

## Fat Prophets Global Contrarian Fund (FPC) announces a Disclosure pursuant to ASX Listing Rule 4.12

Dear Shareholders,

The estimated net tangible asset backing decreased in March 2023 with pre-tax and post-tax NTA decreased **5.43% and 3.63% to \$1.0047 and \$1.0578 respectively**. At the end of March, cash held was 38.86% of the portfolio with net exposure being 24% due to hedging in place via a short S&P500 futures position.

	31-March-2023	28-February-2023	Change
Pre-Tax NTA	\$1.0047	\$1.0624	-5.43%
Post-Tax NTA	\$1.0578	\$1.0977	-3.63%

### MARKET OUTLOOK AND PORTFOLIO PERFORMANCE

March was a negative month for the Fund with underperformance primarily accruing from the portfolio's Japanese bank exposure. The turmoil within the US banking sector began abruptly following the collapse of two regional banks. The crisis soon spread to the global banking sector and Japan was not immune, despite little sign of contagion. Bond yields fell sharply during the month as markets recalibrated the prospects for a more dovish Fed.

Hedging in the portfolio also cost the Fund in terms of performance as the S&P500 rallied on narrow breadth, primarily driven by a few technology stocks. Precious metals had a much better performance as the US dollar weakened and gold lifted to near historic highs. We continue to see value in the sector, and particularly in Australian gold producers after spot A\$ prices topped A\$3000oz for the first time on record. The coal sector behaved in a similar pattern last year before the market finally recognised the cash generative activity within the sector and responded with a swift rerating.

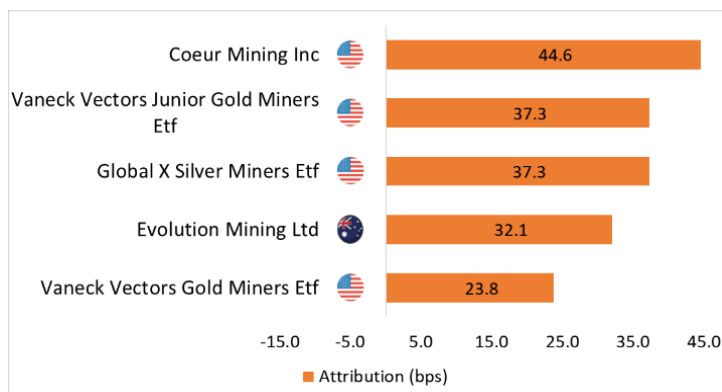
### KEY METRICS

Gross Assets	Cash	Current Net Exposure (5/04/23 estimate)
\$34.39M	38.86%	24%

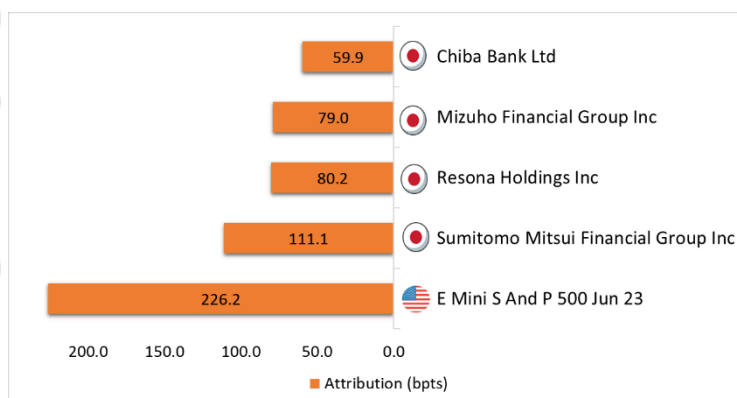
Dividend yield is calculated based on closing share price as of 29/07/2022

## POSITIVE ATTRIBUTIONS

Precious metals finally began performing with gold prices hitting near record levels. US dollar weakness was one catalyst. central bank buying has been another. **Evolution Mining** rebounded strongly from oversold levels, and as spot A\$ gold prices surged above \$3000oz. The US listed ETFs also performed strongly from a recovery in the sector.



## NEGATIVE ATTRIBUTIONS



The **portfolio hedge (via short S&P500 futures)** detracted from performance as the S&P500 rallied in March. The rally however lacked breadth, being driven by a handful of mega-cap technology stocks as investors rotated away from US financials. Japanese banks weighed heavily on the portfolio as contagion from the US regional banks spread to the rest of the world. **Sumitomo Mitsui, Resona, Chiba and Mizuho** all fell sharply despite the

Japanese banks being much more insulated.

## TOP 10 HOLDINGS

Top 10 Holdings	Country	31 March 2023
Sumitomo Mitsui Financial Group	Japan	7.97%
Newcrest Mining Limited	Australia	5.57%
Evolution Mining Ltd	Australia	4.54%
Northern Star Resources	Australia	4.30%
Resona Holdings Inc	Japan	4.01%
Chiba Bank Ltd	Japan	3.21%
Telstra Group Ltd	Australia	3.07%
Mizuho Financial Group	Japan	3.06%
Global X Sil Min ETF	United States	3.00%
Mitsubishi UFJ Financial Group	Japan	2.88%

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TYO:  
8316

ASX:  
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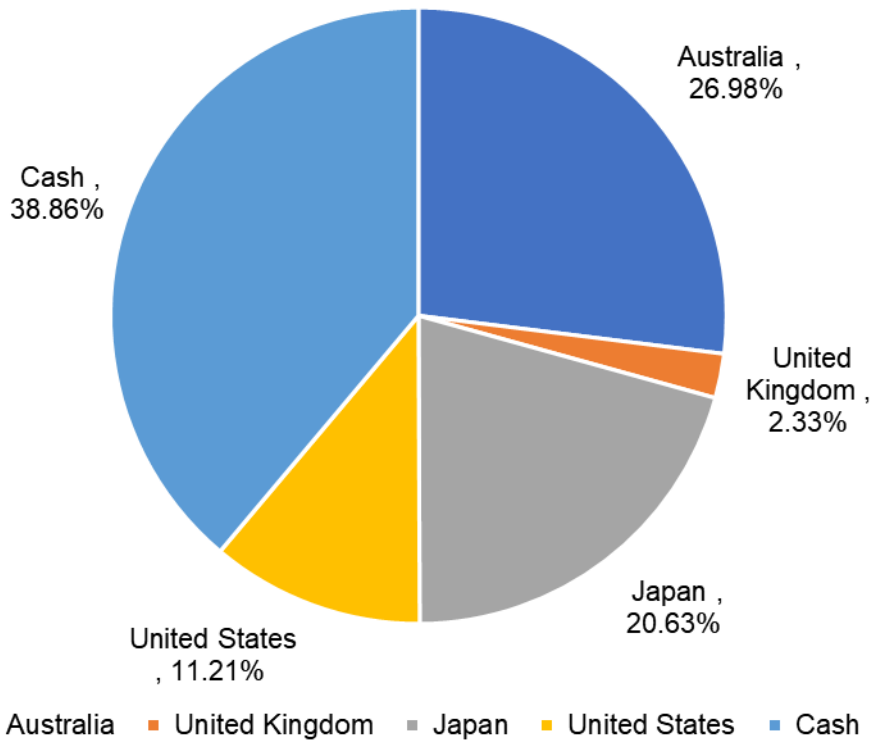
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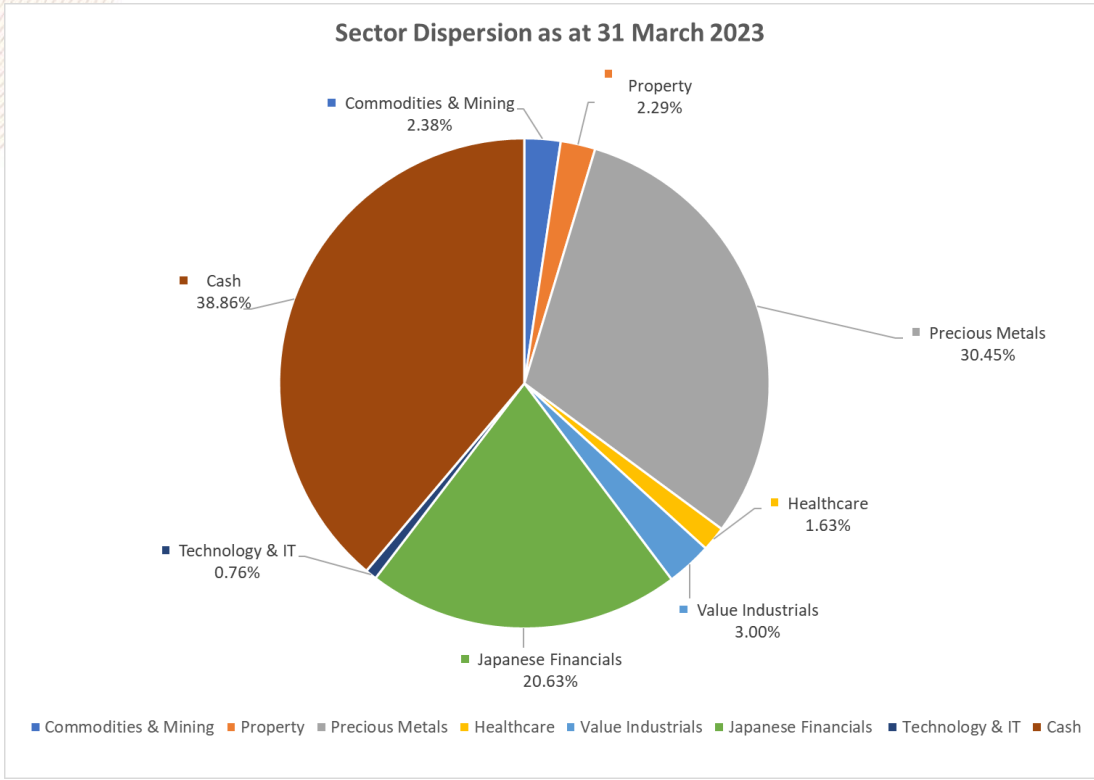
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8306

**Geographic Exposure as at 31 March 2023**



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Angus Geddes  
Chief Investment Officer  
**Fat Prophets Global Contrarian Fund**

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