

NTA & Investment Update

AT 30 APRIL 2021

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	30 Apr	31 Mar
NTA per share¹	\$8.66	\$8.41
NTA per share after unrealised tax provision²	\$7.50	\$7.33

¹ After all costs, including any tax payable.

² 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.

MARKET COMMENTARY

Australian shares rose strongly in April with the S&P/ASX Accumulation Index increasing +3.5% to post its seventh consecutive month of gains. Markets were driven higher by further evidence of economic recovery and surging commodity prices. Labour force data surprised to the upside with unemployment falling markedly, despite the end of JobKeeper.

Investors were also buoyed by remarks made by Australian Treasurer, Josh Frydenberg, which will see the government delay budget repair until unemployment “remains below 5%”, rather than “comfortably below 6%” as previously stated. Attention has now turned to the Federal Budget on 11 May with the government expected to be in a better fiscal position than earlier forecast due to the efficacy of stimulus measures and the record iron ore price.

We are becoming increasingly optimistic about the outlook as company earnings and dividends recover quickly. Consumer and business confidence are strong with recent bank results announcements pointing to a strong economic recovery.

PORTFOLIO

Top 20 investments*

	%		%
Macquarie Group	6.4	Ramsay Health Care	2.3
BHP	5.9	Sonic Healthcare	2.2
CSL	4.9	Woolworths	2.2
Wesfarmers	4.4	Aristocrat Leisure	2.1
Westpac	4.4	Aust. United Investment	2.0
CBA	4.3	Transurban	1.9
Rio Tinto	4.1	Reece	1.9
ANZ	4.1	APA	1.9
NAB	2.6	Sydney Airport	1.6
Telstra	2.6	Eagers Automotive	1.5
Cash and term deposits	1.9	Top 20 equity investments	63.3

ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$6.3bn
Shareholders	94,000
Dividend yield [^]	3.2%
MER	0.15%

[^] Historical yield of 4.6% (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

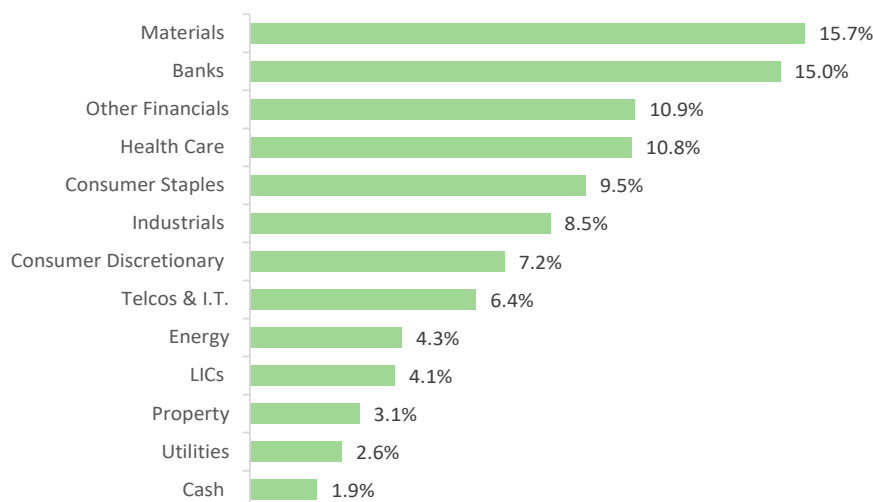
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

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.

HOW TO INVEST

Argo is listed on the Australian Securities Exchange (ASX) under the ASX code 'ARG'.

To become an Argo shareholder, simply buy shares through your stockbroker, online broker, financial adviser or platform.

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 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.

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