

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 up 0.3% in May and down 1.1% for 2024. Top performers this month were BlackRock Throgmorton Trust, up 8%, and Oakley Capital, up 6%, while Pershing Square Holdings and Supermarket Income REIT were both up over 3%. The largest detractor was RIT Capital Partners, which was down 7% and saw its discount to net asset value widen from 22% to 28%. Through May three of four of the Fund's infrastructure holdings were down with their discounts widening slightly.

The month's news was obviously dominated in the UK with Rishi Sunak's rain-soaked announcement of the election. Opinion polls have been pointing to a Labour majority government for a long time so understandably there is considerable press speculation as to what this might mean financially and if there are sensible steps that can or should be taken to mitigate any adverse effects of any changes. At a fund level while we repeatedly state at Activus that we don't try and predict the future, even if we could predict the result of the election, it is impossible to say how the markets will react in the short or even medium term. This is another example of short-term noise which a sensible long-term investor should try and block out when maintaining a portfolio.

On an individual level there are numerous articles setting out potential policies that labour has announced, hinted at, refused to deny or which "informed" commentators have concluded are likely to be enacted. Many of these propose pre-emptive actions to mitigate the effects of the potential legislative changes but we would caution clients to consider carefully all of the effects of any such actions before taking them. The problem with taking any action to forestall unknown, prospective legislative change is that the cost of doing so can be higher than the potential cost of the change, or that the change doesn't happen or doesn't in fact affect you to the degree predicted.

David Ferguson
31st May 2024

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	090.16	092.53
Shares in issue	9,676,786	1,846,461
Net Asset Value	£8,724,116	£1,708,588
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
Start date	1 Sep 2021	1 Sep 2021
Investment Manager	David Ferguson	
Administrator & ACD	Apex Fundrock 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.aktivuswealth.co.uk	

Largest Investments

UK Gilt 3.5% Oct 22 2025	9.4%
UK Gilt 5% Mar 7 2025	9.3%
UK Gilt 2.75% Sep 7 2024	8.3%
BH Macro	7.9%
Ruffer Investment Company	5.9%
Capital Gearing Trust	5.3%
Personal Assets Trust	5.2%
BBGI Global Infrastructure	3.8%
Pantheon Infrastructure	3.7%
Sequoia Economic Infrastructure	3.5%
Other investments	37.6%

Liquidity	0.1%
Total	100.0%

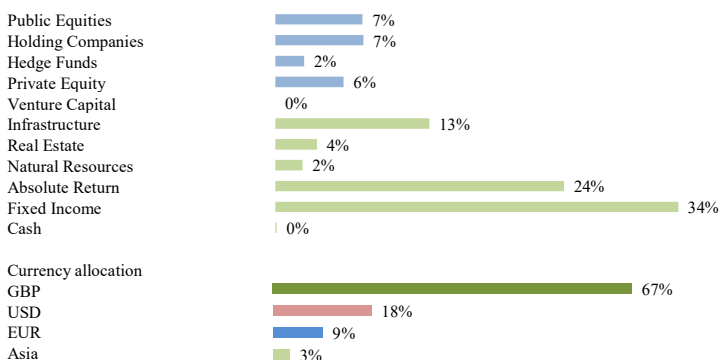
Performance

	A	Z
Annualised return	-3.7%	-2.8%
Cumulative return	-9.8%	-7.5%
Monthly return	0.3%	0.4%
Year to date return	-1.1%	-0.6%

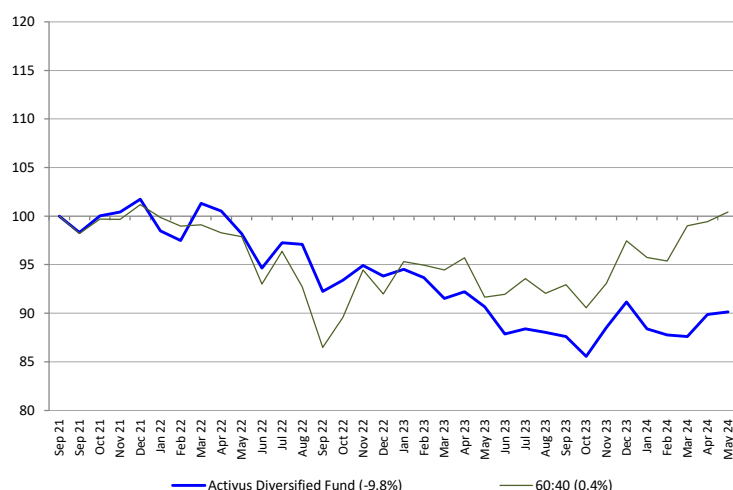
Risk Metrics

	Fund	UK equities
Volatility	7.5%	9.8%
Maximum Drawdown	-15.9%	-14.5%

Asset Allocation



Performance of A Shares since September 1st 2021



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

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