



RIT Capital Partners - Finals to 31/12/20; NAV TR +16.4%

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Performance: RIT's net asset value per share ended the year at 2,292 pence, representing a NAV total return for the year (including dividends) of 16.4%. This compares to the Company's two principal KPIs for investment performance of RPI+3.0% per annum and the ACWI which were 4.2% and 12.7% respectively.

Dividend: A final interim dividend of 17.5 pence per share in October, providing shareholders with a total dividend in 2020 of 35 pence per share. For 2021, the board intend to pay a dividend of 35.25 pence per share, an increase of 0.7% over the previous year, slightly above inflation.

Attribution: The quoted equity portfolio had contributed 6.4% to the overall NAV return. The private investment portfolio represented 26% of net assets at the year end, of which 17% was held in third party funds and 9% in direct investments. The asset class had a very strong year and contributed 9.8% to the overall NAV, 4.5% from direct and 5.3% from fund investments.

Leverage: Borrowings were £189 million through our revolving credit facilities (5% of NAV), with a further £185 million committed and undrawn.

Outlook: The pandemic has severely affected the lives of millions of people worldwide. The economic consequences, together with the extraordinary policy responses, will be an enduring feature of markets for some time to come. In the near term, these factors pose the question of whether the recovery in equity and credit markets is justified by underlying economic indicators. The spectre of inflation may well return and could meaningfully alter the investment landscape. These uncertainties are accentuated by a backdrop of significant political change and rapidly shifting societal expectations of the business community. The fund will continue to apply a tried and tested approach to asset allocation and diversified portfolio composition to protect shareholders' capital and grow it over the medium term.