

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 up 4.2% for April and up 3.6% for 2021. Top performers for April came from UK equities with both BlackRock Throgmorton Trust and Rights & Issues up 11%. Other impressive performers were in mining and natural resources with BlackRock World Mining up 10% and BlackRock Gold and General up 8%. Our private equity and US hedge funds also made high single digit returns. The main detractors were life sciences firm Syncona, down 9%, and venture capitalist RTW Venture Fund, down 6%.

During April we continued our strategy of reducing our exposure to public equity while increasing our private equity holdings. To cut our public equity exposure we reduced our holdings in JP Morgan Emerging Markets and Rights & Issues, with public equity now at 26% of the fund, down from 31% at the end of March. We increased our private equity exposure from 17% to 22% by opening a new position in global private equity firm Oakley Capital. We have also invested in the newly launched Amati Strategic Metals fund, while reducing our holding in BlackRock Gold and General to keep our exposure to real assets unchanged.

The news is full of positive stories about the UK's measured escape from the Covid prison and the vaccine programme is continuing apace, although the global situation is of much greater concern. The IMF estimates that the UK will be the fastest growing G7 country in 2021 and this is backed up by the recent upwards revision of both of the GDP figures which related to the depths of the UK winter lockdown in January and February. More and more economic forecasts are now being published reiterating this optimistic forecast. The widespread pessimism of the economics profession back in September which Andy Haldane, the Bank of England Chief Economist, then described as Chicken Licken "The sky is falling in" economics seems to be being replaced by a Panglossian refusal to see anything but sunlit uplands on the horizon.

Politically of course there are numerous serious potential flashpoints around the world which could flare up and destroy this confidence. From the long term strategic change of China exerting greater influence over its neighbours and much wider afield while the US has to adjust to a world with more than one superpower again to more localised disputes such as the post-Brexit reordering of relations between the UK and the EU, and the three way power struggle in the Middle Eastern between Turkey, Saudi Arabia and Iran. We at Activus are not economic or political experts and do not try to second guess whether inflation will rise uncontrollably, remain at a benign manageable rate or even whether economies will plunge into a recessionary deflationary spiral. We don't take a view on how a particular regional dispute will pan out. Instead we try and prepare our portfolios so that they can perform whatever the economic climate.

David Ferguson
30th April 2021

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	127.15	133.14
Shares in issue	28,374,710	8,275,594
Net Asset Value	£36,077,652	£11,007,759
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	PXXXK
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	
	The Fund is open-ended.	
Further information	The Prospectus and Subscription Form can be obtained by contacting the investment manager or from the website www.aktivuswealth.co.uk	

Largest Investments

Third Point Investors (\$)	4.5%
Berkshire Hathaway	4.4%
BBGI Global Infrastructure	4.4%
Pershing Square Holdings	4.3%
Sequoia Economic Infrastructure	4.3%
Supermarket Income REIT	4.2%
International Public Partnerships	4.1%
Pantheon International	3.9%
Hg Capital	3.8%
iShares Physical Gold	3.7%
Other investments	56.2%
Liquidity	2.2%
Total	100.0%

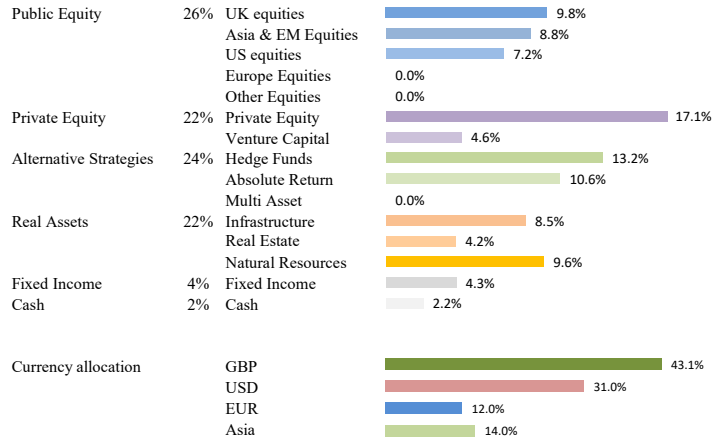
Performance

	A	Z
Annualised return	5.2%	6.2%
Cumulative return	27.2%	33.1%
Monthly return	4.2%	4.3%
Year to date return	3.6%	3.9%

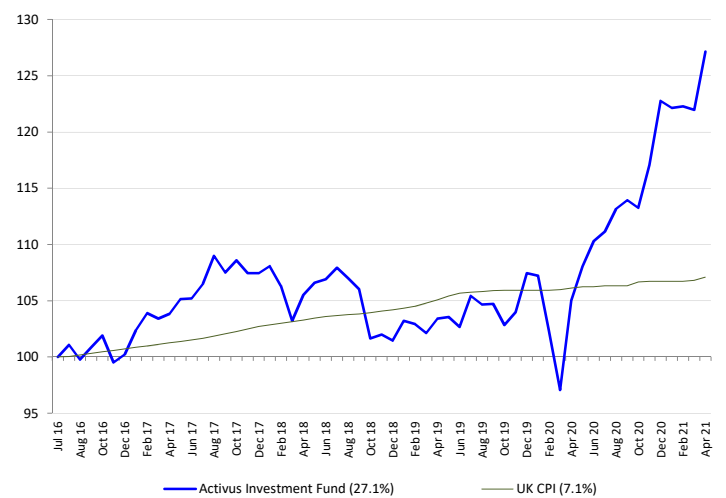
Risk Metrics

	Fund	UK equities
Volatility	7.6%	14.5%
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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