



## ASX ANNOUNCEMENT

6 April 2020

### Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 1<sup>st</sup> April 2020

The estimated NTA per share for Fat Prophets Global Contrarian Fund as at the 1<sup>st</sup> April 2020 was as follows:

#### Month to date NTA

	Amount (\$)
Pre- Tax NTA (as at 1 <sup>st</sup> April 2020)	0.7860
Pre- Tax NTA (as at 29 February 2020)	1.1180
Change in NTA	<b>-29.70 %</b>

For the period from the 29<sup>th</sup> of February to the 1<sup>st</sup> April the fund recorded a decline in Pre-Tax NTA of **-29.70 % to \$0.7860**. We acknowledge that month of March will go down as one of the toughest we have witnessed in 40 years.

#### Market outlook

Global stock markets remain highly volatile, but we have seen a marked reduction in the VIX in recent days as governments have responded to the Covid-19 crisis and stepped up with various fiscal stimulus packages. **This implies that fear and panic are subsiding and receding from peak levels seen a few weeks ago, and this is good for the stock markets near term.**

While it's all "doom and gloom" and it is hard to see the positives at times, **the world is working its way through this economic and health crisis.** The Covid-19 curve is definitively flattening for the most of the world, and "there is a light at the end of the tunnel." **Some countries are handling the Covid-19 crisis much better than others.** Infection and death rates are stabilising in Asia. In Australia the fatality rate remains relatively low at 34, and the number of new infections are falling quickly.

With the **"forced liquidation of assets in the past month largely behind us, we are going to see the advent of unprecedented and unbridled monetary and fiscal stimulus in the world, led by the US.**

**Whilst we acknowledge that significant uncertainty surrounds the economy, we are seeing the most attractive valuations in global stock markets since 2011 and the GFC.** Bear markets typically end with recessions, they don't begin with them, rendering the risk/reward equation the most attractive today than in a number of years. Buyers of equities are being compensated an enormous amount to take on risk today.

#### Portfolio Changes

There were no changes to the portfolio since our last update.

Angus Geddes  
Chief Investment Officer  
**Fat Prophets Global Contrarian Fund**