

Monthly commentary

“ **Witan’s NAV total return was +0.2% while the share price total return was -0.8% as the discount widened in line with that of our peers.** ”

We noted last month that, whilst we remain positive on the outlook for equities, markets may be susceptible to short-term disappointment from two areas. The first being that interest rates stay higher for longer and the second being disappointing earnings, especially in more highly rated stocks – note the near 50% decline in Tesla’s share price since its peak two years ago. In January, we witnessed a minor tussle between these two factors. Earnings releases were generally ahead of expectations, and therefore well received by investors, but economic data led ‘rate cut optimists’ to push back their estimates for the dawn of a lower rate environment from Q1 2024 to Q2. To be fair to central bankers, they have gone out of their way to disabuse investors of such optimism (and this tallied with our own assumptions), but bonds and equities still reacted negatively when major economies posted positive economic data. Such is the topsy-turvy world of investing, when positive news is negative and negative is positive, it tends to mean that there is too much focus on the macro and not enough on corporate fundamentals and valuations.

The solid earnings performance noted above, led the US market higher with a gain of +1.8% in Sterling terms while Japan (+4.1%) was the best performing major market. China’s woes continued to weigh on Emerging Market indices (-4.5%) and the UK (-1.3%) returned to the bottom of the developed market pile. European equities were up 0.4%. The net result of this disparate performance was a +0.4% total return for our global equity Benchmark. Witan’s NAV total return was +0.2% while the share price total return was -0.8% as the discount widened in line with that of our peers. The UK market’s woes and a peculiar (and rather complex) cost disclosure regime are weighing heavily on the investment company sector and, most notably, on alternative asset and infrastructure funds. Whilst these discounts, which in some cases are as high as 40%, are frustrating for existing shareholders, they create opportunity for long-term investors – provided they do their homework on the underlying assets and on the structure of the funds in question. We certainly believe that Witan’s shares, on a 10% discount to NAV, are an attractive entry point for investors looking for a one-stop solution for active (rather than passive) global equity exposure and, with this in mind, we continue to buy back our own shares accordingly.

During the month we added to our holding in the Vanguard FTSE 250 ETF. Whilst the majority of the FTSE 250 is comprised of, what we believe to be, deeply undervalued UK focused mid-cap companies, nearly 30% of its exposure is to the investment company sector which, as noted above, is trading at a wide (c. 15% on average) discount to NAV. An investment in this ETF, which is now a 2% position in Witan’s portfolio, thus kills two investment birds with one stone. Other notable buys and sells (including adding to Amazon and TSMC, selling HEICO and switching from Lufthansa into Delta Airlines) are listed overleaf.

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

31 January 2024



48 years of consecutive dividend growth

Share price 235.50p	NAV per Share† 258.42p	Premium (Discount) (8.9%)
Gross assets £1.7bn	Yield 2.46%	Gearing 13.2%

Source: BNP Paribas as at 31.01.24.

† 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		
Lansdowne Partners	Global	18
Veritas	Global	18
Lindsell Train	Global	16
WCM	Global	12
Jennison	Global	8
Artemis	UK	3
Specialist		
Direct holdings	Specialist Funds	13
GMO	Climate Change	6
GQG Partners	Emerging	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. This factsheet is provided for informational purposes only and any reference to individual securities does not constitute a recommendation to purchase, sell or hold the investment.

Portfolio overview

Top 20 holdings (%)

GMO Climate Change Fund	5.7
Apax Global Alpha	2.4
Amazon	2.4
VH Global Sustainable Energy	2.2
Vanguard FTSE 250 ETF	2.0
Diageo	1.8
Microsoft	1.6
Princess Private Equity	1.5
Nintendo	1.5
RELX	1.5
Taiwan Semiconductor	1.4
Unilever	1.4
London Stock Exchange	1.3
FICO	1.3
Canadian Pacific Kansas City	1.3
NatWest	1.3
Mastercard	1.2
Nvidia	1.2
AIB	1.2
Intuit	1.1

Top 10 Holdings **22.6**

Top 20 Holdings **35.3**

Regional breakdown (%)

North America	41
Europe	21
UK	16
Asia	6
Japan	3
Other	2
Investment Companies	11

Sector breakdown (%)

Industrials	17
Financials	16
Information Technology	13
Health Care	9
Consumer Staples	9
Consumer Discretionary	8
Materials	6
Communication Services	6
Energy	3
Utilities	1
Real Estate	1
Investment Companies	11

Portfolio characteristics

Active share (%)	79
Number of holdings	239

Portfolio changes

Top Purchases	£'000
Vanguard FTSE 250 ETF	5,931
Illumina	5,171
Delta Air Lines	5,124
Amazon	3,835
Taiwan Semiconductor	2,176
Advanced Micro Devices	2,166
Top Sales	
Intercontinental Exchange	4,267
Evolution	3,233
Lufthansa	2,707
HEICO	2,416
Arista Networks	2,388
Princess Private Equity	2,313

Tables in this document may not sum to 100% due to rounding.
Source: BNP Paribas, data as at 31.01.24.

Performance and dividends*

Value of £10,000 invested over 10 years is £22,720[†]



Total performance (%)[†]

Growth to 31.01.2024	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	10.7	1.5	6.5	14.6	33.3	127.2
■ Net Asset Value [‡]	10.5	1.9	6.2	19.0	42.0	132.8
■ Benchmark [#]	9.3	4.8	10.0	30.6	63.5	153.2
NAV-Benchmark Relative	1.2	-2.9	-3.8	-11.6	-21.6	-20.5

Relative numbers may not add up due to rounding.

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

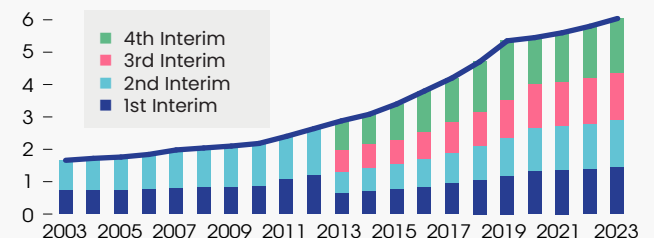
[‡] The Net Asset Value figures value debt at fair value.

[#] 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.

Dividend history (pence per share)

48 years of consecutive dividend growth



Changed to quarterly dividend payments in 2013.

Discrete performance (%)[†]

Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022
Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022
22.1	2.7	11.9	-9.8	10.1
21.3	4.2	15.8	-10.3	12.8
20.1	9.5	19.9	-6.2	14.7
1.3	-5.3	-4.2	-4.1	-1.9

***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.**

Trust information

Epic Code	WTAN
ISIN	GB00BJTRSD38
AIC Sector	Global
Launch Date	1909
Financial Year End	31 December
Dividend Frequency	Quarterly
Next ex Dividend Date	22 February 2024
AGM	May
Shares in Issue (ex treasury)	621,821,384
Ongoing Charges [‡]	
Excluding performance fee	0.77%
Including performance fee	0.77%

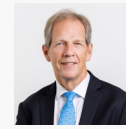
Source: BNP Paribas as at 31.01.24.

[‡]Ongoing charges as disclosed in the Annual Report for the year ended 31.12.22. 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 2022 Annual Report, both of which may be found on the Company's website.

Board of Directors



ANDREW ROSS
Chairman



ANDREW BELL
CEO



RACHEL BEAGLES
Senior Independent Director



SHAUNA BEVAN
Non-Executive Director



GABRIELLE BOYLE
Non-Executive Director



JACK PERRY
Non-Executive Director



BEN ROGOFF
Non-Executive Director



PAUL YATES
Non-Executive Director



SHEFALY YOGENDRA
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 abrdn 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. 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

This marketing communication is issued and approved by Witan Investment Services Limited FRN: 446227 on 13th February 2024. 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.