janus Henderson Investors, as at 30 April 2024.

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# Premium/Discount

Bankers traded on a premium as recently as Feb 2022, 5 year average discount 5%.



Source: Bloomberg, Janus Henderson Investors, as at 31 August 2024. Premium/Discount to Cum Fair NAV.

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# Glossary

## **Compound Annual Growth Rate (CAGR)**

Measures an investment's annual growth rate over time, including the effect of compounding (where any income is reinvested to generate additional returns). CAGR is typically used to measure and compare the past performance of investments or to project their expected future returns.

## **CPI**

The Consumer Price Index measures the average change in prices paid by consumers over time for a basket of goods and services.

## **Cost of capital**

Cost of capital is a calculation of the minimum return a company would need to justify a capital budgeting project, such as building a new factory.

## **Discount/premium (investment trusts)**

The amount by which the price per share of an investment company is either lower (at a discount) or higher (at a premium) than the net asset value per share (cum income), expressed as a percentage of the net asset value per share.

## **Dividend**

A variable discretionary payment made by a company to its shareholders.

# Glossary

## **Earnings per share (EPS)**

EPS is the bottom-line measure of a company's profitability, defined as net income (profit after tax) divided by the number of outstanding shares.

## **Free cash flow (FCF)**

Cash that a company generates after allowing for day-to-day running expenses and capital expenditure. It can then use the cash to make purchases, pay dividends or reduce debt.

## **Net asset value (NAV) total return (investment trusts)**

The theoretical total return on shareholders' funds per share reflecting the change in Net Asset Value (NAV) assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

## **Share buybacks**

Where a company buys back their own shares from the market, thereby reducing the number of shares in circulation, with a consequent increase in the value of each remaining share. It increases the stake that existing shareholders have in the company, including the amount due from any future dividend payments. It typically signals the company's optimism about the future and a possible undervaluation of the company's equity.

# Discrete performance

<u>Discrete year performance (%)</u>	<u>Share price (total return)</u>	<u>NAV (total return)</u>
30/9/2023 to 30/9/2024	19.0	16.4
30/9/2022 to 30/9/2023	3.5	10.0
30/9/2021 to 30/9/2022	-11.4	-9.9
30/9/2020 to 30/9/2021	11.0	18.6
30/9/2019 to 30/9/2020	9.1	6.5

All performance, cumulative growth and annual growth data is sourced from Morningstar.

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