

# NTA & Investment Update

AT 30 JUNE 2021

## NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	30 June	31 May
<b>NTA per share<sup>1</sup></b>	<b>\$9.01</b>	<b>\$8.80</b>
<b>NTA per share after unrealised tax provision<sup>2</sup></b>	<b>\$7.78</b>	<b>\$7.62</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.

*The above figures are subject to audit.*

## MARKET COMMENTARY

Australian shares finished the fiscal year strongly with the S&P/ASX 200 Accumulation Index increasing +2.3% to record its ninth consecutive monthly gain. Despite a resurgence of COVID-19 cases, optimism prevailed, underpinned by further evidence of a rapid economic recovery, strong iron ore prices and the RBA's continued commitment to accommodative monetary policy.

Gains were widespread with almost all market sectors rising in June. Technology companies were the best performers (+13.4%) after posting steep falls in May. Consumer discretionary stocks also rose (+4.5%) amid robust confidence and falling unemployment.

With the economy rebounding considerably faster than expected, the Australian share market delivered a remarkable +27.8% return for the financial year, one of its strongest performances in decades. Earnings expectations have also recovered and company balance sheets are generally robust. The outlook remains broadly positive over the medium-term, notwithstanding the short-term disruption from the unfolding coronavirus outbreak in New South Wales.

## PORTFOLIO

### Top 20 investments\*

	%		%
Macquarie Group	5.8	Sonic Healthcare	2.2
BHP	5.6	Aristocrat Leisure	2.0
CSL	4.8	Aust. United Investment	2.0
Wesfarmers	4.5	Reece	2.0
CBA	4.2	Woolworths	2.0
Rio Tinto	4.0	Ramsay Health Care	2.0
ANZ	3.5	Transurban	1.8
Westpac	3.3	APA	1.6
Telstra	2.7	Eagers Automotive	1.5
NAB	2.4	Sydney Airport	1.4
<b>Cash and term deposits</b>	<b>2.7</b>	<b>Top 20 equity investments</b>	<b>59.5</b>

## ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$6.5bn
Shareholders	94,000
Dividend yield <sup>^</sup>	3.1%
MER	0.14%

<sup>^</sup> Historical yield of 4.5% (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

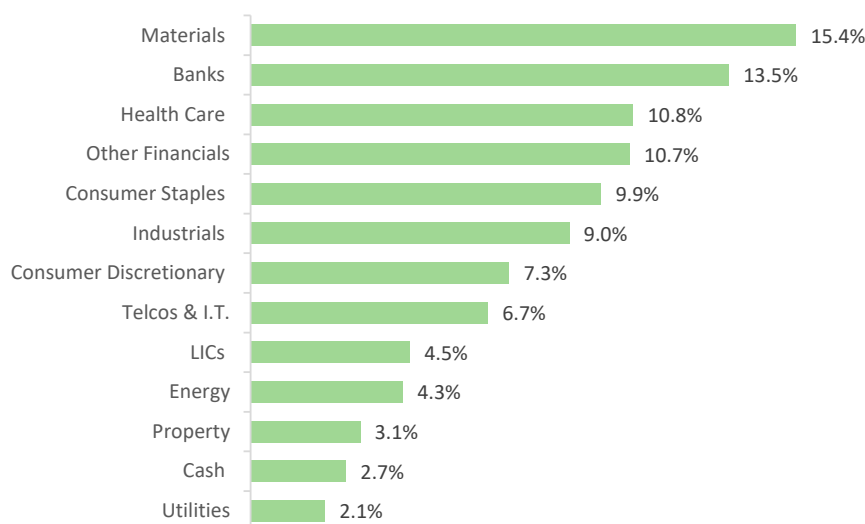
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

## 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

### CONTACT US

W [argoinvestments.com.au](http://argoinvestments.com.au)

T 08 8210 9500

E [invest@argoinvestments.com.au](mailto:invest@argoinvestments.com.au)

A Level 25, 91 King William St. Adelaide SA 5000

### SHARE REGISTRY ENQUIRIES

BoardRoom Pty Limited

W [investorserve.com.au](http://investorserve.com.au)

T 1300 350 716

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