

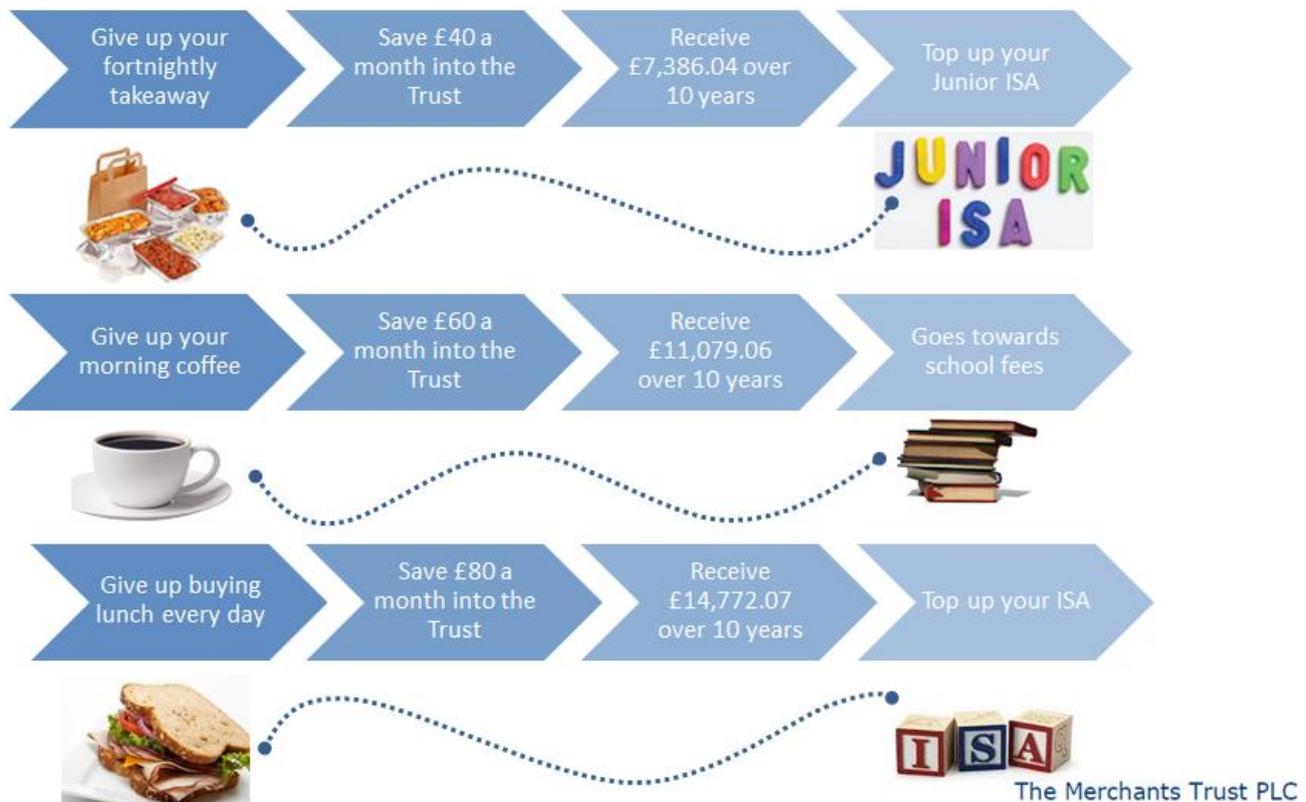


You have to be in the market to beat the market; reasons to consider The Merchants Trust PLC as a regular savings vehicle

- **35 years of increasing dividends*¹**
 - **Higher dividend yield than the FTSE 100 over 10 years***
 - **Saving £40 a month into The Merchants Trust could give investors £7,386 over ten years ***
- *Past performance is not an indication of future results*

With markets at an all-time high, investors may think twice before investing in the stock market in case prices start to drop and their investments suffer. However, one way to overcome this uncertainty could be to regularly drip feed their ISA allowance into an investment trust, through a low cost trading platform or savings scheme. This route avoids having to predict the peaks and troughs of the market. As inflation continues to rise (currently at 1.8 per cent) and the Bank of England is forecasting it might hit 2.8 per cent next year, The Merchants Trust, managed by Allianz Global Investors, believes investors should be aware of how easily their savings could be eroded with the average rate on easy access accounts from the high street banks paying 0.15 per cent (Moneyfacts, 01.03.17).

The Merchants Trust is also highlighting the potential return savers could expect over ten years if they invest from as little as £40 a month based on the last ten years' track record.



For illustration purposes only, a performance of the fund is not guaranteed and losses remain possible.

Mellissa Gallagher, Director, Head of Investment Trusts at Allianz Global Investors commented:

“The Merchants Trust is an attractive vehicle for income seeking investors as it has low management fees and has had a consistently high yield. The Trust has paid increasingly higher dividends year on year for the last 34 years, also beating the FTSE 100 dividend yield over the last 10 years.

As an example, if £40 a month had been put aside, over a period of 10 years, this would have built a savings fund of £7,386**. This could equate to giving up a fortnightly takeaway, bringing in homemade lunches into work, and putting that money into the Trust. Within an ISA wrapper, any profit made would be capital gains and income tax free.”

Simon Gergel, fund manager for the Trust, invests in a diversified portfolio of large, well-established and well-known UK companies. Simon strives to identify companies whose share prices do not fully reflect the quality of the underlying businesses and which importantly have the potential to pay attractive dividends.

The Trust has also been awarded The Association of Investment Companies (AIC) dividend hero logo*, given to investment companies that have increased their dividends each year for 20 years or more.

Investors looking to set up a regular savings scheme can invest in the Trust by purchasing shares through an investment platform or stockbroker. For further information about the Trust and how to invest, please visit:

<http://www.merchantstrust.co.uk/Navigate.aspx/Merchants/1/How-to-Invest/How-to-invest>

**A ranking, a rating or an award provides no indicator of future performance and is not constant over time.*

¹ Further to approval at The Merchants AGM on 16th May 2017 by shareholders

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About Allianz Global Investors

Allianz Global Investors, an integral part of Allianz SE's asset management business, is a trusted partner for clients across all major asset classes and regions. AllianzGI's teams can be found in 19 markets worldwide, with a strong presence in the US, Europe and Asia-Pacific. With approximately 500 investment professionals and an integrated investment platform, AllianzGI covers all major business centres and growth markets. Its global capabilities are delivered through local teams to ensure best-in-class service. Generating an information advantage is fundamental to AllianzGI's investment philosophy and is achieved via specialized in-house research teams across the globe. AllianzGI provides one-stop solutions for complex

client needs bringing together proven competencies in investment strategy consulting and analytics, risk management as well as pension investing and related-vehicles.

**** Disclaimer:**

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