



ASX ANNOUNCEMENT

15 June 2020

Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 10th June 2020

The estimated pre-tax NTA per share for Fat Prophets Global Contrarian Fund as at the 10th of June is as follows:

Month to date NTA

	Amount (\$)
Pre- Tax NTA (as at 10 June 2020)	1.1124
Pre- Tax NTA (as at 31 May 2020)	1.0513
Change in NTA (31 May 2020 to 10 June 2020)	5.81%

For the period from the 31st of May to the 10th of June the Fund recorded an increase in NTA from \$1.0513 to \$1.1124, a gain of 5.81%.

Market outlook & portfolio changes

Equity markets are undergoing an overdue correction with the indices sharply lower on Thursday and Friday. This was to be anticipated given the significant rally from the March lows. Our view is for the correction to be meaningful, but not severe and in the vicinity of 10%. **Substantial deleveraging took place in March and April and much of the sidelined liquidity will likely be flow back into equities this year** with cash and bond yield's offering little in the way of underlying yield. The substantial fiscal and monetary stimulus collectively injected by governments and central banks is going to provide a buffer for equities in our view, and this will mitigate downside risk. Some countries in Australasia are likely to fare better in the period ahead than others in terms of reopening their respective economies, after having implemented more successful Covid containment measures. **This should see markets in Australia, Japan, South Korea, and China find a floor sooner and rebound faster.**

Angus Geddes
Chief Investment Officer
Fat Prophets Global Contrarian Fund