

Monthly commentary

“ **Witan’s NAV total return of 2.4% lagged our benchmark’s 2.9% rise, while the share price total return of 3.3% was ahead of it, owing to an improvement in the discount.** ”

If a latter-day Rip can Winkle had taken a sleeping draught the day before the “dash for doom” fiscal event on 23rd September and woken 39 days later at the end of October, it would have seemed like time well-spent sleeping. Expected short rates for the end of December had fallen 0.04% to 3.86%, 20-year gilt yields were unchanged at 3.83%, UK 30-year index linked real yields were 0.07% higher at 0.27%, the pound was up two cents against the dollar and the UK equity market had slipped 1.2%. What a dull period of economic history!

Of course, the reality was an intervening period of nightmarish volatility when UK short and long rates leapt 30% to exceed 5%, real yields rose 9-fold to 1.9%, sterling fell 8% to hit an all-time low against the US dollar, both the UK and US markets fell a further 5% to hit their lows for the year and the Bank of England had to intervene to restore financial stability as some inappropriately leveraged pension funds became forced sellers of their investments. This initiative, together with the replacement of the Prime Minister and the Chancellor of the Exchequer, with a renewed commitment to fiscal sustainability sufficed for markets to return close to their starting points.

A period of calm is to be hoped for, while the government addresses both the immediate fiscal challenge and the pressures on living standards due to inflation. Tackling these while improving the prospects for longer-term growth will be a tricky balancing act. However, there are already signs that renewed fiscal discipline is reducing the upward pressure on interest rates, moderating the impact on government borrowing costs and on mortgage payments.

More widely, there has been an acceleration of interest rate rises in the US, UK and Europe, to curb the surge in inflation. Despite this, equity markets mostly rose in October, the MSCI All Country World index rising 2.8% in sterling terms, with Europe and the US up 4-5% and Asian markets notably weak, falling over 8% on fears over the Chinese economic outlook. The UK stuttered early in the month but recovered to show a rise of 3.0% on the month. Witan’s NAV total return of 2.4% lagged our benchmark’s 2.9% rise, while the share price total return of 3.3% was ahead of it, owing to an improvement in the discount.

The largest investment (on both the buy and sell side) was a purchase of a long-dated gilt-edged stock, taking advantage of the opportunity created by the turmoil in the markets early in the month. The purchase yielded nearly 2% more than the cost of Witan’s long-term debt of similar duration and the position was sold for a significant gain the following week, after markets returned to normal. A similar transaction had been undertaken during the volatility in late September. Our managers also added to some holdings with exposure to the economic cycle, as hopes built that the bulk of interest rate rises (particularly in the US) were over. The position in Shell was reduced, after significant relative strength, while Meta was sold ahead of weakness towards the month end, on concerns over tougher trading conditions for Meta and other major technology platforms.

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

31 October 2022



47 consecutive years of dividend rises

Share price 218.50p	NAV per Share† 235.04p	Premium (Discount) (7.0%)
Gross assets £1.7bn	Yield 2.56%	Gearing 12.5%

Source BNP Paribas 31.10.22

†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	6
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	2.6
BP	2.0
Unilever	1.9
Princess Private Equity	1.7
VH Global Sustainable Energy	1.5
Microsoft	1.5
Natwest	1.4
Unitedhealth	1.4
BlackRock World Mining	1.4
Canadian Pacific Railway	1.3
Syncona	1.3
Thermo Fisher Scientific	1.3
Diageo	1.3
Shell	1.3
Heineken	1.2
Pepsico	1.2
Nintendo	1.2
Lindenwood	1.2
RELX	1.2

Top 10 Holdings	21.4
Top 20 Holdings	33.9

Regional breakdown (%)

North America	40
Europe	19
UK	18
Asia	4
Japan	3
Other	2
Investment Companies	13

Sector breakdown (%)

Industrials	14
Information Technology	12
Health Care	12
Consumer Staples	11
Financials	11
Consumer Discretionary	7
Communication Services	7
Materials	6
Energy	5
Utilities	1
Equity Index Futures	1
Investment Companies	13

Portfolio characteristics

Active share (%)	78
Number of holdings	246

Portfolio changes

Top Purchases	£'000
UK Govt. Bonds	22,168
Saint-Gobain	6,599
Airbus	5,085
Natwest	3,402
Princess Private Equity	2,530
Lloyds Banking	2,515

Top Sales

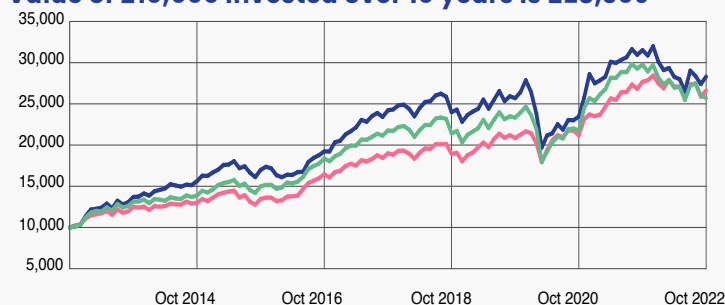
UK Govt. Bonds	24,936
Shell	6,211
Meta Platforms	5,060
Fiserv	4,544
Baxter	3,299
Becton Dickinson	2,672

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

Source: BNP Paribas as at 31.10.22.

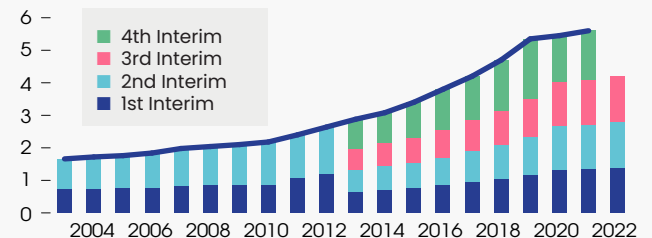
Performance and dividends*

Value of £10,000 invested over 10 years is £28,309†



Dividend history (pence per share)

47 years of consecutive dividend growth



Changed to quarterly dividend payments in 2013.

Total performance (%)†

Growth to 31.10.2022	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	-2.5	0.2	-10.2	10.2	16.9	183.1
■ Net Asset Value‡	-2.2	-1.3	-10.6	14.1	22.3	166.2
■ Benchmark#	-2.7	-1.8	-3.8	27.7	40.2	166.2
NAV-Benchmark Relative	0.6	0.4	-6.7	-13.6	-17.9	0.0

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
Next Ex Dividend Date	24 November 2022
AGM	April
Shares in Issue (ex. treasury)	686,535,503
Ongoing Charges [†]	
Excluding performance fee	0.71%
Including performance fee	0.73%

Source: BNP Paribas as at 31.10.22.

[†]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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