

## Monthly commentary

“ **Witan’s NAV total return was –18.1% in March significantly underperforming the benchmark’s total return of –11.5%. The share price total return was –17.3% as the discount narrowed slightly having widened during the month (along with the rest of the investment trust sector) when market volatility was at its peak. Performance over the first quarter of 2020 was disappointing as the NAV total return of –27.1% lagged the benchmark’s –17.3%.\***

These are unprecedented times, prompting an abruptly altered investment environment for which, at least in the short term, Witan’s portfolio was not well positioned. Witan was adversely affected for three reasons. First, we began the year with gearing of 11% in anticipation of a pick-up in economic growth. Second, in hindsight, markets placed too much emphasis on the control of the coronavirus in China, making them vulnerable to the outbreaks elsewhere. Finally, whilst our managers employ different investment approaches, holding many companies with defensive characteristics they were, in aggregate, invested in anticipation of an improvement in economic growth in 2020. The reality has been very different – a sharp economic recession, due to the shutdown measures implemented to control the epidemic. We recently published a newsletter which expands on recent events. This, and an investment update to be published later in April, will be available at [witan.com/insights](http://witan.com/insights).

During March we acted in response to the rise in short-term risks and improve the longer-term prospects for our shareholders. As governments adopted radical measures to bring the outbreak under control, we reduced gearing until the negative impacts of the economic downturn are clearer and the prospects for recovery can be more clearly evaluated. We made tactical use of equity index futures to reduce gearing and to reduce our exposure to the European and UK equity markets. Gearing at the month end stood at 4%. We also gave notice of the early redemption of our 6.125% 2025 Secured Bonds, to increase flexibility over the interest rate and term of future borrowing arrangements. This announcement is available at [www.witan.com/secured-bonds-rns-mar-2020](http://www.witan.com/secured-bonds-rns-mar-2020).

Markets appear to have priced in extreme uncertainty and a significant decline in corporate earnings. Many companies in the worst affected sectors have either cancelled, cut or postponed dividends and some may need to ask shareholders for additional capital. One of the benefits of investment trusts is the ability to use revenue reserves to fund dividends and dividend growth during lean periods. Having added to reserves in 9 out of the past 10 years, Witan’s revenue reserves are more than one and a half times the annual dividend, which is a valuable source of flexibility in the current environment. We are confident that this crisis will pass, and that the patient investor will stand to benefit from a recovery in confidence, boosted by massive economic stimulus, as signs of containment of the Covid-19 epidemic emerge.

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

31 March 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
£1.7bn	162.00p	168.35p	(3.8%)	3.30%

Source: BNP Paribas as at 31.03.20.

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

## Investment objective

Long-term growth in income and capital through active investment in global equities, using a multi-manager approach.

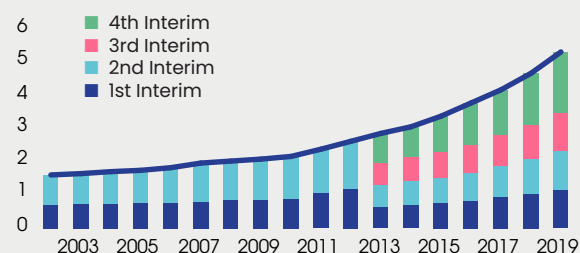
## Trust information

Epic Code	WTAN
Sector	Global Growth
Trust Type	Conventional
Launch Date	1909
Financial Year End	31 December
Dividend Frequency	Quarterly
Last Ex Dividend Date	27 February 2020
AGM	April
Shares in Issue (excluding treasury)	863,384,610
Gearing	4%
Ongoing Charges <sup>‡</sup>	
Excluding performance fee	0.79%
Including performance fee	0.87%

Source: BNP Paribas as at 31.03.20. <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

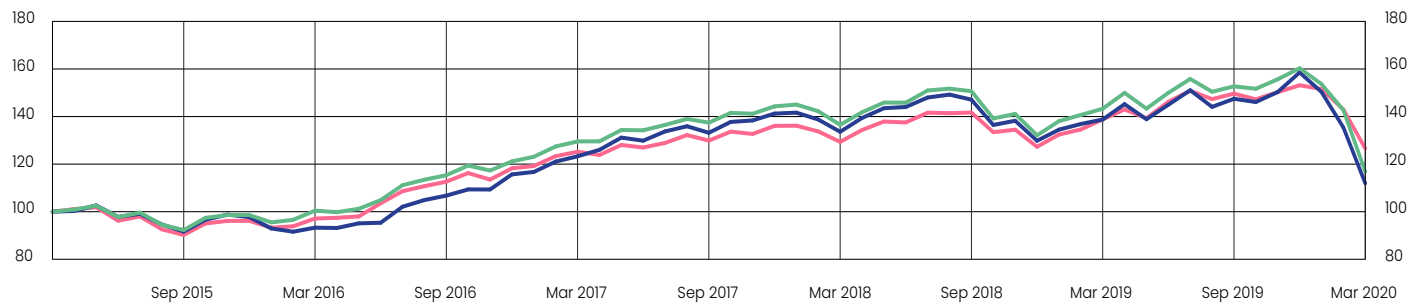


Changed to quarterly dividend payments in 2013.



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## Five-year performance (%)†



## Total performance (%)†

Growth to 31.03.2020	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	-29.4	-24.1	-19.3	-9.2	11.9	114.9
■ Net Asset Value‡	-27.1	-23.5	-18.4	-9.8	16.9	93.8
■ Benchmark#	-17.3	-15.4	-8.8	1.1	26.6	94.6
NAV-Benchmark Relative	-9.8	-8.1	-9.7	-10.9	-9.8	-0.8

Relative numbers may not add up due to rounding.

† Source: Morningstar / Witan / FTSE, 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 15% FTSE All Share and 85% FTSE All World. From 01.01.2017 to 31.12.2019 the benchmark was 30% FTSE All-Share, 25% FTSE All-World North America, 20% FTSE All-World Asia Pacific, 20% FTSE All-World Europe (ex UK), 5% FTSE All-World Emerging Markets. From 01.10.2007 to 31.12.2016 the benchmark was 40% FTSE All-Share, 20% FTSE All-World North America, 20% FTSE All-World Europe (ex UK) and 20% FTSE All-World Asia Pacific. FTSE is a trade mark of the London Stock Exchange Group companies and is used by FTSE under license. For more information go to [www.witan.com/support/legal-information](http://www.witan.com/support/legal-information).

## Discrete performance (%)†

	Q1 2015 Q1 2016	Q1 2016 Q1 2017	Q1 2017 Q1 2018	Q1 2018 Q1 2019	Q1 2019 Q1 2020
■ Share Price	-6.7	32.2	8.4	3.9	-19.3
■ Net Asset Value‡	0.4	29.0	5.4	5.0	-18.4
■ Benchmark#	-2.9	28.9	3.3	7.3	-8.8
NAV-Benchmark Relative	3.3	0.1	2.0	-2.3	-9.7

**\*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 (%)

Syncona	2.4
Tesco	2.2
Apax Global Alpha	2.0
Unilever	1.6
Alphabet	1.5
Charter Communications	1.4
Vonovia	1.4
BlackRock World Mining Trust	1.4
BAE Systems	1.1
Taiwan Semiconductor	1.1
BT	1.1
GMO Climate Change Fund	1.0
Smurfit Kappa	0.9
LEG Immobilien	0.9
Facebook	0.9
Lloyds Banking	0.8
Princess Private Equity	0.8
Alibaba	0.8
Cigna	0.8
Canadian Pacific Railway	0.8

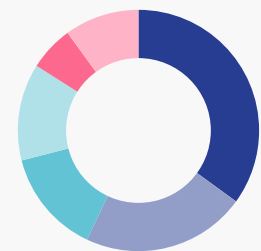
**Top 10 Holdings** 16.1  
**Top 20 Holdings** 24.9

On a combined basis across managers.  
Source: BNP Paribas as at 31.03.20.

### Regional breakdown (%)

■ North America	35
■ UK	22
■ Europe	14
■ Asia	13
■ Japan	6
■ Investment Companies	10

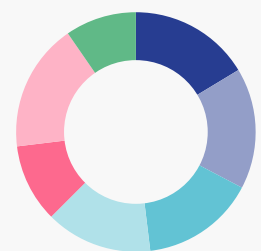
Includes futures. Total may not sum to 100% due to rounding.  
Source: BNP Paribas as at 31.03.20.



### Sector breakdown (%)

■ Consumer Services	17
■ Industrials	17
■ Consumer Goods	16
■ Financials	15
■ Technology	11
■ Other	18
■ Investment Companies	10
■ Equity Index Futures	-4

Total may not sum to 100% due to rounding.  
Source: BNP Paribas as at 31.03.20.



## Manager breakdown

Manager	Region	%
Lansdowne Partners	Global	17
Lindsell Train	Global	9
Pzena	Global	13
Veritas	Global	19
Artemis	UK	7
Heronbridge	UK	5
Crux	Europe ex-UK	2
SW Mitchell	Europe ex-UK	3
Matthews	Asia Pacific	8
GQG Partners	Emerging	5
Direct holdings	-	12

Total may not sum to 100% due to rounding.  
Source: Witan, data as at 31.03.20.

## Board of Directors



**HARRY HENDERSON**  
Chairman



**ANDREW BELL**  
CEO



**GABRIELLE BOYLE**  
Independent  
Non-Executive Director



**SUZY NEUBERT**  
Independent  
Non-Executive Director



**RICHARD OLDFIELD**  
Independent  
Non-Executive Director



**JACK PERRY**  
Independent  
Non-Executive Director



**BEN ROGOFF**  
Independent  
Non-Executive Director



**ANDREW ROSS**  
Independent  
Non-Executive Director



**TONY WATSON**  
Senior Independent  
Director



**PAUL YATES**  
Independent  
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 Hargreaves Lansdown, Barclays Stockbrokers, Halifax Share Dealing Limited, Interactive Investors and AJ Bell Youinvest.

### 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 Ascentric, Nucleus, Seven Investment Management and Transact.

**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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