



**fatPROPHETS**  
GLOBAL CONTRARIAN FUND LTD

# FPC Annual General Meeting & Share Holder Information Session

## **MR MICHAEL GALLAGHER – CHAIRMAN**

- Introductory remarks
- AGM Open
- Formal business
- Resolutions
- AGM Close
- Shareholder information session – Mr Angus Geddes

# Board Of FPC

## INDEPENDENT CHAIRMAN

Michael Gallagher

Mr Michael Gallagher was appointed Chairman of the Board in November 2016. Michael has over 25 years investment experience.



In 2009 Michael co-founded Kima Capital, an Australian based funds management business, which he later moved to Hong Kong before it was acquired. Prior to AIMA & Kima, Michael headed Australasian Equities for Rand Merchant Bank, overseeing the Equity Trading, Derivative and Equity Funds Management businesses from 2005-2009. In the 10 years prior to this Michael was a director at Macquarie Bank heading up the structured retail equity derivative businesses in Australia, South Africa and also spent time with Macquarie in the UK.



## INDEPENDENT DIRECTOR

Katrina Vanstone

Katrina has worked in financial markets for 30 years, both in Australia and offshore, including such leading organisations as HSBC and Deutsche Bank.

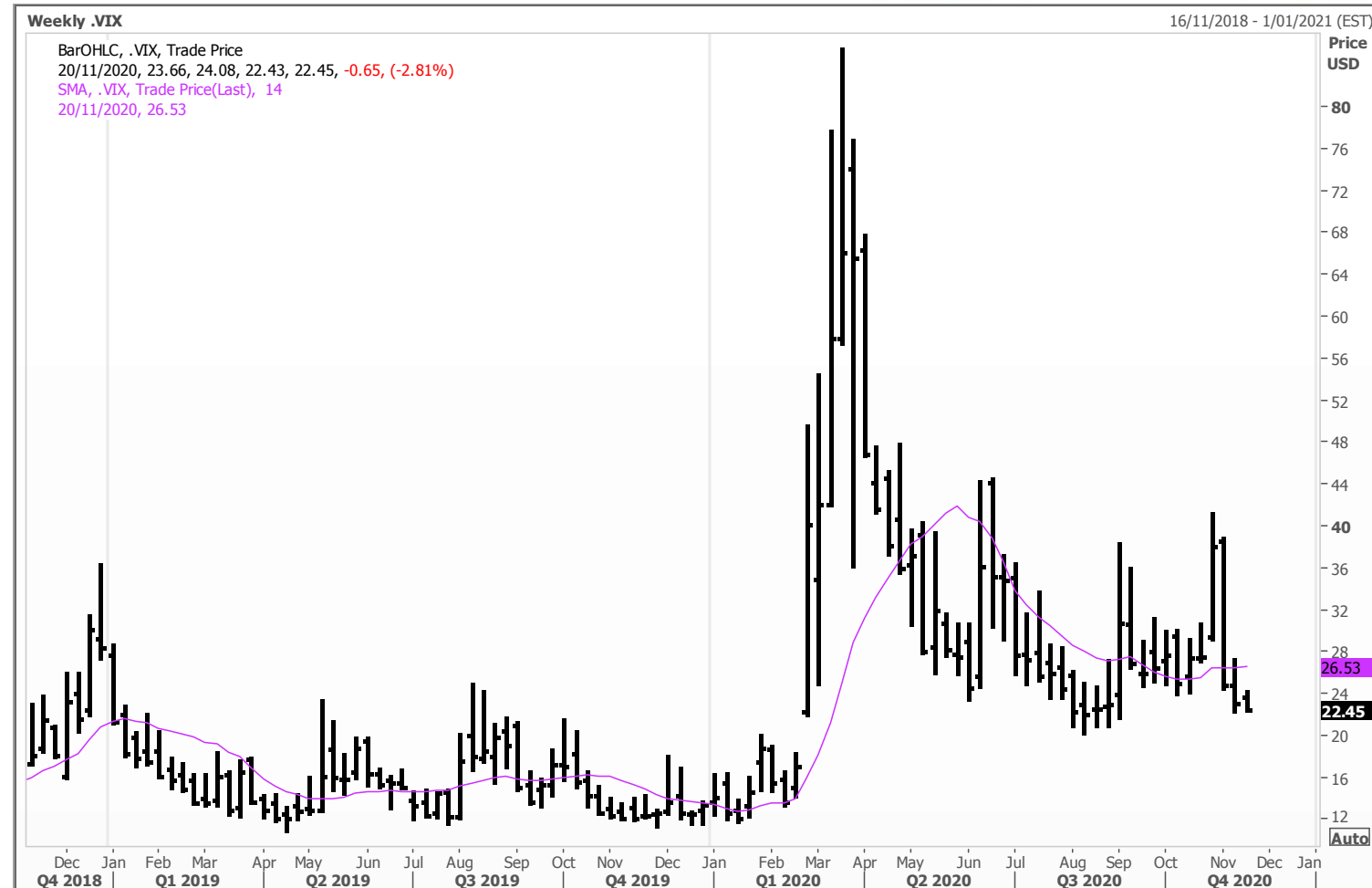


Katrina has extensive experience in foreign exchange, interest rates and credit markets across asset and liability portfolios. She has held roles in trading, sales and syndication. She has extensive experience in the wholesale debt and derivative markets with strong product knowledge across capital structures and debt raisings, risk management and hedging, and cash and currency management.

## Non-Independent Director

Angus Geddes

# 2020 Will Go Down In History As One Of The Most Volatile On Record



# Performance – By Calendar Year

2017 Calendar Year	31-Dec-17	17-Mar-17	Change
Pre-Tax NTA	1.2302	1.0778	14.14%
Post-Tax NTA	1.1919	1.0801	10.35%

2018 Calendar Year	31-Dec-18	31-Dec-17	Change
Pre-Tax NTA	0.9092	1.2302	-26.09%
Post-Tax NTA	0.9631	1.1919	-19.20%

2019 Calendar Year	31-Dec-19	31-Dec-18	Change
Pre-Tax NTA	1.2375	0.9092	36.11%
Post-Tax NTA	1.2084	0.9631	25.47%

2020 Calendar Year	16-Nov-20	31-Dec-19	Change
Pre-Tax NTA	1.3357	1.2375	7.94%
Post-Tax NTA	1.2770	1.2084	5.68%

Nov-16 Pre-Tax NTA \$1.3357 – A 7.94% Increase on Dec-19

# Performance – By Financial Year

2017 Financial Year	30-Jun-17	17-Mar-17	Change
Pre-Tax NTA	1.0884	1.0778	0.98%
Post-Tax NTA	1.0917	1.0801	1.07%

2018 Financial Year	30-Jun-18	30-Jun-17	Change
Pre-Tax NTA	1.1228	1.0884	3.16%
Post-Tax NTA	1.1170	1.0917	2.32%

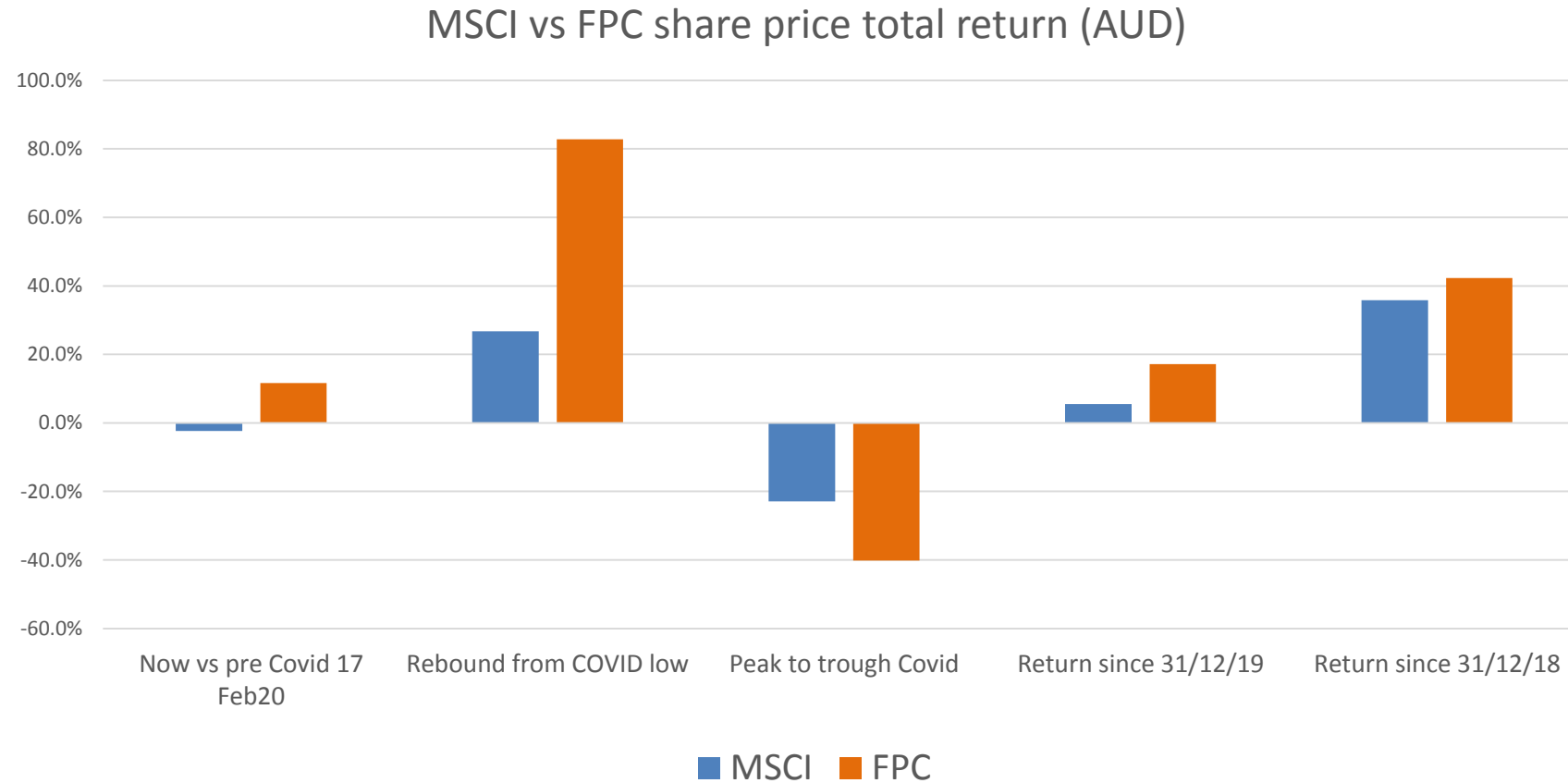
2019 Financial Year	30-Jun-19	30-Jun-18	Change
Pre-Tax NTA	1.0733	1.1228	-4.41%
Post-Tax NTA	1.0858	1.117	-2.79%

2020 Financial Year	30-Jun-20	30-Jun-19	Change
Pre-Tax NTA	1.1312	1.0733	5.39%
Post-Tax NTA	1.1261	1.0858	3.71%

2021 Financial Year	16-Nov-20	30-Jun-20	Change
Pre-Tax NTA	1.3357	1.1312	18.08%
Post-Tax NTA	1.2770	1.1261	13.40%

Nov-16 Pre-Tax NTA \$1.3357 – A 18.08% Increase on Jun-20

# How Did We Go Versus The MSCI?

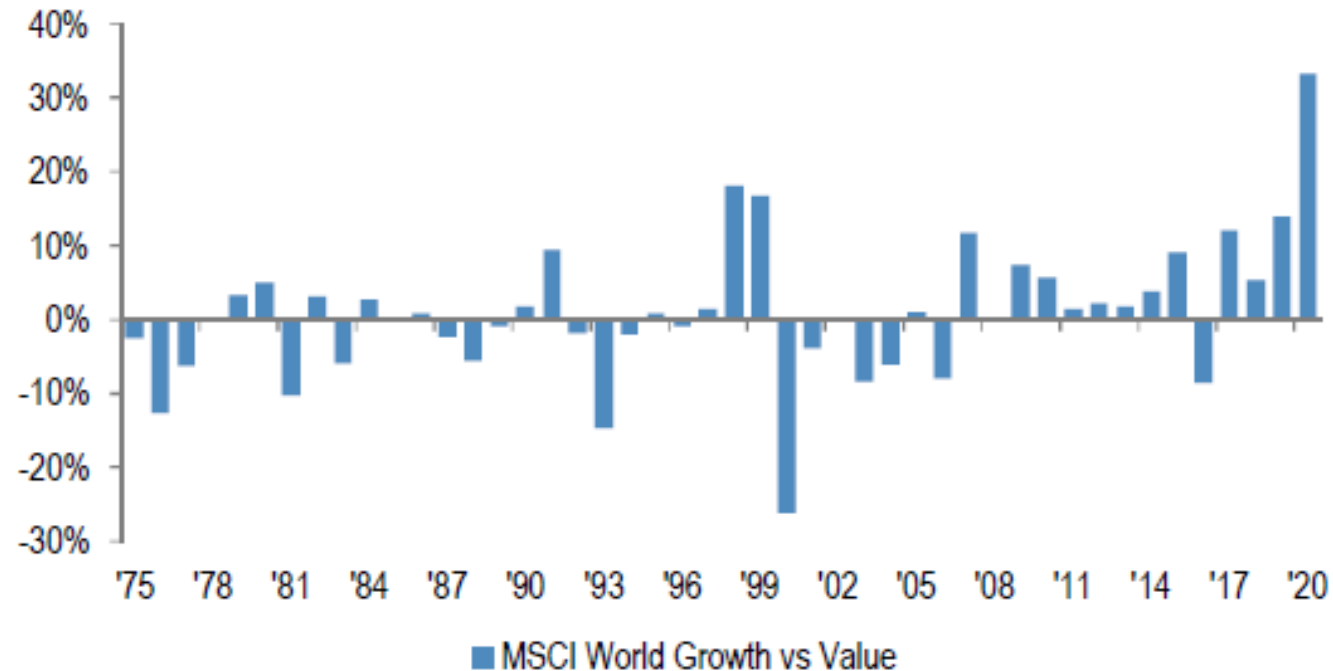


Source: Thomson Reuters MSCI World Net Total Return Index (AUD)



# Market Internal Leadership Was Extremely Polarised This Year – Growth Beat Value – The Most On Record!

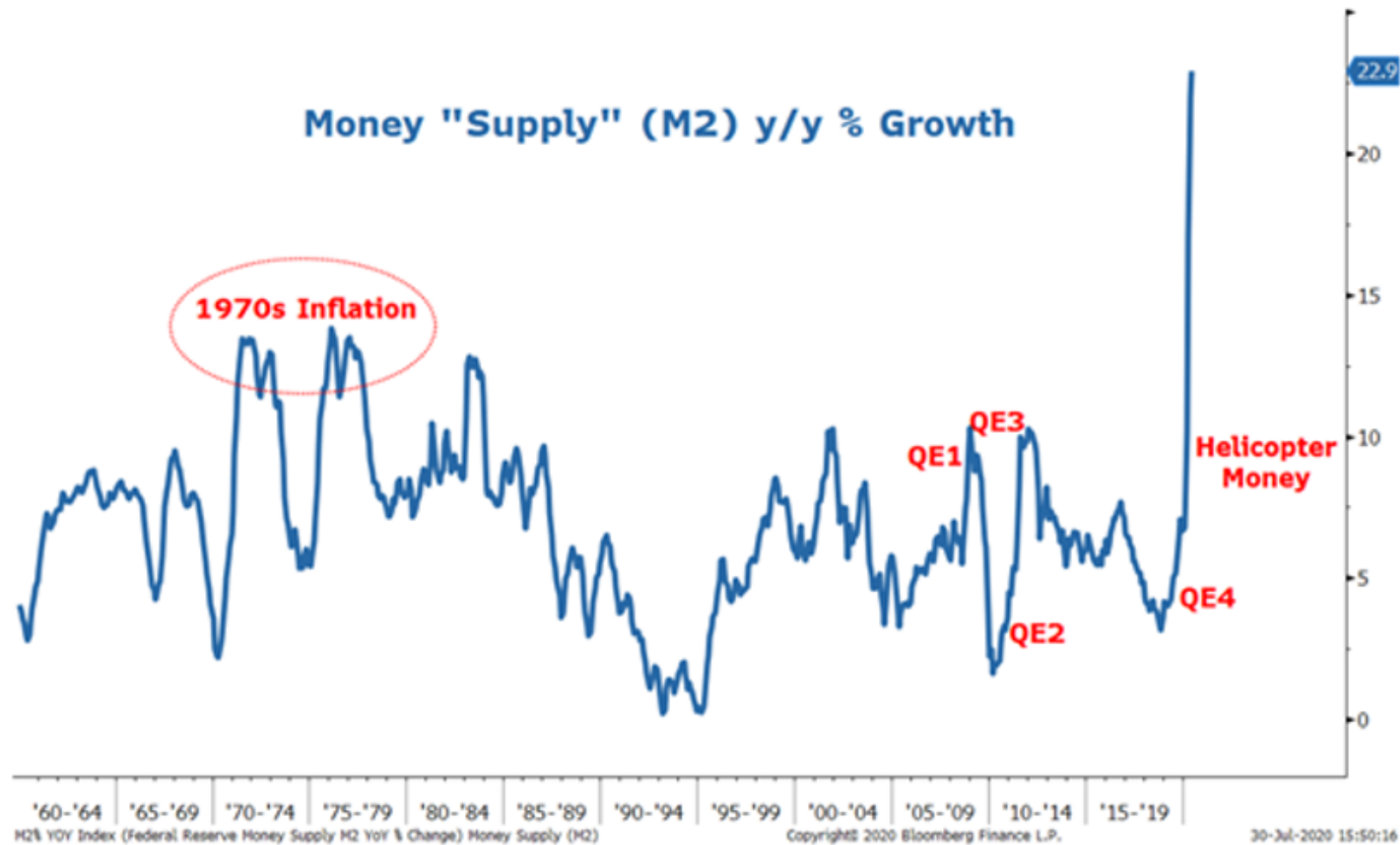
Figure 10: MSCI World Growth vs Value annual performance



Source: Datastream



# Gamechanger – Record Amount Of Fiscal And Monetary Stimulus In History



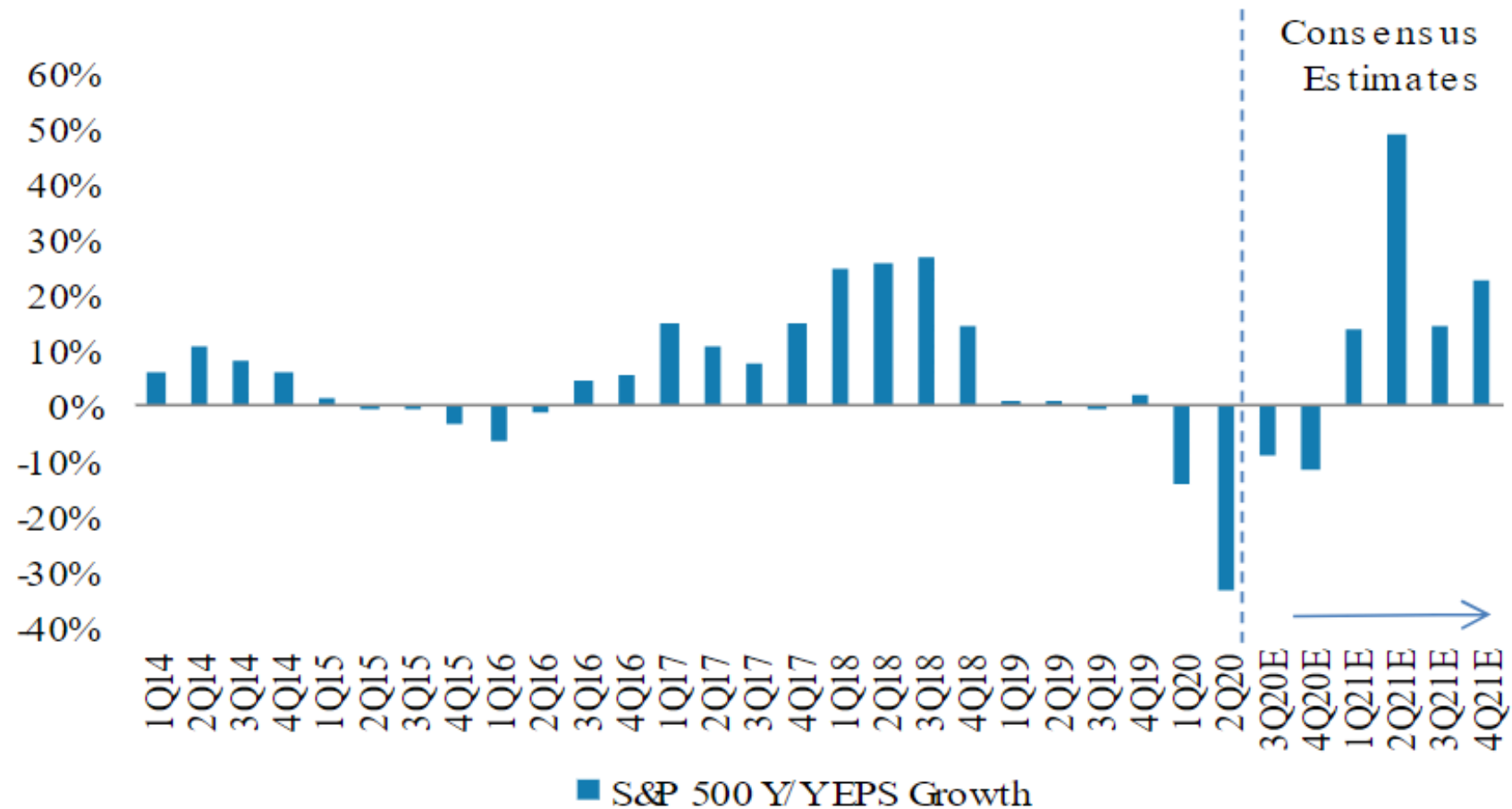
# Inflation and Monetary Policy



Milton Friedman famously said, "Inflation is always and everywhere a monetary phenomenon in the sense that it can be produced only by a more rapid increase in the quantity of money than in output."

# Earnings Are Going To Continue To Recover Into 2021

S&P 500 Y/YEPS Growth



Source: Morgan Stanley

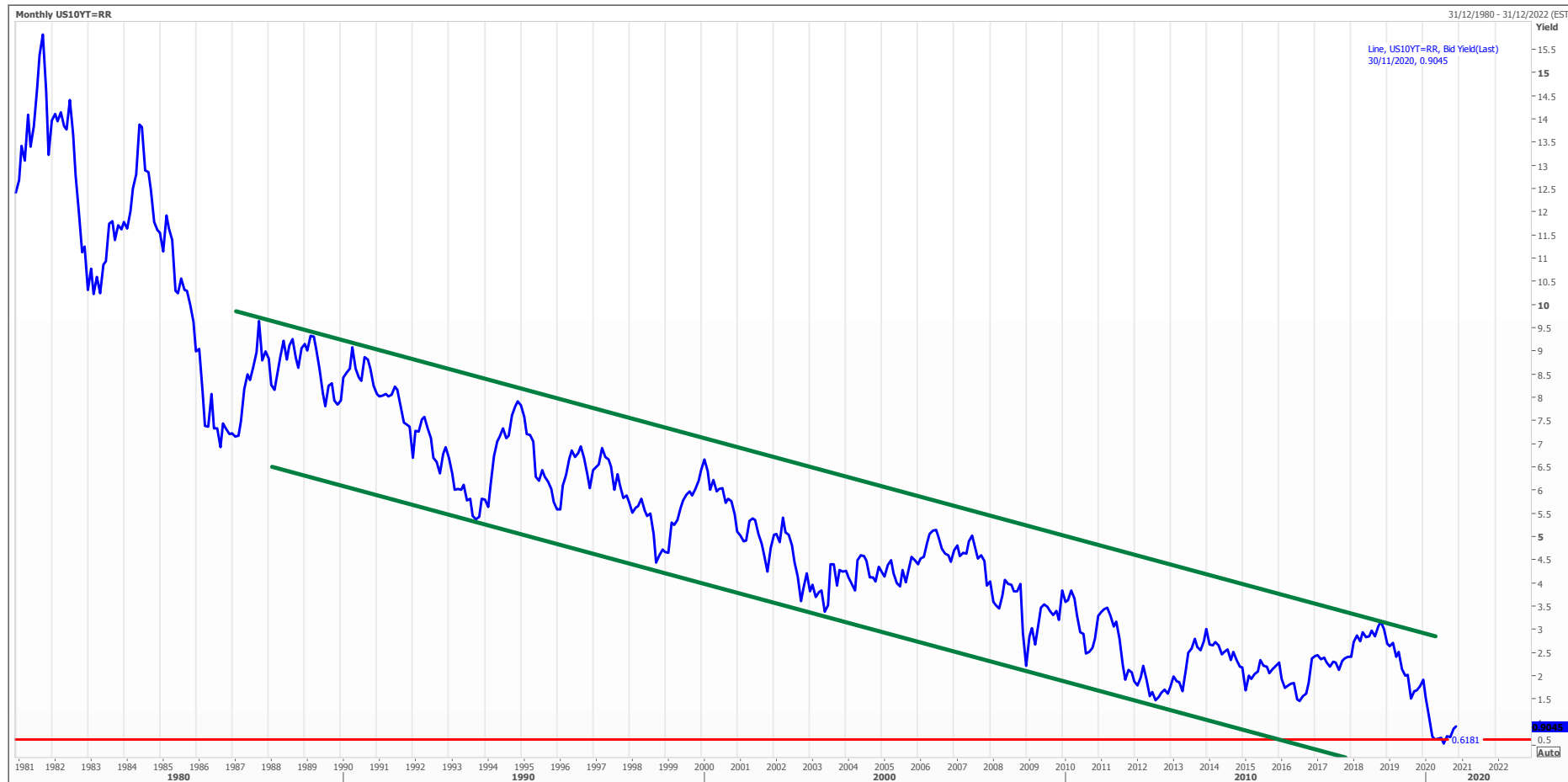
# If Inflation Rises So Could Long Dated US Bond Yields

## US Ten Year Bond yield - 2018 to 2020



# Bond Markets Could Be At A Major Multi Decade Inflection Point

## US Ten Year Bond yield - 1980 to 2020

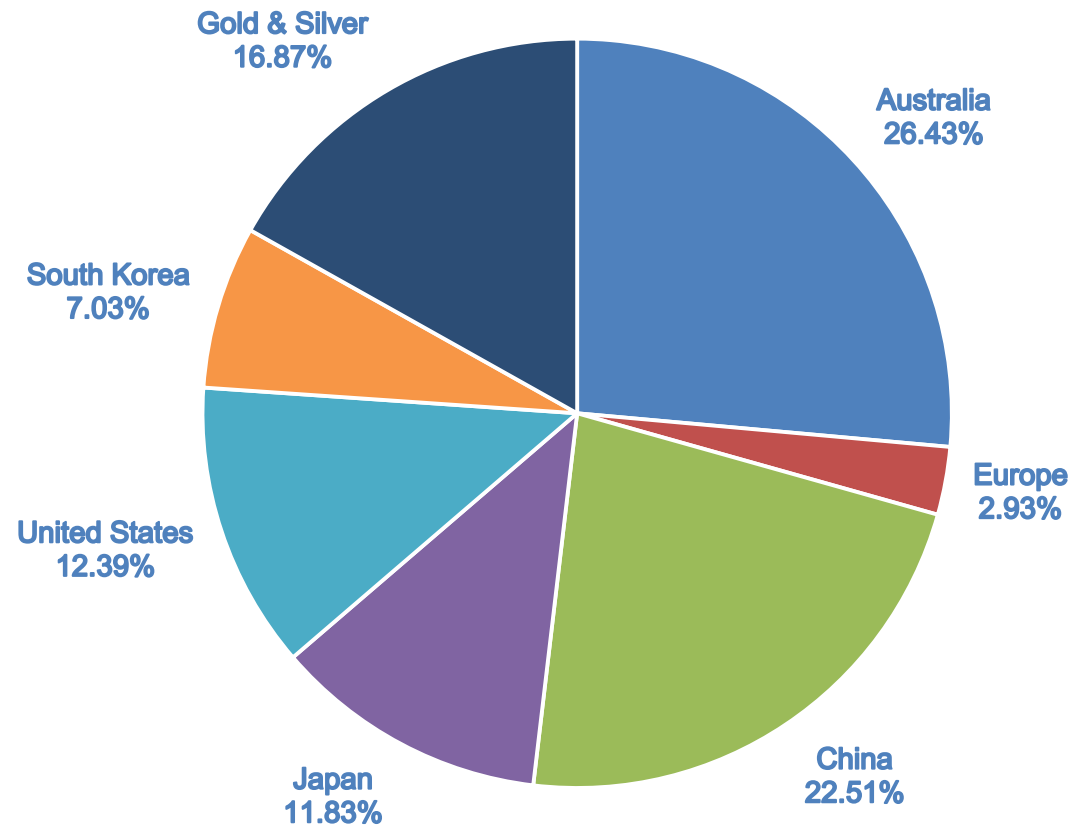


# Thematic Trades For 2021

1. Short long duration US Treasury Bonds
2. Overweight Japan – an end to deflation
3. “Reopeners” set to play catch up in 2021
4. China first on the road to recovery
5. Precious metals
6. Australia well positioned with materials, copper and nickel
7. Macau gaming to come back strongly

# Breakdown Of The Fund's Assets

GEOGRAPHIC EXPOSURE AS AT 31 OCTOBER 2020





# Top Ten Holdings – October 2020

<b>Top 10 Holdings</b>	<b>Country</b>	<b>31-Oct-20</b>
Collins Foods	Australia	10.13%
Alibaba Group Holdings	China	6.13%
Domino's Pizza	Australia	5.63%
Global X Silver Miners ETF	United States	5.31%
Tencent Holdings	China	4.60%
Nintendo	Japan	4.00%
LG Household & Health Care	South Korea	3.99%
Samsung Electronics	South Korea	3.76%
Sony Corp	Japan	3.75%
Powerhouse Energy Group	United Kingdom	3.23%

# Stock In Focus – Power House Energy



# Japan Is Coming Back Into Fashion As An Investment Destination

## Nikkei 225 – 1985 to 2020



# Contact Details

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