

Investment Objectives and Policy

The investment objective is to achieve an annual return after fees of the UK Consumer Price Index plus 2% over a three year period without the constraints of any fixed asset allocation parameters. The Fund is actively managed with a bias towards lower volatility assets such as alternatives and fixed income. 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 Diversified Fund is down 2.3% in May. The largest detractors to performance were in private equity with Hg Capital down 11% and Oakley Capital down 10%. Real estate results were mixed with TR Property and Urban Logistics down 8% and 7% respectively, while Supermarket Income was up 3%. Infrastructure holdings were also mixed with Gresham House Energy Storage posting modest gains and Pantheon Infrastructure and International Public Partnerships small losses.

The portfolio remains very defensively positioned with almost half its assets invested in absolute return strategies which seek to make money regardless of market direction. Some of the diversifiers which have performed well in 2022 didn't have such a good May, these include a real estate investment trust, gold, a metals fund and a credit fund. We estimate there is a 2% uplift to portfolio value if the discounts to NAV revert to beginning of year levels.

One of the portfolio performance comparators we use is inflation and with the huge jump in headline rates we anticipate a period in which portfolio returns may lag inflation. You can be assured that we are not going to chase returns by increasing the risk in the portfolio. Investment returns are best considered over a multi-year and preferably multi-decade time horizon and it is important to adhere to a coherent investment strategy.

David Ferguson
31st May 2022

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	098.15	098.90
Shares in issue	12,024,915	1,651,248
Net Asset Value	£11,803,161	£1,633,051
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	2.38%	1.38%
Dealing	Daily at NAV	Daily at NAV
Minimum Investment	£1,000	£1,000
Investor eligibility	All	Activus clients
Availability	Open	Open
ISIN	GB00BL5B7698	GB00BL5B7706
MEXID		
Start date	1 Sep 2021	1 Sep 2021
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	

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.

The information contained in this report should not be construed as investment advice and you should seek independent financial advice before making an investment decision. The views expressed herein reflect the views of Activus Wealth Ltd at the date of this document and should not be considered as a complete or thorough analysis of our market views. The prices, values and metrics in this report have been obtained or derived by Activus in good faith from public, private and internal sources including Maitland Institutional Services Ltd, FE Analytics, the London Stock Exchange, account providers and internally created models. Activus believes the information to be accurate but does not assume responsibility for its accuracy. The value of and income from investments may fluctuate and past performance is not a guide to future performance, future returns are not guaranteed and a loss of original capital may occur. CBOE UK All Companies Index is part of the CBOE UK Index Series ® which is a registered trade mark of CBOE Global Markets Inc, a company incorporated in the USA with registered address at 400 South LaSalle St Chicago IL60605 USA

Largest Investments

Ruffer Diversified Return	6.8%
Capital Gearing Trust	6.7%
Personal Assets Trust	6.5%
BlackRock European Absolute α	6.3%
BH Macro	6.1%
BNY Mellon Real Return	5.3%
Henderson European Absolute	4.7%
Man AHL TargetRisk	3.7%
F&C TR Property	2.9%
Third Point Investors (\$)	2.9%
Other investments	47.3%
Liquidity	0.9%
Total	100.0%

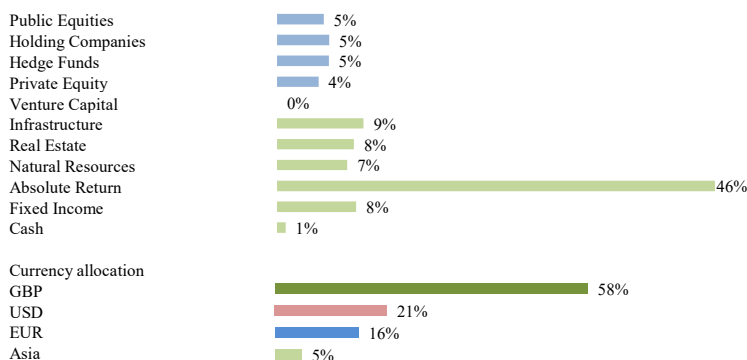
Performance

	A	Z
Annualised return	-2.5%	-1.5%
Cumulative return	-1.8%	-1.1%
Monthly return	-2.3%	-2.3%
Year to date return	-3.5%	-3.1%

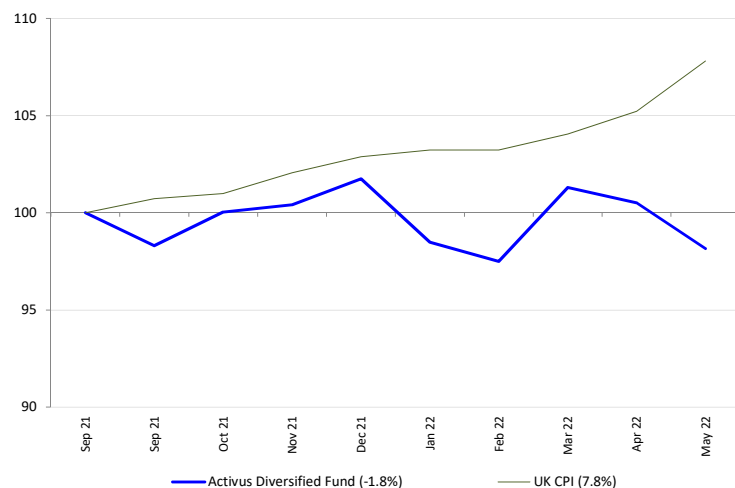
Risk Metrics

	Fund	UK equities
Volatility	7.8%	6.3%
Maximum Drawdown	-4.2%	-2.2%

Asset Allocation



Performance of A Shares since September 1st 2021



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