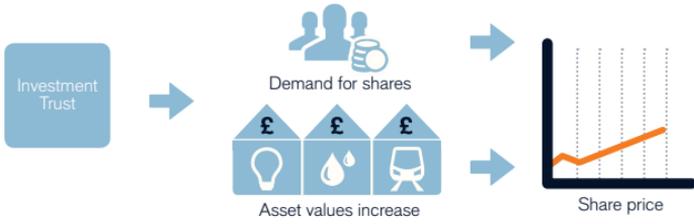
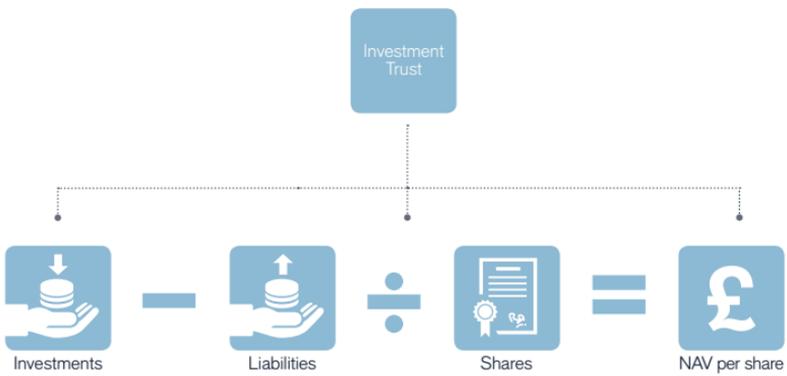


THE PRICE AND VALUE OF INVESTMENT TRUSTS

As an investment trust is similar to other companies listed on the London Stock Exchange, the price of its shares is affected by value of the assets the trust owns, the level of supply and demand for shares, and market sentiment.



An investment trust also has a net asset value or NAV per share. This is the total value of the investments held by the trust, minus any money it has to pay out (liabilities), then divided by the number of shares.



THE SHARE PRICE

The share price is affected by supply and demand, and the NAV is determined by the value of the assets. As a result, there can be a difference between the NAV and the share price.



PREMIUMS AND DISCOUNTS

BUYING AT A PREMIUM



You are paying for the quality of the investment trust manager and the potential for the NAV to grow over time. This is similar to buying shares of a company on the prospect of future success and profits.

BUYING AT A DISCOUNT



Many investors may choose to discount the discount when buying investment trust shares. Over a long time frame the premium and discount to NAV will have a limited effect on overall returns.