



ASX ANNOUNCEMENT

15 October 2021

Fat Prophets Global Contrarian Fund (ASX Code FPC) Estimated Pre-Tax NTA 13th October 2021

The estimated pre-tax NTA per share for the Fat Prophets Global Contrarian Fund as at 13 October 2021 is as follows:

	Amount (\$)
Pre-Tax NTA (as at 13 October 2021)	1.3581
Pre-Tax NTA (as at 30 September 2021)	1.3623
Change in NTA (30 September 2021 to 13 October 2021)	-0.31%

For the period from 30 September to 13 October 2021 the Fund recorded a 0.31% decrease in estimated pre-tax NTA from \$1.3623 to \$1.3581, which was materially less than broader falls in the major indices. The Fund's hedging helped drive relative performance as did the higher weighting in cash.

Portfolio Changes and Market Outlook

The Fund has begun to add back equity exposure. Holdings in **BHP, Nintendo, Daikin, Sony and Beston Global Food Group** were added to since our last update, along with the Japanese banks including **Sumitomo Mitsui Financial Group, Mitsubishi UFJ** and **Chiba Bank**. The Fund also established new positions in **Domino's Pizza Group (UK)**, Japanese regional bank **Resona Holdings, Alps Alpine, Rio Tinto** and the US-listed **Invesco Agricultural ETF**, which holds a basket of agricultural commodities that includes, coffee, wheat, soybeans and sugar.

Many agricultural commodities have corrected sharply this year, but we are of the view that the sector is in a bull market. The Fund's agricultural commodity exposure effectively provides asymmetrical risk away from the equity market, which lowers portfolio risk and complements existing physical exposure to platinum and uranium.

Whilst we continue to adopt a cautious and defensive stance, risks are still elevated as we head into the September earnings season. The bar of expectation remains high for expensive growth and internet stocks that are priced to perfection, thus skewing risk towards these sectors in the market.

Angus Geddes
Chief Investment Officer
Fat Prophets Global Contrarian Fund