

## Monthly commentary

“ **Witan’s NAV total return of +2.8% in December outperformed the benchmark’s total return of +2.1%, while the share price total return was +3.7%. Over the full year to 31 December 2021 the NAV total return was +15.8% while the benchmark’s total return was +19.9%.**

Global equities ended the year on a positive note, as fears surrounding the transmissibility of the Omicron variant were dampened by early evidence that its effects appear less severe than the Delta variant, especially for those who are fully vaccinated. Concerns linger, however, especially in countries with lower vaccination rates. Meanwhile, border restrictions, which were imposed in early December, are already being lifted as Omicron becomes the dominant variant across Europe and further afield. Optimists will point to ongoing vaccination programmes, new antiviral treatments and a more pragmatic approach to lockdowns as evidence that life, which has been dominated by COVID for nearly two years, may soon return to normal.

Global markets, as represented by the MSCI ACWI Index, posted a total return of +1.6% in December. This brings the total return for the calendar year to a highly respectable +20.1%. In December the UK (+4.7%) and Europe (+3.9%) bounced strongly with the US (+2.1%) occupying the middle ground. Asia (-0.4%) and Emerging Markets (-0.4%) both declined in December as tighter COVID controls as well as regulatory and monetary policy issues continued to weigh on these markets. Sector performance in December was dominated by some of the 2021 laggards with Utilities (+5.7%), Real Estate (+4.6%), Materials (+4.0%) and Consumer Staples (+5.5%) gaining most, while Technology (+0.6%), Communication Services (-0.9%) and Consumer Discretionary (-2.5%) all lagged the wider market. This means that most sectors posted returns of between 10% to 20% for the year, thereby underperforming the broad global average, with only four sectors (Energy (+39%), Information Technology (+29%) Financials (+26%) and Real Estate (+25%)) outperforming the ACWI Index.

Witan’s managers recovered from the short-term headwind experienced in November, but not by enough to close the gap on the benchmark’s performance for the calendar year. Witan’s NAV total return of +2.8% in December outperformed the benchmark’s total return of +2.1%, while the share price total return was +3.7%. Over the full year to 31 December 2021 the NAV total return was +15.8% while the benchmark’s total return was +19.9%.

In 2021, investors favoured (at different times) either high growth technology stocks or highly cyclical businesses. Defensive consumer stocks failed to keep pace with the wider market. Our managers increased exposure to two such companies, Unilever and Heineken, in December, as valuations appeared less demanding than in recent times. Heineken was the most significant purchase while Unilever, with a weighting of 1.9%, is now the largest single company within Witan’s portfolio. Other notable purchases include LAM Research, a US semiconductor business and Membership Collective Group, the trading name for the Soho House group of private members clubs and hotels. Elsewhere, VH Global Sustainable Energy Opportunities Fund raised new capital to fund a strong pipeline of potential new investments and we took the opportunity to add to this position. The key disposal last month was a part sale of our Princess Private Equity position as strong demand for the stock allowed us to realise a significant profit on a long-held position.

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

31 December 2021

Share price 252.00p	NAV per Share† 267.41p	Premium (Discount) (5.8%)
Gross assets £2.1bn	Yield 2.16%	Gearing 11.4%

Source BNP Paribas 31.12.2021

†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.

### Our investment approach

**A one-stop shop for global equity investment, offering growth in capital and income.**

We search for the best managers around the world to create a portfolio diversified by region, investment sector and individual company level. Our multi-manager approach also reduces the potential risks arising from reliance on a single manager. Our highly experienced Board of Directors and Executive have many years’ collective experience of both managing assets, selecting managers and of delivering sound, independent governance.

### Investment team



**ANDREW BELL**  
CEO



**JAMES HART**  
Investment Director

### Manager breakdown

Manager	Strategy	%
<b>Core</b>		
Lansdowne Partners	Global	19
Veritas	Global	19
Lindsell Train	Global	15
WCM	Global	11
Jennison	Global	6
Artemis	UK	6
<b>Specialist</b>		
Direct holdings	Specialist Funds	11
GQG Partners	Emerging	7
GMO	Climate Change	5
Unquoted funds	Specialist Funds	2

**\*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	4.7
Apax Global Alpha	3.0
Unilever	1.9
Alphabet	1.8
Princess Private Equity	1.7
BlackRock World Mining Trust	1.5
Taiwan Semiconductor Manufacturing	1.5
Intuit	1.4
Diageo	1.3
Charter Communications	1.3
Syncona	1.2
Heineken	1.2
Schroder Real Estate Investment Trust	1.1
CVS Health	1.0
BT	1.0
RELX	1.0
Nintendo	1.0
VH Global Sustainable Energy	1.0
Microsoft	0.9
Natwest	0.9

**Top 10 Holdings** **20.1**

**Top 20 Holdings** **30.4**

### Regional breakdown (%)

North America	38
UK	20
Europe	17
Asia	7
Japan	3
Other	2
Investment Companies	13

### Sector breakdown (%)

Information Technology	15
Industrials	13
Health Care	11
Consumer Staples	10
Communication Services	10
Financials	9
Consumer Discretionary	9
Materials	7
Energy	2
Utilities	1
Investment Companies	13

### Portfolio characteristics

Active share (%)*	78%
Number of holdings	262

\*as at 30.09.21

### Portfolio changes

Top Purchases	£'000
Heineken	4,478
VH Global Sustainable Energy	3,999
Unilever	3,877
LAM Research	2,711
Membership Collective	2,138
Alcon	2,137

### Top Sales

Princess Private Equity	11,239
Nvidia	5,027
Mercadolibre	4,901
Moodys	4,297
ASML	2,978
Meituan - Class B	2,946

Total may not sum to 100% due to rounding.  
Source: BNP Paribas as at 31.12.21 unless otherwise stated

## Performance and dividends\*

**Value of £10,000 invested over 10 years is £35,534<sup>†</sup>**



### Total performance (%)<sup>†</sup>

Growth to 31.12.2021	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	3.4	5.5	11.9	40.2	57.4	255.3
■ Net Asset Value <sup>‡</sup>	1.6	3.0	15.8	46.3	59.6	232.7
■ Benchmark <sup>#</sup>	6.0	7.7	19.9	57.7	70.1	210.2
NAV-Benchmark Relative	-4.4	-4.7	-4.2	-11.3	-10.5	22.5

Relative numbers may not add up due to rounding.

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

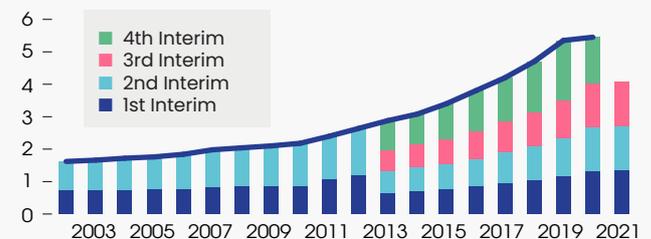
<sup>‡</sup> The Net Asset Value figures value debt at fair value.

<sup>#</sup> 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. **The benchmark changes since 2007 reflect a shift from the UK in favour a more international strategic asset allocation, together with an index simplification from 2020.**

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

### Dividend history (pence per share)

46 years of consecutive dividend growth



Changed to quarterly dividend payments in 2013.

### Discrete performance (%)<sup>†</sup>

Q4 2016	Q4 2017	Q4 2018	Q4 2019	Q4 2020
Q4 2017	Q4 2018	Q4 2019	Q4 2020	Q4 2021
22.1	-8.1	22.1	2.7	11.9
19.1	-8.4	21.3	4.2	15.8
15.5	-6.6	20.1	9.5	19.9
3.6	-1.9	1.3	-5.3	-4.2

**\*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.**

## Trust Information

Epic Code	WTAN
AIC Sector	Global
Launch Date	1909
Financial Year End	31 December
Dividend Frequency	Quarterly
Last Ex Dividend Date	18 November 2021
AGM	April
Shares in Issue (ex. treasury)	737,975,867
Ongoing Charges <sup>†</sup>	
Excluding performance fee	0.78%
Including performance fee	0.82%

Source: BNP Paribas as at 31.12.21.

<sup>†</sup>Ongoing charges as disclosed in the Annual Report for the year ended 31.12.20. Information about other costs is also included in the Company's Key Information Document (KID) and disclosed in the table on page 41 of the 2020 Annual Report, both of which may be found on the Company's website.

## 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



**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 and Interactive Investor.

### 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.

For more information on the online platforms and how you can invest, [click here](#)

**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. 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)

This marketing communication is issued and approved by Witan Investment Services Limited. Witan Investment Services Limited is registered in England no. 5272533 of 14 Queen Anne's Gate, London, SW1H 9AA. Witan Investment Services Limited provides investment services and is authorised and regulated by the Financial Conduct Authority. Calls may be recorded for our mutual protection and to improve customer service.