

Trading Update - 1st Quarter FuM

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City of London Investment Group PLC
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CITY OF LONDON INVESTMENT GROUP PLC
("City of London", "the Company" or "the Group")

Trading Update - 1st Quarter Funds under Management (FuM)

City of London (LSE: CLIG), a leading specialist asset management group offering a range of institutional products investing in closed-end funds, announces that as at 30th September 2018, FuM were US\$5.0 billion (£3.8 billion). This compares with US\$5.1 billion (£3.9 billion) at the Company's year-end on 30th June 2018. A breakdown by strategy follows:

	FuM (\$mn)			Net Flows	Strategy Index	
	Sep-18 (estimate)	Jun-18	% inc/dec			% inc/dec
EM	4,016	4,207	-5%	(95)	MSCI EM	-1%
DEV	577	481	20%	98	MSCI ACWI	4%
Frontier	215	245	-12%	(21)	MSCI Frontier	-2%
Opportunistic Value	200	174	15%	26	ACWI/Barclays Global Agg	2%
	5,008	5,107		8		

Note: Opportunistic Value includes the new Municipal Bond strategy.

IM Performance

IM performance was slightly behind benchmark over the quarter. Specifically, in the Emerging Market and Frontier strategies underlying NAV performance was weak (that is, the underlying closed-end fund managers underperformed their relevant benchmark indices). In the Developed strategy relative returns were impacted by widening discounts.

Flows were neutral over the quarter. The EM, Frontier and Opportunistic value strategies saw rebalancing outflows which were offset by continued strong flows into the Developed strategy and the funding of a new Municipal bond mandate.

Operations

The Group's income currently accrues at a weighted average rate of approximately 77 basis points of FuM, net of third party commissions. "Fixed" costs are c. £1.1 million per month, and accordingly the current run-rate for operating profit, before profit-share of 30% and an estimated EIP charge of 4%, is approximately £1.4 million per month based upon current FuM and a US\$/£ exchange rate of US\$1.3 to £1 as at 30th September 2018.

The Group estimates that the post-tax profit for the first three months of the year will be approximately £2.2 million (2017: £2.5 million).

Dividends

The final dividend of 18 pence per share, subject to approval at the AGM on 22nd October 2018, will be paid on 30th October 2018, bringing the total dividend for the financial year 2017-18 to 27 pence (2016-17: 25 pence).

For further information please visit www.citlon.co.uk or contact:
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