

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 1.7% in April. Risk assets continue to be marked down by the ongoing market volatility with BlackRock Throgmorton, Molten Ventures and Apax Global Alpha all posting near 10% losses, while Syncona was the Fund's top performer, up 9.4%. During April we opted to take BBGI Global Infrastructure dividend as a stock, participated in the Supermarket Income REIT open offer and exercised our rights in International Public Partnerships, all of which were actioned at discounts to market prices.

Several equity indices in the US, China and Europe fell significantly in April and are now down more than 10% in the year to date. Traditional portfolios consisting of equities and bonds have not fared well with rising bond yields leading to losses on the bond holdings which were intended to soften the blow of falling equity markets. Our multi-asset and multi-strategy approach means we have a broader toolkit with which to manage the current very difficult investing environment.

With the US economy shrinking 1.4% in Q1 and lowering of Chinese growth expectations, combined with rising inflation, there are genuine fears of a global recession. Supply side problems caused partly by the pandemic, partly by direct effects of the Ukraine war and partly due to sanctions imposed on Russia, are causing inflation in many economies which central banks are hoping remains temporary, but which is starting to look more structural.

A more optimistic view might be that the supply side problems right themselves within a short period and the inflationary effect of the short-term issues is mitigated by the reduction in world demand. This soft landing view of the current world situation would see a small rise in inflation; a small but manageable rise in interest rates; acceptable solutions to the many geopolitical flashpoints around the world being found with minimal further disruption to supply chains; and technological advances finding an economically acceptable method of dealing with the Climate Change issue.

David Ferguson
30th April 2022

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	131.39	138.92
Shares in issue	26,885,874	5,967,984
Net Asset Value	£35,316,340	£8,290,967
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	
Further information	The Fund is open-ended. The Prospectus and Subscription Form can be obtained by contacting the investment manager or from the website www.activexwealth.co.uk	

Largest Investments

Ruffer Diversified Return	5.4%
BH Macro	5.2%
Pershing Square Holdings	4.2%
Third Point Investors (\$)	4.1%
Berkshire Hathaway	3.8%
Supermarket Income REIT	3.6%
Pantheon Infrastructure	3.6%
International Public Partnerships	3.6%
BlackRock World Mining	3.3%
Hg Capital	3.3%
Other investments	59.8%
Liquidity	0.2%
Total	100.0%

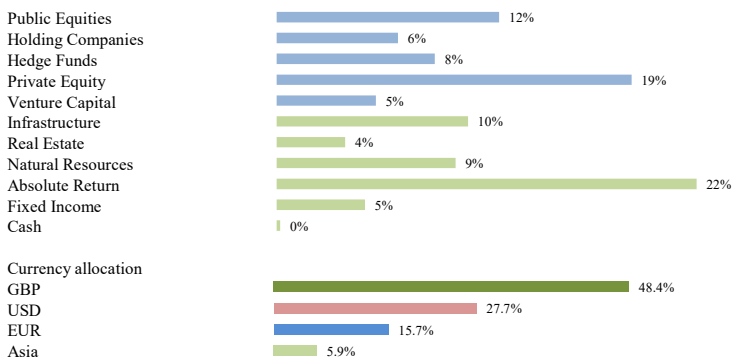
Performance

	A	Z
Annualised return	4.8%	5.9%
Cumulative return	31.4%	38.9%
Monthly return	-1.7%	-1.6%
Year to date return	-3.9%	-3.6%

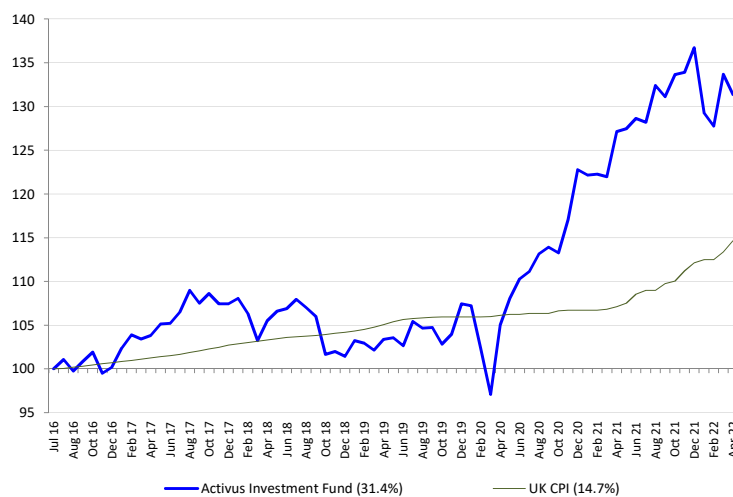
Risk Metrics

	Fund	UK equities
Volatility	7.8%	13.2%
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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