

Fat Prophets Global Contrarian Fund (ASX Code FPC)
Estimated Pre-Tax NTA 27 September 2023

The estimated pre-tax NTA per share for the Fat Prophets Global Contrarian Fund as at 27th September 2023 was as follows:

| | Amount (\$) |
|--|---------------|
| Pre-Tax NTA (as at 27 September 2023) | 1.0455 |
| Pre-Tax NTA (as at 31 August 2023) | 1.0069 |
| Change in NTA (31 August 2023 to 27 September 2023) | +3.83% |

For the period from 31 August 2023 to 27 September 2023, the Fund recorded a 3.83% increase in estimated pre-tax NTA from \$1.0069 to \$1.0455. The Fund lifted performance in September due to gains in energy and Japanese bank stocks held in the portfolio. The hedge established utilising Nasdaq100 options also delivered positive gains and **provided insulation against what has been the worst performing month for equity markets since March.**

The US yield curve has ratcheted higher with the yield on the 10-year hitting the highest level in over 16 years as oil prices rise in tandem. US equity markets finally seem to be recognising this with mega-cap tech and expensive growth valuations amongst the hardest impacted from the jump in bond yields. We added to energy companies **Paladin and Whitehaven.**

While the corrective selloff in equity markets could have further to go, we took advantage of this week's decline to close out the short Call option leg of the portfolio hedge for a decent profit. We continue to hold the long Put leg **which will provide downside protection for the portfolio until near the end of October.** This insurance has now effectively been established for free. The Fund continues to hold plenty of cash (around 15%) and low net asset exposure, which after hedging is c60%.

The share buyback in FPC has resumed which is NTA accretive for shareholders. However, the Board continues to be focused on reducing the discount to NTA which has narrowed but is still significant at c21.5%.

Angus Geddes
 Chief Investment Officer
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