



ASX ANNOUNCEMENT

19 June 2020

Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 17th June 2020

The estimated NTA per share for Fat Prophets Global Contrarian Fund as at the 17th of June 2020 is as follows:

Month to date NTA

	Amount (\$)
Pre- Tax NTA (as at 17 June 2020)	1.0726
Pre- Tax NTA (as at 31 May 2020)	1.0513
Change in NTA (31 May 2020 to 17 June 2020)	2.03%

For the period from the 31st of May 2020 to the 17th of June 2020 the Fund recorded an increase in NTA from \$1.0513 to \$1.0726, a gain of 2.03%.

Market outlook & Portfolio Changes

Most stock markets corrected sharply since our last update, with many falling around 8% from the high to low point. The Fund gave up some of the recent gains, but still is up over 2% month to date. We think a correction and some consolidation of the stock markets' rebound was overdue, but see this being more of a pause, with the primary trend being higher. Governments continue to print money and with large fiscal stimulus programs, and combined with ultra-low rates from central bank monetary policy settings, we see the rally in stock markets continuing until at least the end of this year.

We added **Tencent Music** to the Fund's portfolio. China has 635mn online music users, which is as large as the online entertainment platforms such as videos, online games and entertainment streaming. The monetisation of China's online music services however remains largely untapped, lagging behind many entertainment verticals. China's recorded music industry was ranked at only the seventh globally in terms of revenue in 2019 and should play catch up. Tencent Music has market leadership in China. **We expect profit growth to resume and accelerate over the coming year, with the company set to benefit from a complete music ecosystem and dominant market share of music subscribers in China of over 70%.**

Angus Geddes
Chief Investment Officer
Fat Prophets Global Contrarian Fund