

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 1.0% in September and is up 6.8% for the year. In another busy month for investment activity we continued to reduce exposure to public equity funds which now represents just 17% of the portfolio. In particular we reduced Chinese equities to less than one percent. The fund invested in several absolute return funds which aim to produce a steady return whatever the market conditions including Cheyne Thematic, Man AHL Target Risk, Brummer Multi Strategy, BlackRock European Absolute and Janus Henderson European Absolute.

September was a turbulent month in global markets with most major equity indices posting losses and one didn't have to look far for bad news: in the UK there were fuel supply issues, exacerbated by panic buying at the pumps, and the whole of Europe is suffering from the spike in gas prices. There are also energy supply problems in China, threatening industrial shutdowns and rolling electricity blackouts, despite the Chinese government reopening previously decommissioned coal power stations.

The US doesn't have its problems to seek with Democrats and Republicans at loggerheads over Biden's desire to increase the government debt cap. A lack of bipartisan cooperation makes an agreement increasingly unlikely and a technical default a possibility. In the midst of all this, the split in the Western alliance caused by the French feeling of betrayal over the AUKUS defence treaty, the hypersonic missile test from North Korea, the post-Brexit spats between the UK and the EU and the ongoing pandemic all of which would be major news items in normal circumstances now just provide a hint of extra spice.

David Ferguson
30th September 2021

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	131.11	137.86
Shares in issue	27,062,910	5,823,701
Net Asset Value	£35,481,324	£8,028,404
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	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	

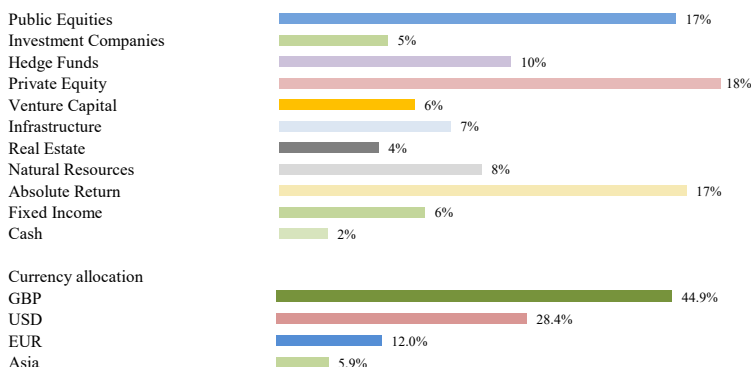
Largest Investments

Third Point Investors (\$)	5.0%
Pershing Square Holdings	4.7%
Berkshire Hathaway	4.5%
Supermarket Income REIT	4.2%
Apax Global Alpha	4.1%
BBGI Global Infrastructure	4.0%
BH Macro	4.0%
Sequoia Economic Infrastructure	4.0%
iShares Physical Gold	3.8%
Hg Capital	3.6%
Other investments	56.2%
Liquidity	2.0%
Total	100.0%

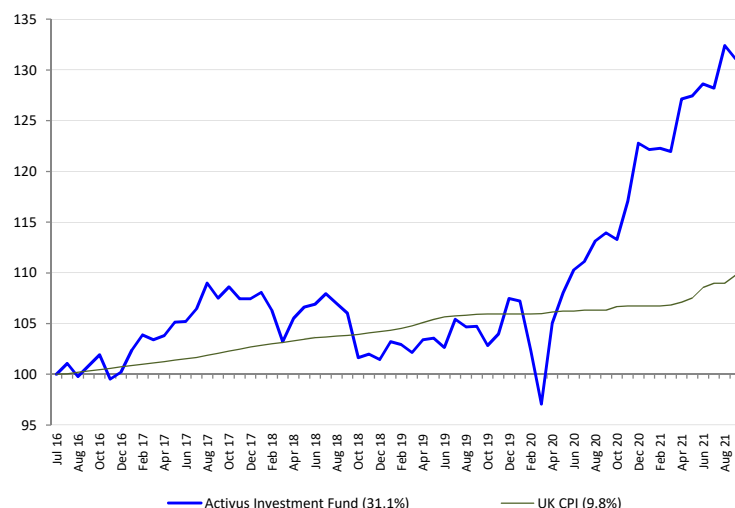
Performance

	A	Z
Annualised return	5.3%	6.4%
Cumulative return	31.1%	37.9%
Monthly return	-1.0%	-0.9%
Year to date return	6.8%	7.6%
Risk Metrics	Fund	UK equities
Volatility	7.4%	14.0%
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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