

Investment Objectives and Policy

The investment objective is to achieve an annual gross return of the Bank of England base rate + 5% over the full market cycle without the constraints of any fixed asset allocation parameters. The investment policy is to invest in a diversified portfolio of assets which exhibit favourable risk-reward characteristics. The fund will invest mainly in collective investments including listed funds and investment trusts which at the time of investment will typically have several of the following properties:

- niche strategy which we cannot replicate
- exceptional investment management skills
- appropriate liquidity
- excellent long term risk-adjusted track record
- investment vehicle or underlying assets trading at a discount to NAV
- catalysts exist for a re-pricing of the fund or underlying assets
- low correlation to existing portfolio assets
- its addition will be complementary to the existing portfolio

Investment Manager's Commentary

The Activus Investment Fund is down 0.2% in March and is down 0.7% in 2021. The annualised return since inception is 4.3% which is equivalent to inflation plus 2.9%. During the month we disposed of our positions in Aberdeen Asian Smaller Companies investment trust and CG Real Return and reduced our holding in Rights and Issues investment Trust, while increasing our holdings in BBGI Global Infrastructure, Sequoia Economic Infrastructure, Apax Global Alpha, Hg Capital and Berkshire Hathaway. This trading activity has reduced the Fund's exposure to listed equities to 31% and increased exposure to private equity and venture capital to 17%.

The best performer in March was private equity investment trust Pantheon International, up 9%. Other notable gains for the month came from Berkshire Hathaway, up 7% in March and 12% in 2021, BlackRock Throgmorton Trust which was up 5% and Pershing Square Holdings, up 4%. The main detractors were Apax Global Alpha, down 10%, RTW Venture Fund which was down 6% in March but is up 19% in 2021, and Edinburgh Worldwide, down 6%. Other notable gains in 2021 include Amati UK Smaller Companies, up 9%, and Third Point Investors, up 10%.

In March Activus appeared in a Telegraph article "Invest and forget with the top 'all-weather' funds". An investment consultant analysed multi-asset funds with similar risk levels on their performance and volatility over the past three years to find the funds achieving the best performance with the lowest risk. The Activus Investment Fund was ranked as a top five Fund. Since launch in July 2016 the Fund has produced an annualised return of 4.3%, compared to 4.8% for UK All Companies indices, while taking approximately half the risk, volatility 7.4% compared to 14.6%, and having a significantly smaller maximum drawdown, 10.9% against 25.6%.

This follows recognition from FE Analytics, a provider of data analytics and investment research used by more than 3,500 adviser firms. FE Analytics use a global quantitative rating which is based on a fund's historical performance to enable investors to differentiate between funds. The top 25% of funds are awarded a rating of four or five. In January the Activus Investment Fund was awarded an FE Crown Rating of four which indicates our Fund has produced a consistent top quartile performance against its benchmark with high alpha and low volatility versus its peer group over three years.

David Ferguson
31st March 2021

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	121.97	127.64
Shares in issue	25,615,223	8,183,187
Net Asset Value	£31,243,299	£10,445,217
Dividends	Accumulation	Accumulation
Dividend dates	none	none
Currency	GBP	GBP
Asset management charge	1.00%	0.00%
Performance fee	none	none
Total expense ratio	1.63%	0.63%
Dealing	Daily at NAV	Daily at NAV
Minimum Investment	£1,000	£1,000
Investor eligibility	All	Activus clients
Availability	Open	Open
ISIN	GB00BYPKW395	GB00BYPKW627
MEXID	PXXXI	PXXXX
Start date	19 Jul 2016	19 Jul 2016
Investment Manager	David Ferguson	
Administrator & ACD	Maitland Institutional Services Ltd	
Depository	Northern Trust	
Auditor	Grant Thornton UK LLP	
Fund Structure	UK domiciled UCITS	
Further information	The Fund is open-ended. The Prospectus and Subscription Form can be obtained by contacting the investment manager or from the website www.activexwealth.co.uk	

Largest Investments

BlackRock Gold & General	4.7%
Third Point Investors (\$)	4.7%
Pershing Square Holdings	4.6%
Pantheon International	4.3%
Biotech Growth Trust	4.1%
Hg Capital	4.1%
BH Global	4.0%
iShares Physical Gold	4.0%
BH Macro	4.0%
CG Absolute Return Fund	3.9%
Other investments	54.4%
Liquidity	3.2%
Total	100.0%

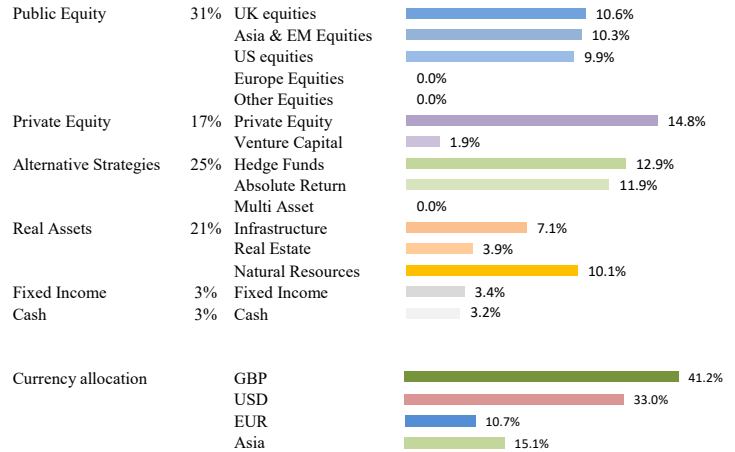
Performance

Annualised return	4.3%	5.3%
Cumulative return	22.0%	27.6%
Monthly return	-0.2%	-0.2%
Year to date return	-0.7%	-0.4%

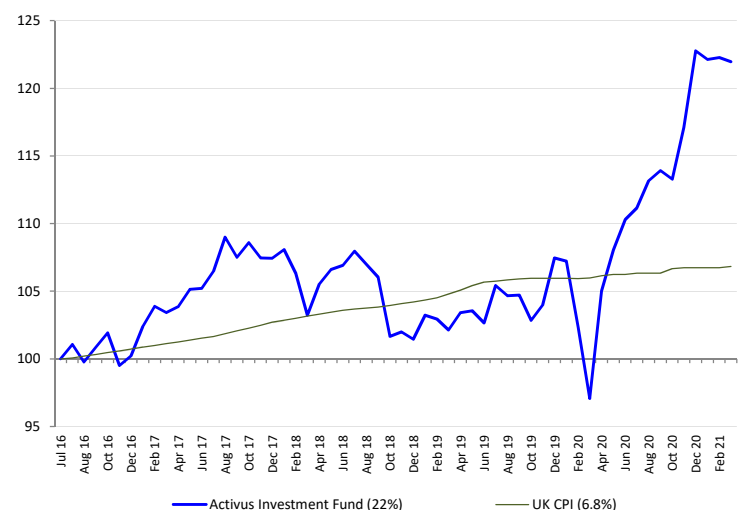
Risk Metrics

		Fund UK equities
Volatility	7.4%	14.6%
Maximum Drawdown	-10.9%	-25.6%

Asset Allocation



Performance of A Shares since July 19th 2016



Correlation measures how two securities move in relation to each other and the coefficient ranges from -1 (perfectly uncorrelated) to +1 (perfectly correlated). Correlations in this report are versus the Cboe UK All Companies index.
Beta measures the sensitivity of an investment to movements in the Cboe UK All Companies using daily data.
Alpha measures the additional annualised return after fees contributed by Activus and the asset managers in excess of the return predicted by the capital asset pricing model.

Volatility is a measure of risk. Standard deviation is used which shows how investment returns have varied from the average return over a specific period.
Sharpe Ratio measures the excess return per unit of risk. It is calculated as the return in excess of a risk free rate divided by volatility.
BOE - Bank of England Base Rate

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