

# NTA & Investment Update

AT 28 FEBRUARY 2021

## NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	28 Feb <sup>3</sup>	31 Jan
<b>NTA per share<sup>1</sup></b>	<b>\$8.14</b>	<b>\$8.08</b>
<b>NTA per share after unrealised tax provision<sup>2</sup></b>	<b>\$7.13</b>	<b>\$7.11</b>

<sup>1</sup> After all costs, including any tax payable.

<sup>2</sup> As required under the ASX Listing Rules, theoretical NTA per share after providing for estimated tax on unrealised gains/losses in the portfolio. That is, after tax that may arise if the entire portfolio was sold.

<sup>3</sup> These figures are after provision for the interim dividend of 14.0 cents per share.

## MARKET COMMENTARY

Australian shares rose for the fifth consecutive month in February with the S&P/ASX200 Accumulation Index ending the month +1.5% higher. The February financial reporting season was unanimously touted as the best in many years. A majority of companies delivered better-than-expected profit results as earnings growth has returned faster than previously forecast. Reporting season also demonstrated that dividends are recovering. Many companies delivered significant dividend increases, notably miners exposed to soaring commodity prices, retailers and other COVID 'winners'.

Banks were the best performing stocks in February buoyed by earnings 'beats' and the downward revision of impairment costs. Towards the end of February rising inflation expectations tempered optimism somewhat across equity markets in Australia and globally. Technology stocks were the worst performers in February as a confluence of factors including rising bond yields, earnings downgrades and stretched valuations saw investors reduce their exposure to the sector. We maintain a generally optimistic outlook, although we acknowledge that coronavirus-related challenges continue to face the economy.

## PORTFOLIO

### Top 20 investments\*

	%		%
BHP	6.1	Ramsay Health Care	2.3
Macquarie Group	5.8	Woolworths	2.2
CSL	4.9	Aust. United Investment	1.9
Rio Tinto	4.4	Sonic Healthcare	1.9
Westpac	4.3	Transurban	1.8
Wesfarmers	4.1	APA	1.8
CBA	4.1	Aristocrat Leisure	1.7
ANZ	3.8	Sydney Airport	1.6
NAB	2.4	Reece	1.6
Telstra	2.4	Amcor	1.5
<b>Cash and term deposits</b>	<b>2.9</b>	<b>Top 20 equity investments</b>	<b>60.6</b>

## ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$6.0bn
Shareholders	94,000
Dividend yield <sup>^</sup>	3.3%
MER	0.15%

<sup>^</sup> Historical yield of 4.8% (including franking) based on dividends paid over the last 12 months.

## COMPANY OVERVIEW

One of Australia's oldest and largest listed investment companies (LICs), Argo provides exposure to a professionally managed, diversified portfolio of ASX-listed companies.

## COMPANY OBJECTIVE

Maximise long-term returns to shareholders through a balance of capital and dividend growth, by investing in a diversified Australian equities portfolio which is actively managed in a tax-aware manner within a low-cost structure.

## INVESTMENT APPROACH

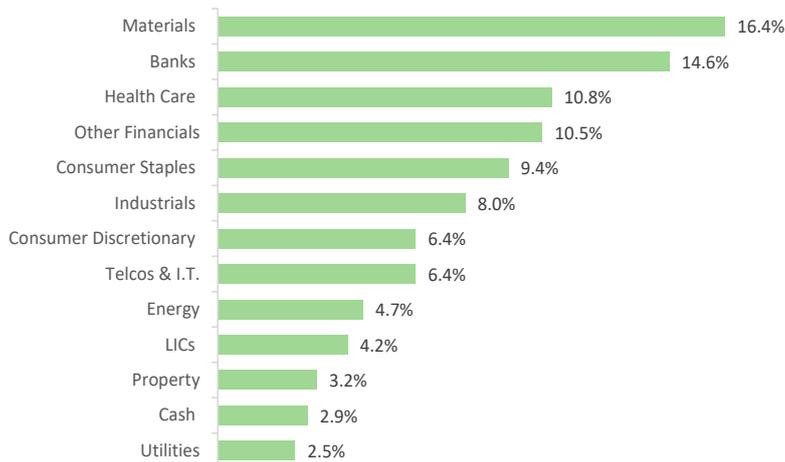
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

## INVESTMENT TEAM

Jason Beddow	Managing Director
Andy Forster	Senior Investment Officer
Brydie Lloyd-Roberts	Analyst
Colin Whitehead	Analyst
Paul Frost	Analyst
Andrew Moller	Analyst

## PORTFOLIO

### Sector diversification\*



\* As a percentage of investment portfolio.

## COMMSEC EXECUTIVE SERIES



Managing Director, Jason Beddow, recently discussed company valuations and finding attractively priced stocks.

Click image or watch [here](#).

## ARGO SHAREHOLDER BENEFITS



### Low-cost, internally managed

Internal management structure ensures low operating costs and no external fees



### Fully-franked, sustainable dividends

Dividends paid every year since inception in 1946 and fully franked since 1995



### Diversified and administratively simple

Exposure to a highly diversified portfolio of Australian equities through a single ASX trade



### Experienced board and management team

Highly experienced board and management team with strong governance and culture



### Long-term, proven investment approach

Resilience and growth through various market cycles and conditions over almost 75 years



### Strong balance sheet with no debt

Conservatively managed investment with a strong balance sheet and no debt

## HOW TO INVEST

Argo Investments is listed on the Australian Securities Exchange (ASX) under the ASX code 'ARG'. To become a shareholder, simply buy shares through your stockbroker, online broker, financial adviser or platform.

## CONTACT US

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## SHARE REGISTRY ENQUIRIES

BoardRoom Pty Limited

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