



ASX ANNOUNCEMENT

22 May 2020

Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 20th May 2020

The Fund had a strong performance since the last ASX update. The estimated net tangible asset backing per share for Fat Prophets Global Contrarian Fund as at the 20th of May is as follows:

Month to date NTA

	Amount (\$)
Pre- Tax NTA (as at 20 May 2020)	1.0158
Pre- Tax NTA (as at 30 April 2020)	0.9248
Change in NTA	9.84 %

For the period from the 30th of April to the 20th of May the Fund recorded an increase in NTA from \$0.9248 to \$1.0158, a gain of 9.84%.

Portfolio Changes and market outlook

The Fund has had a strong run since the last update, boosted by recovering stock markets and a strong performance from precious metals. Whilst we are optimistic that the global economy can recover in the second half of the year, we believe China, the US and Australia will lead the way on the upside. Stock markets have performed strongly, **however near term we believe there is a growing risk of a correction. We would consider a pause as being healthy for the markets.**

The Fund added one long exposure since the last update, re-establishing a position in **Western Areas**. We believe that nickel has bottomed out, and with growing infrastructure spending by collective economies globally, prices could recover strongly in the year ahead. **Western Areas is well positioned to benefit from a nickel price recovery.** The Fund also holds a smaller position in **Mincor**, which is in the process of restarting a nickel mine.

Nickel prices have been in a multiyear bear market but look to have bottomed out, and could recover strongly this year.



Angus Geddes
Chief Investment Officer
Fat Prophets Global Contrarian Fund