

Monthly commentary

“ **Witan’s NAV total return in September was -5.4% while the share price declined by 3.4%. Both measures outperformed the Benchmark’s total return of -5.7%** ”

September saw major changes in the UK’s public life. At the end of August, Her Majesty Queen Elizabeth II was still our monarch and Boris Johnson was her prime minister. Her death led to a period of national mourning as the nation and the world reflected on what had been a truly remarkable life of service.

This suspension of normal life and period of reflection ended abruptly as global markets reacted negatively to sharp rises in interest rates in many countries, not least in the UK with the publication of the new government’s fiscal plans causing investor discomfiture at how they would be financed. There’s an adage that it is never good news when the stock market is on the front pages of the newspapers; last month we learned that the same is true of the Gilt market. The prospect of significant unfunded tax cuts spooked investors, leading to a fall in Gilt prices and a sharp drop in the value of Sterling. This in turn caused a liquidity squeeze in certain parts of the pension market, forcing them to sell gilts, in a self-reinforcing spiral. It was more than ironic that “LDI” strategies designed to reduce risk in pension fund management were implemented in a way that exacerbated market volatility. The Bank of England responded by announcing that it would purchase Gilts, “on whatever scale is necessary, to restore orderly market conditions”. These words temporarily quelled the febrile atmosphere, but continuing volatility signalled that the underlying leverage employed by some pension funds was greater than feared. At the time of writing, with a yield of c. 4.5% to 5% (depending on maturity), gilts now appear rationally priced but appear subject to selling pressure from some pension funds. Sterling has also recovered some of the ground lost in recent months but remains weak, especially against the US Dollar.

Global stock markets and currencies were also buffeted by geopolitical and economic concerns, while investors tried to assess how far down the policy tightening road we are. Being ‘primus inter pares’, the US Federal Reserve is the most influential of all central banks and its hawkish tone (reiterated on September 21 when it raised rates by another 0.75%) led to continued US Dollar strength and renewed stock market weakness. Witan’s NAV total return in September was -5.4% while the share price declined by 3.4%. Both measures outperformed the Benchmark’s total return of -5.7%.

In this unpredictable environment, our managers added to their energy exposure, buying BP and Shell. Other key additions include NatWest Group and Vertex Pharmaceuticals (a life sciences company focusing on transformative medicines for people with serious diseases). Part sales include Westrock (US paper and packaging), National Grid, Intuit (financial software), Pioneer Natural Resources (a US oil exploration company) and Infosys (an Indian IT company). Managers also completely exited their holdings in China’s Wuxi Biologics after President Biden signed an executive order intended to help bolster US domestic biomanufacturing and reduce reliance on China for new medicines. This initiative could harm Wuxi’s substantial US business and was therefore seen as a risk to future revenues.

Further information about the Company is available on Witan’s website, www.witan.com

30 September 2022



47 consecutive years of dividend rises

Share price 211.50p	NAV per Share† 229.60p	Premium (Discount) (7.9%)
Gross assets £1.7bn	Yield 2.65%	Gearing 12.9%

Source BNP Paribas 30.09.22

†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	%
Core		
Veritas	Global	18
Lindsell Train	Global	17
Lansdowne Partners	Global	16
WCM	Global	12
Jennison	Global	6
Artemis	UK	6
Specialist		
Direct holdings	Specialist Funds	11
GQG Partners	Emerging	7
GMO	Climate Change	6
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	6.0
Apax Global Alpha	2.7
Unilever	2.0
BP	1.8
Princess Private Equity	1.8
Shell	1.5
VH Global Sustainable Energy	1.5
Unitedhealth	1.5
Microsoft	1.4
Thermo Fisher Scientific	1.4
Diageo	1.3
BlackRock World Mining	1.3
Heineken	1.3
Amazon	1.3
Lindenwood	1.2
Nintendo	1.2
Canadian Pacific Railway	1.2
Syncona	1.2
Natwest	1.2
London Stock Exchange	1.2

Top 10 Holdings **21.6**

Top 20 Holdings **34.0**

Regional breakdown (%)

North America	40
UK	18
Europe	18
Asia	5
Japan	3
Other	2
Investment Companies	13

Sector breakdown (%)

Industrials	13
Information Technology	12
Health Care	12
Consumer Staples	11
Financials	11
Consumer Discretionary	8
Communication Services	8
Materials	6
Energy	5
Utilities	1
Equity Index Futures	1
Investment Companies	13

Portfolio characteristics

Active share (%)	78
Number of holdings	256

Portfolio changes

Top Purchases	£'000
BP	5,736
Natwest	5,162
Shell	4,611
Vertex Pharmaceuticals	2,307
Grafton	1,797
Pinduoduo	1,714

Top Sales

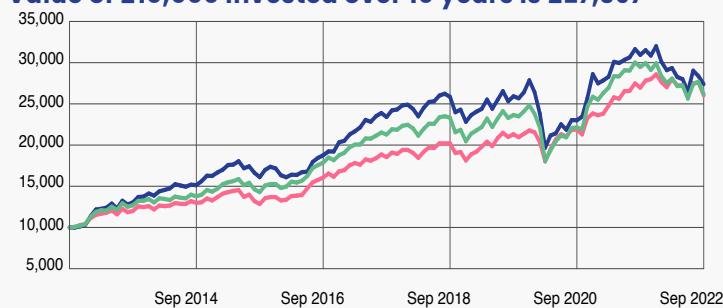
Westrock	5,856
National Grid	5,578
Intuit	4,900
Pioneer Natural Resources	3,751
Infosys	3,249
Wuxi Biologics Cayman	2,357

Tables in this document may not sum to 100% due to rounding.

Source: BNP Paribas as at 30.09.22.

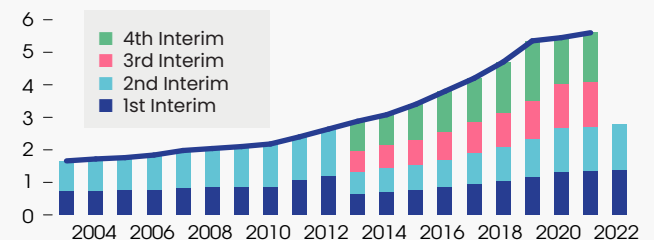
Performance and dividends*

Value of £10,000 invested over 10 years is £27,397[†]



Dividend history (pence per share)

47 years of consecutive dividend growth



Changed to quarterly dividend payments in 2013.

Total performance (%)[†]

Growth to 30.09.2022	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	3.3	-6.6	-11.5	5.7	17.0	174.0
■ Net Asset Value [‡]	2.1	-6.7	-11.2	10.7	23.0	161.7
■ Benchmark [#]	0.6	-7.2	-3.5	22.1	40.3	160.1
NAV-Benchmark Relative	1.4	0.5	-7.7	-11.4	-17.3	1.6

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.

[#] 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 of a more international strategic asset allocation, together with an index simplification from 2020.**

For more information go to www.witan.com/support/legal-information.

Discrete performance (%)[†]

Q3 2017	Q3 2018	Q3 2019	Q3 2020	Q3 2021
Q3 2018	Q3 2019	Q3 2020	Q3 2021	Q3 2022
10.5	0.3	-11.2	34.5	-11.5
9.6	1.4	-6.3	33.1	-11.2
9.1	5.4	2.6	23.3	-3.5
0.5	-4.0	-8.9	9.8	-7.7

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Trust Information

Epic Code	WTAN
AIC Sector	Global
Launch Date	1909
Financial Year End	31 December
Dividend Frequency	Quarterly
Last Ex Dividend Date	25 August 2022
AGM	April
Shares in Issue (ex. treasury)	690,615,184
Ongoing Charges [†]	
Excluding performance fee	0.71%
Including performance fee	0.73%

Source: BNP Paribas as at 30.09.22.

[†]Ongoing charges as disclosed in the Annual Report for the year ended 31.12.21. Information about other costs is also included in the Company's Key Information Document (KID) and disclosed in the table on page 43 of the 2021 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, Fidelity Adviser Solutions, 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.

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

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