

# Net Tangible Assets & Monthly Investment Report

## Company commentary

- Material and natural resource holdings were the portfolio's best performers
- The Australian Dollar strengthens as commodity prices continue to rise

The portfolio's equity holdings moved higher during the month, but a sharply stronger Australian Dollar offset some of the gains. Although the majority of the currency exposure is still offshore, we have recently increased our Australian Dollar currency exposure so have benefited from the move upwards.

Freeport-McMoRan and First Quantum Materials were the best performing holdings in the month following higher base and precious metal prices. Freeport, one of the largest portfolio holdings, is currently undergoing a several year transition period at Grasberg, its primary mine. The transition from an open pit operation to an underground operation ensures Grasberg will have a

long lifespan, will continue to produce a substantial gold by-product, and be among the lowest-cost copper mines globally. The end of the transition period should also bring about a sharp upward inflection in Freeport's free cash flow.

In the shorter term we expect Freeport's stock price to behave in a similar manner to the copper price. Long term, however, in addition to supportive copper fundamentals, we believe Freeport's strong stock-specific fundamentals will lead to an upward re-rating.

During June we further increased the exposure to material and natural resource holdings.

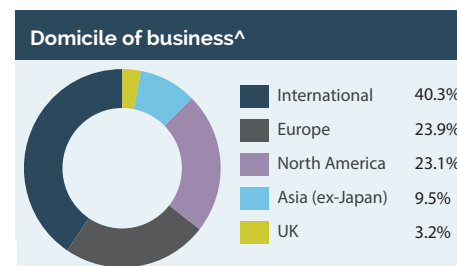
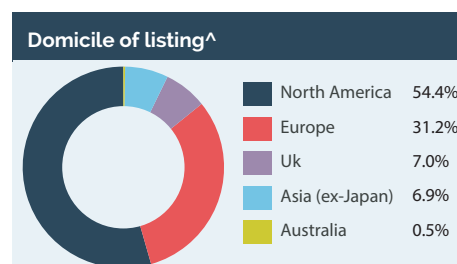
Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) <sup>1</sup>	June 2020
NTA before tax accruals	<b>\$ 1.1475</b>
NTA after tax (excluding deferred tax assets)	<b>\$ 1.1589</b>

Company performance (net of fees) <sup>2</sup>	1 Month	1 Year	3 Years p.a.	5 Years p.a.	Since inception p.a.	Total Return
PM Capital Global Opportunities Fund	<b>1.1%</b>	<b>-6.4%</b>	<b>3.2%</b>	<b>4.5%</b>	<b>8.1%</b>	<b>66.9%</b>

1. Past performance is not a reliable indicator of future performance. 2. Performance adjusted for capital flows including those associated with the payment of dividends and tax, share issuance as a result of option exercise and the dividend reinvestment plan, and including the value of franking credits.

Portfolio investments	Weighting <sup>^^</sup>
Housing - Ireland and Spain	7.9%
Global Domestic Banking	23.5%
Service Monopolies	13.2%
Gaming - Macau	6.0%
Alternative Investment Managers	12.5%
Industrial - Europe	6.3%
Materials	18.9%
Other	9.7%
<b>Long Equity Position</b>	<b>98.0%</b>
Short Equity Position	-12.1%
<b>Net Invested Equities</b>	<b>85.9%</b>
<b>Total holdings</b>	<b>52</b>

Current stock example	
Cairn Homes	
Bank of America	
Visa	
MGM China holdings	
KKR & Co.	
Siemens	
Freeport-McMoRan	
Currency exposure <sup>^^^</sup>	100%
USD	39.0%
AUD	37.5%
EUR	13.5%
GBP	3.9%
HKD	1.9%
CAD	2.9%
SEK	1.3%



<sup>^</sup> 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office, whereas 'Domicile of business' represents the location of the predominant business of those entities.

<sup>^^</sup> Quoted before tax liability on unrealised gains.

<sup>^^^</sup> Stated as effective exposure.

PM Capital Limited (‘the Manager’), founded in 1998, is a leading Australian based fund manager that has successfully achieved its goal of building long term wealth for its clients by investing in global markets with patience and conviction.

#### Company profile

The PM Capital Global Opportunities Fund Limited (ASX:PGF, ACN 166 064 875), which began trading of the ASX on 12 December 2013, provides investors with an opportunity to invest in global equities via an Australian Securities Exchange (ASX) listed investment company.

Managed by PM Capital (AFSL 230222), the aim is to create long term wealth through a concentrated portfolio of around 40 global companies that it believes are trading at prices different to their intrinsic values.

PM Capital has been operating its global investment strategy via an unlisted fund since October 1998. This unlisted fund's performance adjusted to reflect PGF's fee structure has produced a total pre-tax return of 591% vs the MSCI World Net Total Return Index (AUD) of 185% to 30 June 2020.

#### Manager's comparable track record



#### Who manages the Company's portfolio?

The Portfolio Manager for the Fund and CIO is Paul Moore. Paul is supported by a team of experienced investment analysts.

#### Investment philosophy

PM Capital aims to build long term wealth together with our co-investors by finding

and exploiting investment anomalies around the world. Using a focused, patient and considered approach to finding simple investment ideas produces the best environment for creating that long term wealth.

Our experience has shown us that while the market is largely efficient, it can, and regularly does, misprice a small proportion of companies. Our unique process is based on scanning the world for those companies (hence the radar in our logo), discovering the associated valuation anomalies and extracting value from them. We buy good businesses at a good price; businesses that we believe are being valued differently to their long term intrinsic value, but will return to their correct value over time.

#### Why the PM Capital Global Opportunities Fund Limited?

**Established:** The Company's process has been shown to be effective, based on a philosophy developed by Paul Moore, over 34 years.

**Unrestricted:** We have an authentic investment process where our exposure to countries, industry sectors or market capitalisation is determined solely by our conviction in the risk/reward opportunities that we identify in individual stocks. No conviction at the stock level = no investment.

**Opportunistic and focused:** The Company's portfolio is not built around a general market benchmark or index - it is highly focused based on our fundamental, bottom-up investment process. The portfolio only holds those stocks that we believe give the best opportunity to produce strong long term returns.

**Co-investment:** The Manager has a significant investment in the Company - it invests with and for you.

#### Key Company Details

##### ASX Code

PGF

##### ACN

166 064 875

##### Trading commenced

12 December 2013

##### Shares on issue

354,175,578

##### Category

Global equities (long/short)

##### Investment style

Fundamental, bottom-up, research-intensive approach

##### Number of stocks

As a guide, around 40 globally listed equities.

##### Suggested investment time

Seven years plus

##### Investor profile

PGF may be appropriate for investors seeking to profit from long-term capital growth over an investment horizon of seven years or longer, through investment in a concentrated portfolio of global (including Australian) equities and other investment securities.

#### Important Notice

PM Capital Global Opportunities Fund Limited ACN 166 064 875 (PGF) has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in PGF. Nor does it constitute financial product or investment advice nor take into account your investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this announcement in making an investment decision but must make its own assessment of PGF and conduct its own investigations and analysis. Past performance is not a reliable indicator of future performance. All positions are reported net of all liabilities including tax. See the ASX Company Announcements platform at [www.asx.com.au](http://www.asx.com.au) for further information. Announcement authorised by: Benjamin Skilbeck - Director

#### Further Information

[www.pmcapital.com.au](http://www.pmcapital.com.au) T: +612 8243 0888 E: [pmcapital@pmcapital.com.au](mailto:pmcapital@pmcapital.com.au)

#### Share Registry Enquiries

[Boardroom Pty Limited](http://Boardroom Pty Limited) T: 1300 737 760 E: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

#### Address:

Level 27, 420 George Street, Sydney NSW 2000, Australia