

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 returned 4.3% in March. Over the past two years the fund is up 45%. Strong returns were experienced across the board except for healthcare which has fallen significantly in both absolute terms and relative to the broader market. The Opportunity Fund has been adding to its exposure to this sector and will continue to build a larger position. During the month we reduced our position in an infrastructure company which had reached our near-term premium target and also exited Berkshire Hathaway and RIT Capital. This raises cash for deployment in assets with a higher expected return.

Putin's War, along with its tragic humanitarian cost in Ukraine is causing knock on effects on de-globalisation and energy disruption. The effect of both of these is already being felt through higher inflation with the highest month-on-month and year-on-year figures since the 1970s seen in many countries. The effect of inflation on financial assets is not uniform of course and higher inflation will provide both threats and opportunities for portfolio managers. The key is identifying those threats and opportunities. We remain open-minded as to whether this higher inflation will be transitory or more structural but we continue to hold assets which offer good inflation protection. This protection can be explicit such as index-linked bonds and infrastructure projects whose cashflows are linked to RPI or CPI or implicit where companies are better able to raise prices in line with inflation such as those who provide critical software-as-a-service to high value clients such as lawyers and accountants.

As we have highlighted previously, increased market volatility is likely to present idiosyncratic investment opportunities such as traditional investment companies trading at significant discounts to their underlying asset values plus systemic opportunities such as out-of-favour asset classes such as healthcare and technology which have moved too far away from their intrinsic value. We continue to search out these opportunities.

David Ferguson
31st March 2022

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	119.73	124.22
Shares in issue	13,700,834	2,864,122
Net Asset Value	£16,393,413	£3,557,703
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 www.activuswealth.co.uk	

Largest Investments

Pershing Square Holdings	6.5%
Ruffer Diversified Return	5.2%
BH Macro	5.0%
Hg Capital	4.7%
Apax Global Alpha	4.6%
Biotech Growth Trust	4.6%
Third Point Investors (\$)	4.4%
Pantheon International	4.3%
HarbourVest Global PE	4.3%
Molten Ventures	4.1%
Other investments	46.5%

Liquidity	5.8%
Total	100.0%

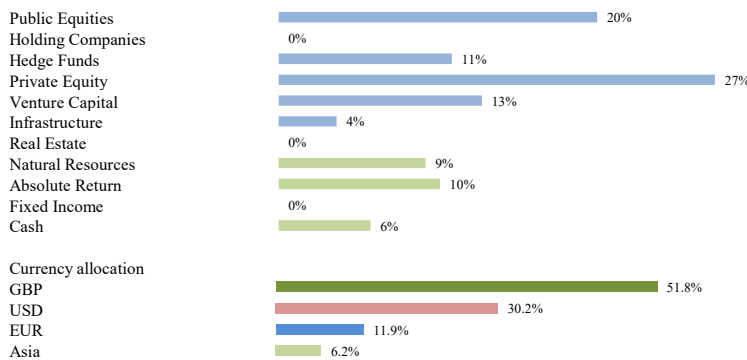
Performance

	A	Z
Annualised return	4.9%	6.0%
Cumulative return	19.7%	24.2%
Monthly return	4.3%	4.4%
Year to date return	-5.5%	-5.3%

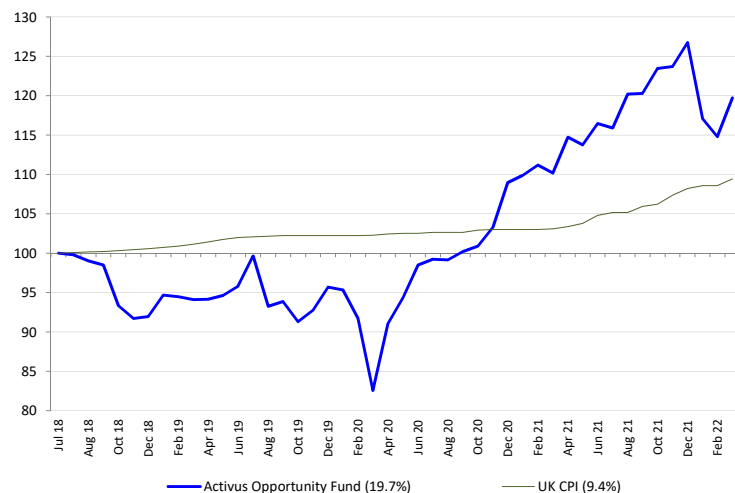
Risk Metrics

	Fund	UK equities
Volatility	12.1%	15.2%
Maximum Drawdown	-17.3%	-25.6%

Asset Allocation



Performance of A Shares since July 3rd 2018



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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