

FOLLOW THE HERD  
**OR HUNT IT.**



**fatPROPHETS**  
GLOBAL CONTRARIAN FUND LTD

# **CONTRARIAN** *(NOUN)*

A contrarian is a person who deliberately behaves in a way that is different from the people around them.

# **INFLECTION** *(NOUN)*

A time of significant change in a situation; a turning point.



# FPC Annual General Meeting & Share Holder information session.

MR MICHAEL GALLAGHER – CHAIRMAN

- Introductory remarks
- AGM Open
- Formal business
- Resolutions
- AGM Close
- Shareholder information session – Mr Angus Geddes

# Board of FPC

## INDEPENDENT CHAIRMAN

### Michael Gallagher

Mr Michael Gallagher was appointed Chairman of the Board in November 2016. Michael has over 25 years investment experience.



Currently Michael is the Australian Director of the Alternative Investment Management Association (AIMA), the global industry representative body for Alternative Fund Managers. Michael co-founded Kima Capital, an Australian based funds management business, in 2009 which he later moved to Hong Kong before it was acquired in 2014. Michael has also headed Equity Trading, Derivative and Funds Management businesses since 1995 for Rand Merchant Bank and Macquarie Bank in Australia, South Africa and the UK.



### Angus Geddes - CEO

Angus founded Fat Prophets in 2000 after moving from JB Were and Bankers Trust where he was a financial advisor. He has evolved Fat Prophets to an international platform with a very wide spread of clients, significant assets under management, and a long track record in value added strategies for investment portfolios on both a domestic and global basis across multiple asset classes.

## INDEPENDENT DIRECTOR

### Katrina Vanstone

Katrina has worked in financial markets for 30 years, both in Australia and offshore, including such leading organisations as HSBC and Deutsche Bank.



Katrina has extensive experience in foreign exchange, interest rates and credit markets across asset and liability portfolios. She has held roles in trading, sales and syndication. She has extensive experience in the wholesale debt and derivative markets with strong product knowledge across capital structures and debt raisings, risk management and hedging, and cash and currency management.

# CAPITAL RAISING AND LISTING

- Raised \$48.7 Million (well above \$33 Million sought)
- Listed 22<sup>nd</sup> March 2017
- FP Group waived stamping fees
- NTA on listing \$1.0811
- Board is very happy with FP Funds management adherence to the mandate as set out in the prospectus.



# FINANCIAL RESULTS – June 30<sup>th</sup> 2017

- Pretax profit \$0.222 Million
- Net profit after tax \$0.150 Million
- Initial listing costs partially recouped
- NTA \$1.0917 (Plus loyalty option; March 22<sup>nd</sup> 2018)
- Current market cap \$52.0m; Share price \$1.17
- NTA (Oct 17); \$1.1736 pre tax.

# FPC Annual General Meeting

MICHAEL GALLAGHER – CHAIRMAN

- AGM Open
- Formal business
- Resolutions
- AGM Close

# SHARE HOLDER INFORMATION SESSION

- MR ANGUS GEDDES – CEO Fat Prophets

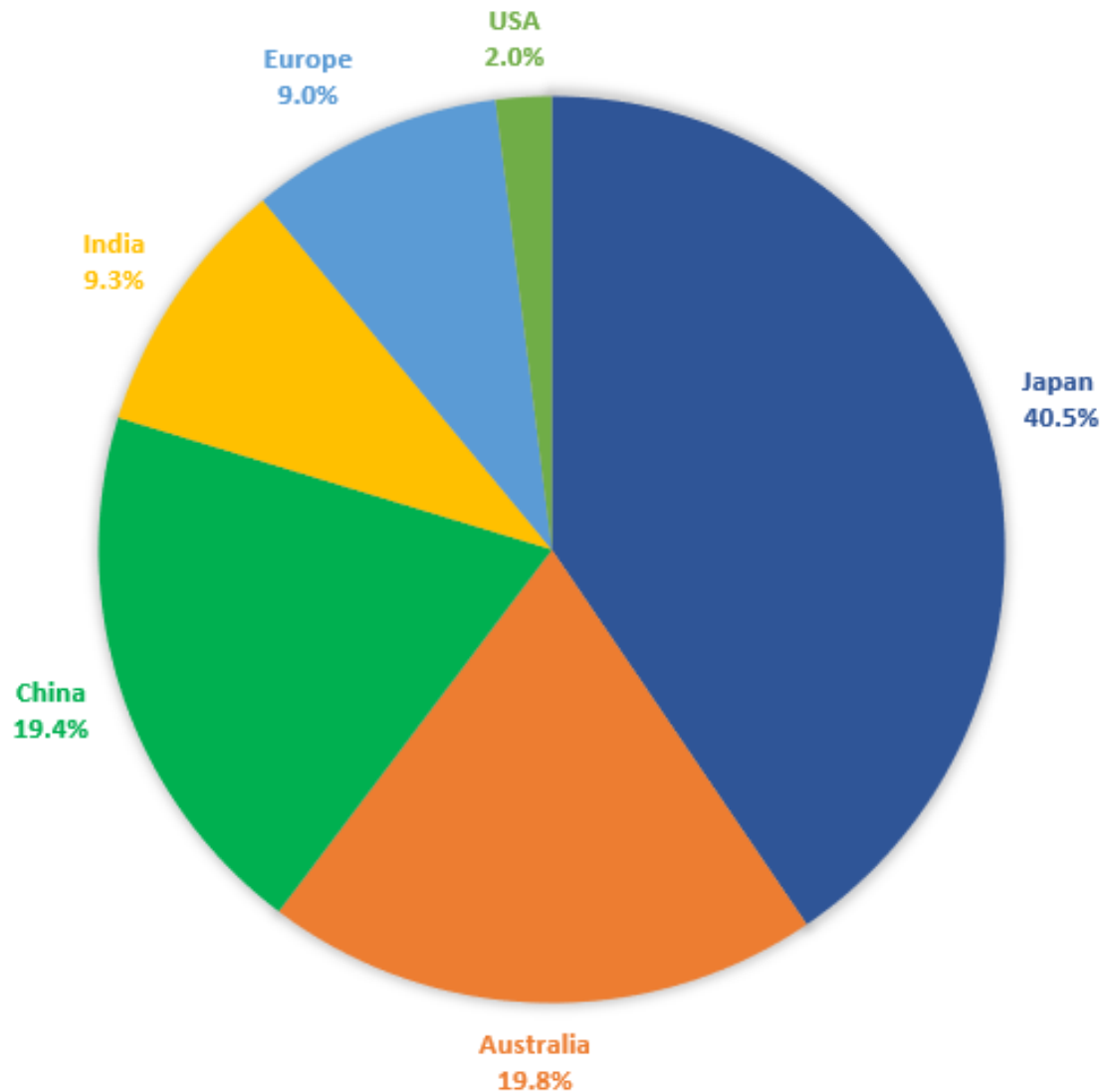


# Information about the Fund

Top 10 Holdings	31 October 2017	Country
BAIDU INC	9.1%	China
MGM CHINA HOLDINGS LTD	6.3%	China
FAIRFAX MEDIA LTD	6.3%	Australia
WYNN MACAU LTD	6.3%	China
QBE INSURANCE	6.2%	Australia
RELIANCE INDUSTRIES LTD	5.7%	India
SUMITOMO MITSUI FINANCIAL GROUP	5.6%	Japan
SONY CORP	5.4%	Japan
MITSUBISHI UFJ FINANCIAL GROUP	5.0%	Japan
NIPPON TELEGRAPH AND TELEPHONE CORP	4.0%	Japan

# Information about the Fund

**GEOGRAPHIC EXPOSURE as at 31 OCTOBER 2017**

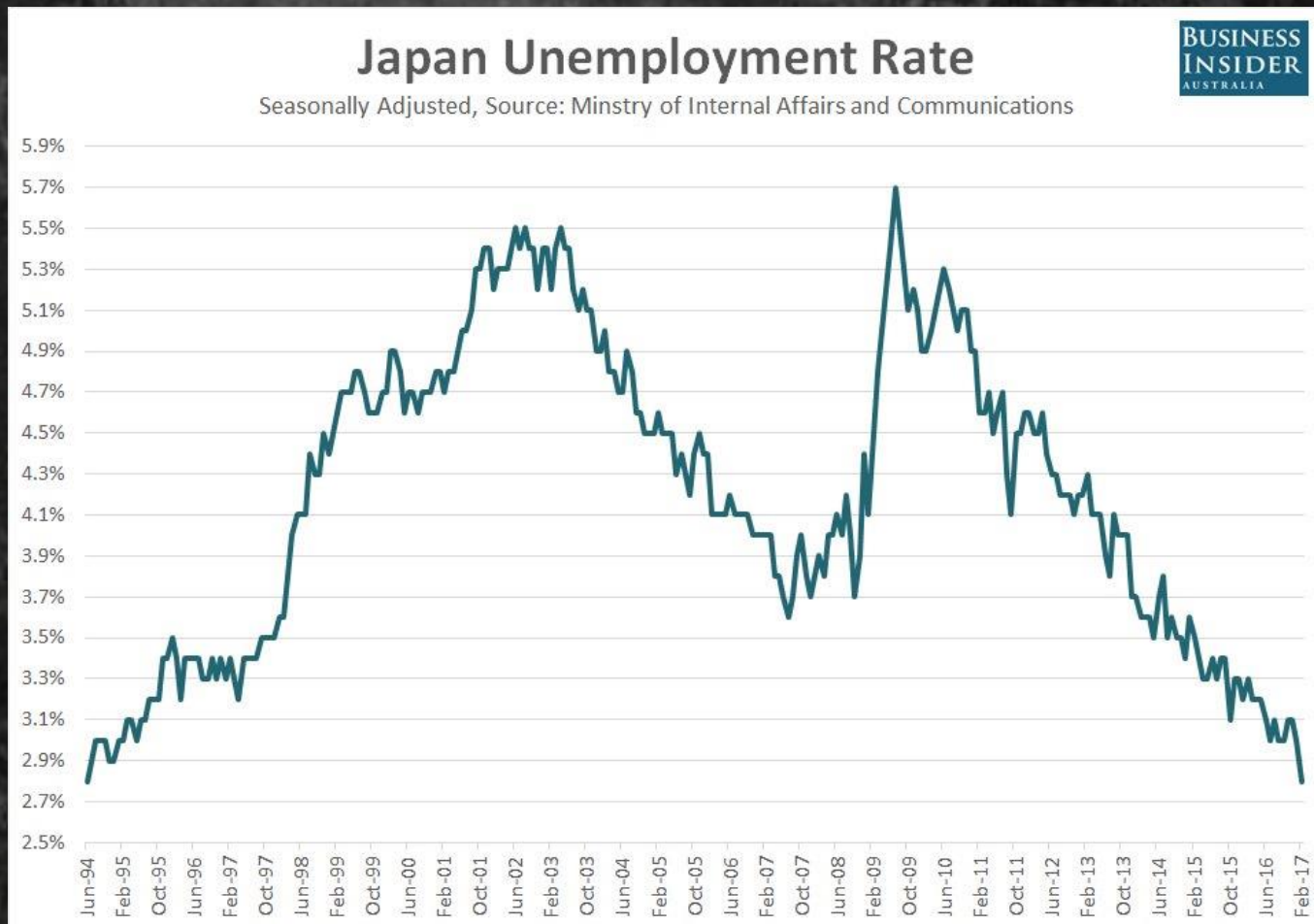


# Japan's economic recovery – Nikkei 87 - 2007





# Japan unemployment at historic lows



# Economy growing the most in 20 years



# Exposure across Japan

- Robotics – FANUC and SMC
- Electronics – Murata, Minebea, Nissha
- Banking – Mitsubishi UFJ, SMFG, Mizuho + regionals
- Telecommunications – NTT
- Consumer Electronics – Sony
- Life Insurance – Dai-ichi
- Property – Mitsui Fundosan
- Chemicals – Sumitomo Chemical



# Japan rates at an inflection point



# Thomsen Reuters Japan Financials

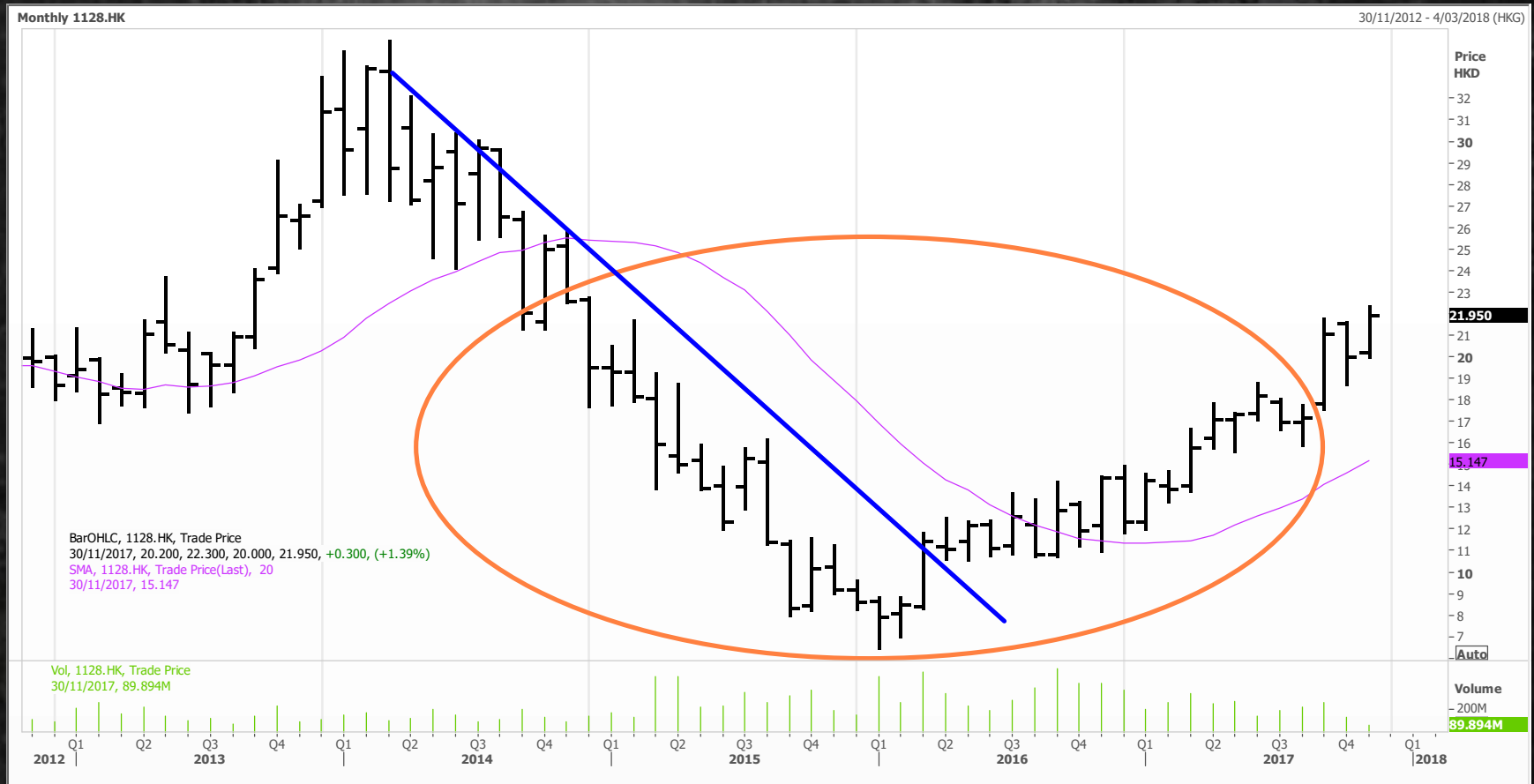


# Baidu – AI

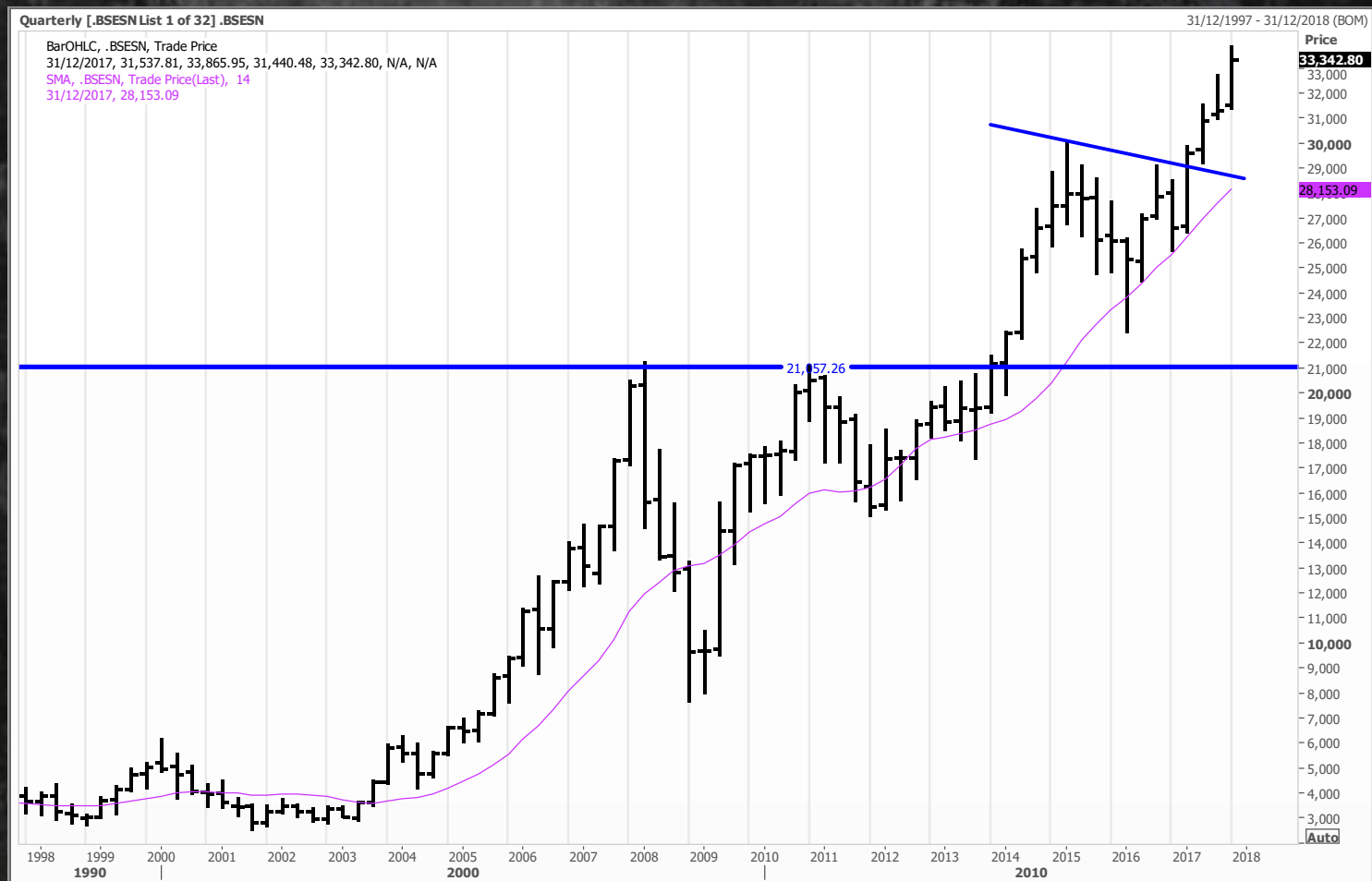




# Wynn Macau



# India's bull market



# Indian stocks

- Reliance Industries – conglomerate rolling out 4G mobile network, Jio
- HDFC Bank – fast growing retail bank
- ICICI Bank – Government recapitalisation to turbo charge growth
- State Bank of India

# Europe - Volkswagen





# Australia

- ASX200 above 6000 for first time in 10 years
- Mantra takeover
- Fairfax / Domain
- QBE Insurance
- Collins Foods

# Heidelberg Cement



# Outlook 2018

- Next year volatility to return
- Rates will move higher in line with wage inflation
- Financials globally to outperform
- Precious metals could do well

# Contact Details

Fat Prophets Funds Management  
Investment manager  
Angus Geddes  
CIO  
02 9024 6706  
Angus.Geddes@fatprophets.com.au

Fat Prophets Global Contrarian Fund  
Company  
Michael Gallagher  
Chairman  
0412 224 400  
Michael@spinnakerinvest.com

Fat Prophets Funds Management  
Portfolio Manager  
Simon Wheatley  
0429 910999  
Simon.Wheatley@fatprophets.com.au



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