

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 Actibus Investment Fund is down 0.3% in July and up 4.4% for the year. During July we increased our private equity exposure which when combined with venture capital now exceeds our listed equities exposure. We are diversified across seven private equity managers, who in turn are diversified across vintage, geography, style and focus. This diversification has proved useful this year: the average return is 13% however the range is 5% to 32%. Two global macro funds we own that are run by Brevan Howard are merging which should mean lower costs, increased liquidity for the shares and may result in a premium rating. We participated in an equity raise for Gresham House Energy Storage which had a share price increase of 8% into month end.

Inflation continues to hit the news but with continued debate as to whether higher inflation is likely to be transitory (due to a Covid rebound) or more entrenched (due to drastic increases in money supply) interest rates remain at historic lows. The difference between the nominal interest rate and inflation, i.e. the real rate, is becoming increasingly negative which is normally good for gold, however the price of gold has decreased in recent months. It seems unlikely to us that the inverse relationship between the real rate and gold has become severed, it is more likely a temporary phenomenon. With nominal interest rates likely to stay low for a while longer, any uptick in inflation will result in a deeper negative real rate and this should provide something of a tailwind for gold. We therefore continue to hold gold as an effective hedge against higher inflation. In the US where federal debt as a percentage of GDP is now at an astonishing 128% and US 10 year real yield at an all-time low of -1.15% some have interpreted the Fed Chairman's reaction to inflation questions in his Press conference on 27th July as marking a turning point to a more dovish stance on controlling inflation, perhaps with an eye to inflating some of the debt away.

David Ferguson
31st July 2021

Largest Investments

Hg Capital	4.4%
Supermarket Income REIT	4.3%
Sequoia Economic Infrastructure	4.3%
CG Absolute Return Fund	4.1%
Berkshire Hathaway	4.0%
BBGI Global Infrastructure	4.0%
Pantheon International	3.9%
International Public Partnerships	3.9%
Third Point Investors (\$)	3.9%
Pershing Square Holdings	3.9%
Other investments	57.3%

Liquidity	2.2%
Total	100.0%

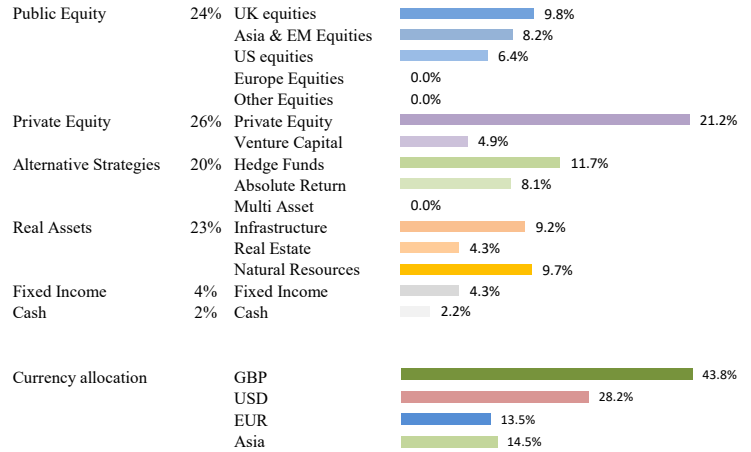
Performance

	A	Z
Annualised return	5.1%	6.1%
Cumulative return	28.2%	34.6%
Monthly return	-0.3%	-0.2%
Year to date return	4.4%	5.0%

Risk Metrics

	Fund	UK equities
Volatility	7.4%	14.2%
Maximum Drawdown	-10.9%	-25.6%

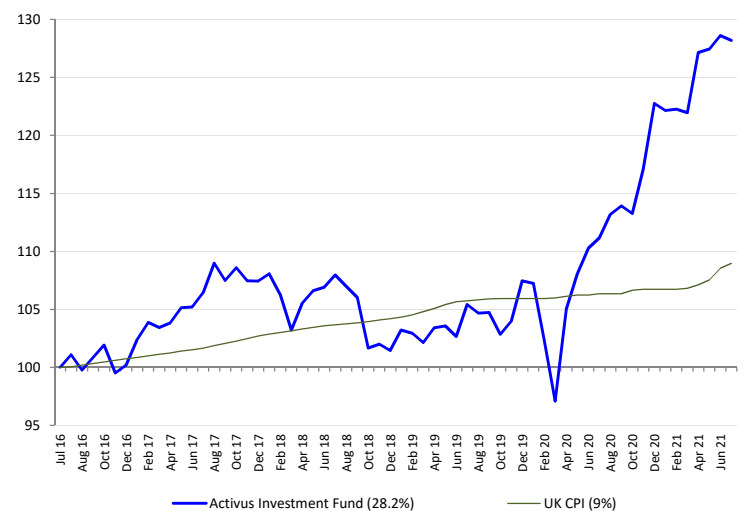
Asset Allocation



Investment Information

	Class A Acc	Class Z Acc
Share Class	Class A Acc	Class Z Acc
Price per share (p)	128.21	134.57
Shares in issue	29,477,666	8,017,074
Net Asset Value	£37,209,260	£11,371,745
Dividends	Accumulation	Accumulation
Dividend dates	March/September	March/September
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	
	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.activexwealth.co.uk	

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 Actibus 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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