

## Monthly commentary

“ **Witan’s NAV total return in October was -1.1%, outperforming the benchmark’s total return by 1.6%. This was a fifth consecutive month of outperformance, further closing the performance deficit created by the unprecedented events of early 2020. The share price total return was +1.9% as the discount to NAV contracted to 5.4%.** ”

Equity market volatility increased towards the end of October, as a resurgence of Covid-19 cases on both sides of the Atlantic depressed hopes for a smooth economic recovery, particularly in the UK and Europe where renewed lockdown restrictions were introduced. On the political front, there are new hopes for a negotiated Brexit deal, which would reduce economic disruption at the year end, when the post EU transition arrangements end. In the US, although the election did not produce the Democrat “clean sweep” that markets anticipated, the expectation is that there will be a substantial further fiscal stimulus to offset the pandemic headwind. At the same time, fears of increased regulation and taxes have receded somewhat. The Coronavirus is proving persistent, but we appear closer to the deployment of a vaccine and better able to cope with the medical and economic effects of the virus. ‘Lockdown 2’ may therefore prove to be less pervasive than the measures implemented back in the spring and shorter. It is possible that rolling shutdowns or more localised restrictions may be with us well into 2021, but these should ease as adherence to hygiene measures improves along with our ability to treat, or vaccinate against, the virus.

The economic damage that the response to the virus has inflicted, has ushered in unprecedented fiscal and monetary policies worldwide which are likely to boost growth in 2021. In the US, infrastructure spending is a possible area of political consensus and the Fed is committed to keeping interest rates low even if inflation runs above target for a period. Boris Johnson will hope to ‘get Brexit done’ and embark on his own infrastructure agenda to provide the UK with a much-needed fiscal boost. These developments will provide a major stimulus to the global economy, providing conditions for more cyclical companies (which have languished in 2020) to recuperate. 2021 may prove a less tech-dominated year for markets than 2020 has been.

Witan’s portfolio has exposure to a broad range of sectors, investing in companies believed to offer attractive total returns, whose growth prospects are underestimated. It retains significant exposure to companies with sustainable long-term growth in cash flows as well as selectively investing in some of 2020’s Cinderella areas. We are confident that this adaptable approach will reward shareholders as the investment climate evolves in coming years.

Further information about the Company is available on Witan’s website, [www.witan.com](http://www.witan.com)

31 October 2020

**\*Please remember, past performance is not a guide to future performance, and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested. Net Asset Value (“NAV”) performance is not the same as share price performance and investors may not realise returns the same as NAV performance.**

## Trust statistics

Gross assets	Share price	NAV per ordinary Share <sup>†</sup>	Premium (Discount)	Yield
£1.8bn	190.20p	201.15p	(5.4%)	2.81%

Source: BNP Paribas as at 31.10.20.

<sup>†</sup> NAV is cum income with debt at fair value.

## Investment objective

Achieve an investment total return exceeding that of the Company’s benchmark over the long term, together with growth in the dividend ahead of inflation.

## Trust information

Epic Code	WTAN
Sector	Global Growth
Trust Type	Conventional
Launch Date	1909
Financial Year End	31 December
Dividend Frequency	Quarterly
Last Ex Dividend Date	20 August 2020
AGM	April
Shares in Issue (excluding treasury)	814,110,848
Gearing	12%
Ongoing Charges <sup>‡</sup>	
Excluding performance fee	0.79%
Including performance fee	0.87%

Source: BNP Paribas as at 31.10.20. <sup>‡</sup>Ongoing charges as disclosed in the Annual Report for the year ended 31.12.19. Information about other costs is also included in the Company’s Key Information Document (KID) and disclosed in the table on page 21 of the 2019 Annual Report, both of which may be found on the Company’s website.

## Dividend history (pence per share)

45 years of consecutive dividend growth

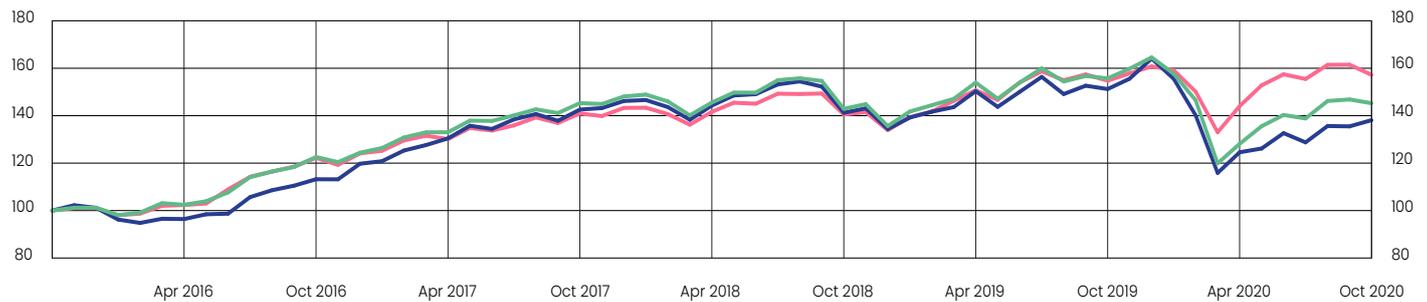


Changed to quarterly dividend payments in 2013.



For more information go to  
[www.witan.com/support/legal-information](http://www.witan.com/support/legal-information)

## Five-year performance (%)†



## Total performance (%)†

Growth to 31.10.2020	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	7.3	10.9	-8.7	-3.1	38.1	151.5
■ Net Asset Value‡	4.6	13.4	-6.7	0.0	45.2	131.6
■ Benchmark#	1.1	9.2	1.6	11.5	57.2	128.4
NAV-Benchmark Relative	3.5	4.2	-8.3	-11.6	-12.0	3.2

Relative numbers may not add up due to rounding.

† Source: Morningstar / Witan, total return includes the notional reinvestment of dividends.

‡ The Net Asset Value figures value debt at fair value and include the notional reinvestment of dividends.

# Witan's benchmark is a composite of 85% Global (MSCI All Country World Index) and 15% UK (MSCI UK IMI Index). From 01.01.2017 to 31.12.2019 the benchmark was 30% UK, 25% North America, 20% Asia Pacific, 20% Europe (ex UK), 5% Emerging Markets. From 01.10.2007 to 31.12.2016 the benchmark was 40% UK, 20% North America, 20% Europe (ex UK) and 20% Asia Pacific. With effect from August 2020, the source for benchmark index performance changed to MSCI International, replacing the previous FTSE source.

For more information go to [www.witan.com/support/legal-information](http://www.witan.com/support/legal-information).

## Discrete performance (%)†

Q3 2015 Q3 2016	Q3 2016 Q3 2017	Q3 2017 Q3 2018	Q3 2018 Q3 2019	Q3 2019 Q3 2020
16.5	24.8	10.5	0.3	-11.2
25.0	19.2	9.6	1.4	-6.3
25.0	15.5	9.1	5.4	2.6
0.0	3.7	0.5	-4.0	-8.9

**\*Please remember, past performance is not a guide to future performance, and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested.**

## Portfolio overview

### Top 20 holdings (%)

GMO Climate Change Fund	3.0
Apax Global Alpha	2.6
Syncona	2.6
Unilever	2.0
BlackRock World Mining Trust	1.9
Alphabet	1.8
Taiwan Semiconductor	1.8
Princess Private Equity	1.7
Charter Communications	1.5
Alibaba	1.4
Tesco	1.3
Tencent	1.2
Diageo	1.1
Heineken	1.1
Safran	1.1
Nintendo	1.1
Thermo Fisher Scientific	1.0
Mercadolibre	1.0
London Stock Exchange	1.0
PayPal	1.0

**Top 10 Holdings** 20.3  
**Top 20 Holdings** 31.2

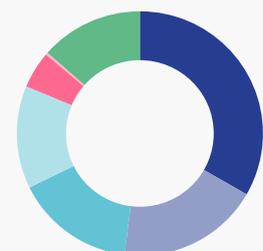
On a combined basis across managers.  
Source: BNP Paribas as at 31.10.20.

### Regional breakdown (%)

■ North America	33
■ UK	19
■ Europe	16
■ Asia	14
■ Japan	5
■ Other	0
■ Investment Companies	14

Includes futures. Total may not sum to 100% due to rounding.

Source: BNP Paribas as at 31.10.20.



### Sector breakdown (%)

■ Information Technology	13
■ Consumer Staples	13
■ Industrials	12
■ Health Care	11
■ Communication Services	11
■ Consumer Discretionary	10
■ Other	18
■ Investment Companies	14

Total may not sum to 100% due to rounding.  
Source: BNP Paribas as at 31.10.20.



## Manager breakdown

Manager	Region	%
Veritas	Global	20
Lansdowne Partners	Global	18
Lindsell Train	Global	14
WCM	Global	9
Jennison	Global	4
Artemis	UK	6
Matthews	Asia Pacific	6
GQG Partners	Emerging	7
Direct holdings	-	13
Latitude*	Global	3

Total may not sum to 100% due to rounding.  
Source: Witan, data as at 31.10.20.  
\*Specialist or newly established managers

## Board of Directors



**ANDREW ROSS**  
Chairman



**ANDREW BELL**  
CEO



**GABRIELLE BOYLE**  
Non Executive Director



**RACHEL BEAGLES**  
Non Executive Director



**SUZY NEUBERT**  
Non Executive Director



**JACK PERRY**  
Non Executive Director



**BEN ROGOFF**  
Non Executive Director



**TONY WATSON**  
Senior Independent Director



**PAUL YATES**  
Non Executive Director

## How to invest

Witan's shares can be traded through any UK stockbroker and most share dealing services, including online platforms that offer investment trusts.

### Online platforms

A growing number of platforms offer investment trusts directly to investors including AJ Bell Youinvest, Barclays Smart Investor, Fidelity, Hargreaves Lansdown, Halifax Share Dealing Limited, Interactive Investor and The Share Centre.

### Advisers

Advisers who wish to purchase Witan shares for their clients can do so via a stockbroker or via a growing number of dedicated platforms. These include AJ Bell Investcentre, FundsNetwork, Nucleus, Novio, Transact and Standard Life Wrap.

**Please read the most recent Witan Key Information Document (KID) before placing an investment in Witan Investment Trust, which is available on the website [www.witan.com](http://www.witan.com).**

## Important information

This marketing communication is provided for informational purposes only and should not be construed as constituting an offer or a solicitation to buy or sell interests or investments in Witan Investment Trust plc. Any reference to individual securities does not constitute a recommendation to purchase, sell or hold the investment.

Please remember that past performance is not a guide to future performance. Witan Investment Trust is an equity investment. The value of an investment and the income from it can fall as well as rise as a result of currency and market fluctuations and you may not get back the amount originally invested. Investment trusts can borrow money to make additional investments on top of shareholders' funds (gearing). If the value of these investments falls gearing will magnify the negative impact on performance. If an investment trust incorporates a large amount of gearing the value of its shares may be subject to sudden and large falls in value and you could get back nothing at all. The share price may trade above and below the NAV per share representing either a premium or discount to the share price respectively.

[www.witan.com](http://www.witan.com)

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