



## ASX ANNOUNCEMENT

4 December 2020

### Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 2<sup>nd</sup> December 2020

The estimated pre-tax NTA per share for the Fat Prophets Global Contrarian Fund as at 2 December 2020 is as follows:

#### Month to date NTA

	Amount (\$)
Pre-Tax NTA (as at 2 December 2020)	1.3483
Pre-Tax NTA (as at 30 November 2020)	1.3072
Change in NTA (30 November to 2 December 2020)	3.14%

For the period from 30 November to 2 December 2020, the Fund recorded an increase in estimated pre-tax NTA from \$1.3072 to \$1.3483, for a gain of 3.14%. The Fund has got off to a solid start in December and estimated pre-tax NTA is at the highest level since inception.

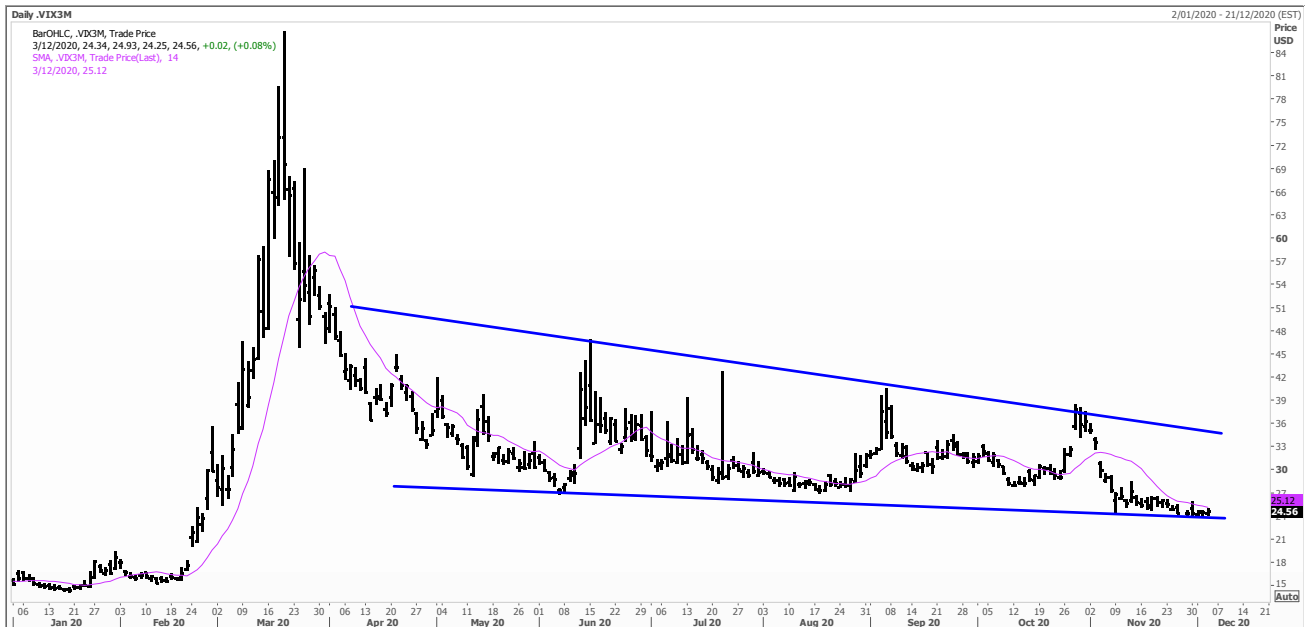
#### Portfolio Changes and Market Outlook

The Fund opened November with a solid start boosted by strong performances from core holdings including **Collins Foods, Domino's Pizza, Proshare UltraShort Bond ETF, and the Global Silver Miners ETF as precious metals prices rebounded.** Collins Foods released strong earnings earlier this week and provided a confident outlook for next year. Domino's Pizza Enterprises also provided a solid update and was upgraded by Goldman Sachs to a high conviction Buy. Rising longer dated interest rates in the US saw the Fund benefit from a short bond duration position, and Samsung Electronics delivered a solid earnings beat.

While the stalemate in Washington continues over the next **fiscal stimulus package, stock markets have run hard, and we are increasingly cautious in our near term outlook, particularly given the rise in 10 year bond yields, which at some point could pressure the US stock market.** We significantly reduced leverage last month, booking profits across the portfolio.

Reflecting our near term caution on the market, last week we established a new position, **buying volatility futures for the Fund.** While markets have risen strongly in November and into December, the VIX has fallen back sharply towards almost complacent levels. We were able to buy volatility for the Fund at an attractive entry point, and the Fund will benefit from any rise in near term risk aversion in the event financial markets succumb to a correction.

## VIX continuous futures have fallen to levels last seen in February



Angus Geddes  
Chief Investment Officer  
**Fat Prophets Global Contrarian Fund**