

**Investment Objectives and Policy**

The Activus Opportunity Fund objective is to achieve capital growth before fees of at least the UK Consumer Price Index plus 5% over a 5 year period by combining a core portfolio of funds with excellent long-term risk adjusted returns with shorter-term opportunistic investment strategies. The fund will invest mainly in collective investment schemes, listed investment companies and exchange traded funds, 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 Opportunity Fund is down 7.6% in January. During the month we added to our holdings in global smaller companies, private equity, venture capital, biotech and technology shares. We estimate that the increase in discount to net asset value of the underlying portfolio assets represents approximately 4% of this month's price fall and is highly likely to reverse in due course.

During January the volatility index more than doubled amid the ongoing debate of whether higher inflation is permanent or temporary. There are compelling arguments on both sides and we do not have a strong view one way or the other. What is clear to us is that if governments could engineer a period of higher inflation in order to ease the debt burden they would do so, however inflation has proved in the past to be problematic to control and they will be wary of hyperinflation. It seems likely that there will be some base rate hikes in 2022, however these may well be short lived.

In times of increased market volatility when stocks are falling, the share prices of investment companies tend to move down much faster than their NAVs, which we have seen in January. The result of this discount effect on the Opportunity Fund is that we estimate the true value of the fund to be 4% higher. Given we expect discounts to revert to mean over the coming weeks we feel there will be opportunities for us to buy at steeper than usual discounts.

**David Ferguson**  
31st January 2022

**Investment Information**

Share Class	Class A Acc	Class Z Acc
Price per share (p)	117.09	121.30
Shares in issue	12,153,259	2,225,431
Net Asset Value	£14,230,736	£2,699,271
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	2.27%	1.27%
Dealing	Daily at NAV	Daily at NAV
Minimum Investment	£1,000	£1,000
Investor eligibility	All	Activus clients
Availability	Open	Open
ISIN	GB00BFYMDH41	GB00BFYMDK79
MEXID	PXOKLA	PXOIUY
Start date	3 Jul 2018	3 Jul 2018
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 <a href="http://www.aktivuswealth.co.uk">www.aktivuswealth.co.uk</a>	

**Largest Investments**

Pantheon Infrastructure	6.0%
BH Macro	4.9%
Hg Capital	4.8%
Pershing Square Holdings	4.6%
Berkshire Hathaway	4.6%
Third Point Investors (S)	4.5%
BlackRock Throgmorton Trust	4.4%
Pantheon International	4.2%
Ruffer Diversified Return	4.1%
Apax Global Alpha	4.1%
Other investments	49.1%
Liquidity	4.8%
Total	100.0%

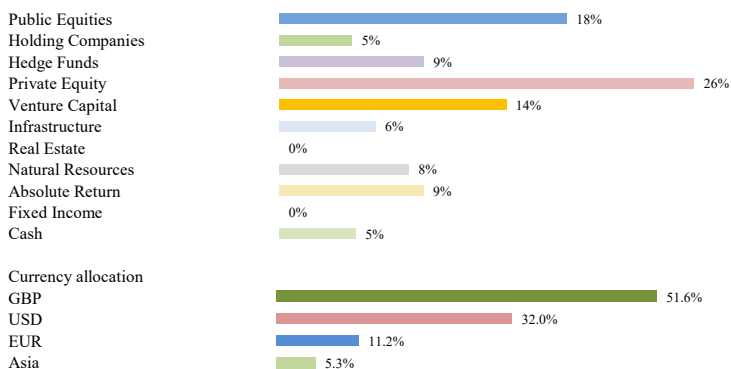
**Performance**

	A	Z
Annualised return	7.4%	5.5%
Cumulative return	29.3%	21.3%
Monthly return	-7.6%	-7.5%
Year to date return	-7.6%	-7.5%

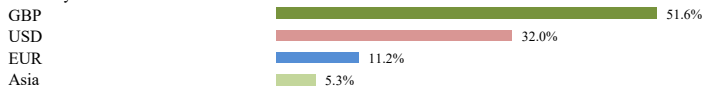
**Risk Metrics**

	Fund	UK equities
Volatility	12.1%	15.8%
Maximum Drawdown	-17.3%	-25.6%

**Asset Allocation**



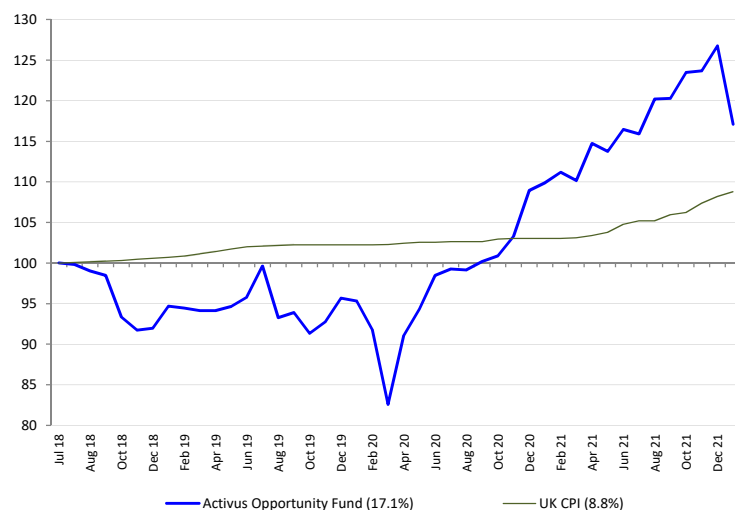
**Currency allocation**



**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

**Performance of A Shares since July 3rd 2018**



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