

## Monthly commentary

“ **Witan’s NAV total return was +0.3%, ahead of the benchmark total return which was broadly unchanged. The share price total return was -0.9%**”

Stock markets remained volatile during May as investors grappled with the combination of high inflation, rising interest rates and concerns over the impact these may have on consumer confidence and economic growth. Despite this volatility, equity markets closed the month within touching distance of where they had started it. The MSCI ACWI index fell 0.2% over the month with the UK (+0.9%), Europe (+0.3%) and Asia (+0.3%) posting positive returns and the S&P 500 (-0.2%) and the NASDAQ (-1.9%) among the world’s weaker performers. Energy (+12%), Financials (+1.8%), Utilities (+2.4%) and Materials (+0.2%) were the leading sectors once again. Consumer stocks fell by over 3% while Technology declined by 1.4% as high growth sectors remained under pressure.

Witan’s NAV total return was +0.3%, ahead of the benchmark total return which was broadly unchanged. The share price total return was -0.9% as market volatility weighed on investor sentiment across the investment company sector resulting in a wider discount both for Witan and our peer group. We continue to repurchase shares at a discount to NAV as this is accretive for the NAV and is therefore beneficial to long-term shareholders. The discount, which stood at 9.5% at the end of May, is significantly wider than the long-term average and the Board’s long-term objective of a sustainable low discount or a premium. This level of discount effectively allows investors (for whom Witan otherwise fits their objectives) to purchase a pound’s worth of assets for c. 90p.

This month’s list of most significant purchases is dominated by companies within the healthcare sector. Bio-Rad Laboratories is a new investment for Witan while Illumina, Eli Lilly and Cooper Companies were all additions to existing positions. We also added to our small investment in the SPDR S&P Biotech ETF on ongoing price weakness. Conversely, two healthcare positions (CVS Health and Syncona) were reduced but both remain significant investments in the portfolio. In other sectors, managers reduced exposure to Coca-Cola, HSBC, Unilever and Taiwan Semiconductor while a new position in Palo Alta Networks (a US network security company) was purchased.

In times of increased volatility, our managers remain focused on long-term prospects and aim to avoid overreacting to shorter-term developments (which is akin to driving using the rear-view mirror). To quote Warren Buffett, “the stock market is designed to transfer money from the active to the patient”. Accordingly, we remain fully invested in equities, using managers who take a long-term approach to owning high-quality, well-managed companies.

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

31 May 2022



Share price 217.50p	NAV per Share† 240.35p	Premium (Discount) (9.5%)
Gross assets £1.9bn	Yield 2.57%	Gearing 12.3%

Source BNP Paribas 31.05.22

†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	%
<b>Core</b>		
Veritas	Global	18
Lansdowne Partners	Global	18
Lindsell Train	Global	16
WCM	Global	11
Jennison	Global	6
Artemis	UK	7
<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	5.5
Apax Global Alpha	2.6
Unilever	1.8
Princess Private Equity	1.7
BlackRock World Mining Trust	1.5
Diageo	1.4
Syncona	1.4
Alphabet	1.4
Heineken	1.3
Canadian Pacific Railway	1.2
Microsoft	1.2
VH Global Sustainable Energy	1.2
BAE Systems	1.2
Nintendo	1.2
Charter Communications	1.1
Intuit	1.1
RELX	1.1
Natwest	1.1
London Stock Exchange	1.1
Thermo Fisher Scientific	1.0

**Top 10 Holdings** **19.8**

**Top 20 Holdings** **31.1**

### Regional breakdown (%)

North America	39
UK	20
Europe	17
Asia	6
Japan	3
Other	2
Investment Companies	13

### Sector breakdown (%)

Industrials	15
Information Technology	12
Consumer Staples	11
Health Care	11
Financials	9
Communication Services	8
Materials	8
Consumer Discretionary	8
Energy	4
Utilities	1
Investment Companies	13

### Portfolio characteristics

Active share (%)*	78%
Number of holdings	270

\*as at 31.03.22

### Portfolio changes

Top Purchases	£'000
Bio-Rad Laboratories	3,681
Illumina	3,604
Eli Lilly	3,189
Cooper Companies	2,373
Palo Alto Networks	2,173
SPDR S&P Biotech ETF	1,984

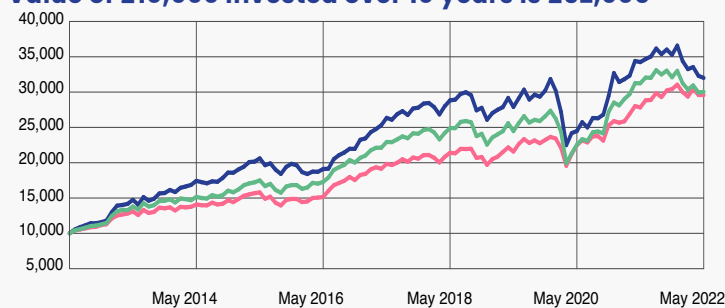
  

Top Sales	£'000
CVS Health	5,196
HSBC	2,651
Syncona	2,259
Coca-Cola	1,801
Unilever	1,526
Taiwan Semiconductor	1,491

Tables in this document may not sum to 100% due to rounding.  
Source: BNP Paribas as at 31.05.22 unless otherwise stated

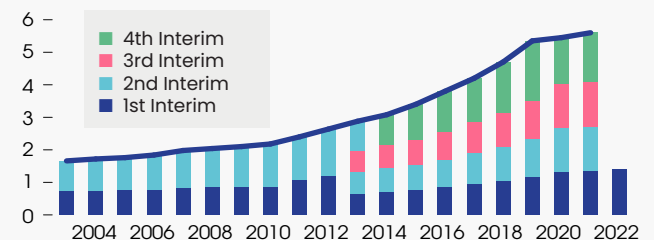
## Performance and dividends\*

### Value of £10,000 invested over 10 years is £32,005†



### Dividend history (pence per share)

47 years of consecutive dividend growth



Changed to quarterly dividend payments in 2013.

### Total performance (%)†

Growth to 31.05.2022	3m	6m	1yr	3yrs	5yrs	10yrs
■ Share Price	-3.7	-9.3	-6.5	14.7	21.5	220.0
■ Net Asset Value‡	-1.1	-6.4	-3.9	22.7	31.0	200.4
■ Benchmark#	0.8	-2.8	6.3	37.1	49.2	195.8
NAV-Benchmark Relative	-1.8	-3.6	-10.2	-14.4	-18.2	4.6

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](http://www.witan.com/support/legal-information).

### Discrete performance (%)†

Q1 2017	Q1 2018	Q1 2019	Q1 2020	Q1 2021
Q1 2018	Q1 2019	Q1 2020	Q1 2021	Q1 2022
8.4	3.9	-19.3	43.8	3.7
5.4	5.0	-18.5	49.0	4.1
3.5	7.4	-9.1	37.6	13.2
1.9	-2.4	-9.4	11.4	-9.1

**\*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	19 May 2022
AGM	April
Shares in Issue (ex. treasury)	711,932,164
Ongoing Charges <sup>†</sup>	
Excluding performance fee	0.71%
Including performance fee	0.73%

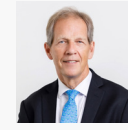
Source: BNP Paribas as at 31.05.22.

<sup>†</sup>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, 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.