

# Net Tangible Assets & Monthly Investment Report

30 NOVEMBER 2021

## Simple ideas, simple businesses

Building long term wealth by finding and exploiting investment anomalies around the world

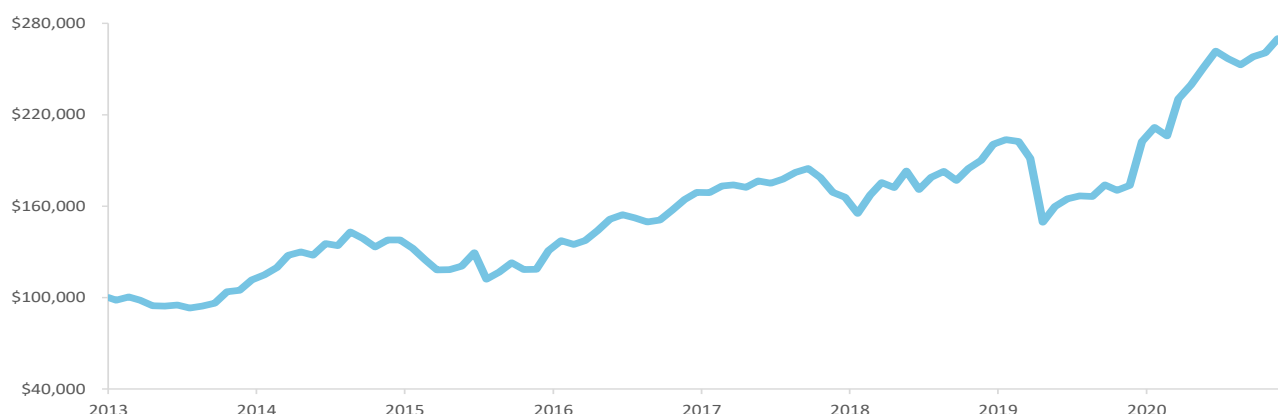
We are delighted to be the Zenith Fund Awards 2021 Winner for International Equities - Alternative Strategies



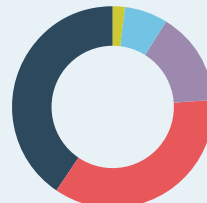
Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) <sup>1</sup>	November 2021	Company performance (net of fees) <sup>2</sup>	1 Month	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	Since inception p.a.	Total Return	Gross Dividend Yield (p.a.) <sup>3</sup>
NTA before tax accruals	\$ 1.6002	PM Capital Global Opportunities Fund	-3.2%	29.1%	16.4%	14.8%	12.9%	12.8%	161.3%	8.9%
NTA after tax (excluding deferred tax assets)	\$ 1.4933									

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.

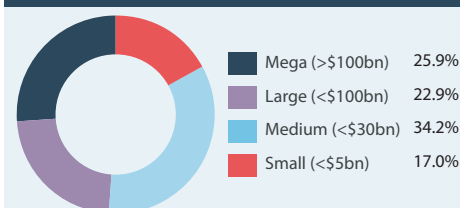
### Portfolio performance, growth of AUD \$100,000\*



\* Excludes the impact of: Changes in ordinary share capital (i.e., option exercise, DRP); Dividends; and Tax paid. After all costs and expenses, including (but, not limited to): management fees; listing fees; registry costs; audit costs; and directors' fees (but, excluding tax).

Portfolio investments	Weighting <sup>^^</sup>	Current stock example	Domicile of listing <sup>^</sup>
Housing - Ireland and Spain	9.0%	Cairn Homes	 <ul style="list-style-type: none"> <li>Europe 40.5%</li> <li>North America 35.5%</li> <li>UK 15.1%</li> <li>Aisa (ex-Japan) 6.7%</li> <li>Australia 2.2%</li> </ul>
Global Domestic Banking	35.1%	Bank of America	
Gaming - Macau	7.8%	MGM China holdings	
Alternative Investment Managers	7.8%	Apollo Global Management	
Industrial - Europe	8.7%	Siemens	
Materials	19.0%	Freeport-McMoRan	
Energy	9.9%	Royal Dutch Shell	
Other	12.3%		
<b>Long Equity Position</b>	<b>109.6%</b>	<b>Currency exposure<sup>^^^</sup></b>	<b>100%</b>
Direct Short Position	-4.1%	AUD	44.4%
Index Short Position	-21.0%	USD	28.5%
Net Invested Equities	84.5%	EUR	14.3%
		GBP	7.5%
		Other	5.3%
Total holdings	46		

### Investments by Market Capitalisation (USD)<sup>\*\*\*</sup>



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

<sup>\*\*\*</sup> Breakdown of portfolio's long equity holdings into market cap. bands.

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

<sup>\*\*</sup> Based on share price as at 30 November 2021, and the dividend guidance issued to the ASX on 12 August 2021. The intended fully franked dividend is subject to there being no material adverse changes in market conditions and the investment performance of the Company's portfolio. The Company's ability to continue paying fully franked dividends is dependent on the payment of tax on investment profits and there can be no guarantee that such profits will be generated in the future.

## Company commentary

### • Omicron dominates market's moves over the month

Markets had a sharp sell-off in the last few days of the month as the World Health Organisation announced a new Covid-19 variant of concern, Omicron.

Our European bank holdings were weak on lower interest rates. Ironically, in the same month the German ten-year bond yield declined from roughly negative 15 to negative 35 basis points, German consumer price inflation (CPI) rose 5.2% year-on-year, the highest rate in three decades. While difficult to rationalise the move in interest rates, bank earnings ultimately struggle in this environment as lower rates squeeze spreads on both their lending and liquid asset books. In the United States this dynamic is also true

but not to the same extent, due to the banks having larger fee-based businesses.

The Australian dollar also weakened to its lowest level relative to the US dollar over the last twelve months. The United States dollar may be the driving factor as we note other commodity and industrial currencies such as the Canadian dollar and Swedish krona exhibit similar behaviour even though commodity prices and industrial activity have been reasonably strong relative to history. Our Australian dollar exposure does not cost us per se but rather we do not capture the full benefit of stronger foreign currencies on our foreign holdings.

#### Top 10 stocks

Stock name	Sector
Apollo Global Management	Alternative Investment Managers
Bank of America	Banks
Freeport-McMoRan Copper	Metals & Mining
Howard Hughes	Real Estate
ING Groep	Banks
Lloyds Banking Group	Banks
Royal Dutch Shell	Energy
Teck Resources	Metals & Mining
Wells Fargo & Company	Banks
Wynn Resorts	Consumer Services

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 (proforma - not actual) total pre-tax return of 980% vs the MSCI World Net Total Return Index (AUD) of 298% to 30 November 2021.

#### Manager's comparable track record



PM Capital Limited, founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long term wealth by investing in global markets with patience and conviction.

## Further Information: Investment Manager Representative Contacts

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## Key Company Details

#### ASX Code

PGF

#### ACN

166 064 875

#### Trading commenced

12 December 2013

#### Shares on issue

390,784,759

#### 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. See the ASX Company Announcements platform at [www.asx.com.au](http://www.asx.com.au) for further information. Announcement authorised by: Richard Matthews - Company Secretary

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