

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

Dear Shareholders,

The estimated net tangible asset backing declined during June with pre-tax and post-tax NTA **-7.19%** to \$1.2101 and **-5.12%** to \$1.2186 respectively. At the end of June, the Fund had drawn borrowings of 20.41% reflecting portfolio leverage which lifted net exposure to 119.70%.

	30 <sup>th</sup> June 2024	31 <sup>st</sup> May 2024	Change
Pre-Tax NTA	\$1.2101	\$1.3039	- 7.19%
Post-Tax NTA	\$1.2186	\$1.2843	- 5.12%

### MARKET OUTLOOK AND PORTFOLIO CHANGES

The Fund experienced a drawdown in June, primarily due to a correction underway within the resources, uranium and precious metals sectors. The decline followed a strong period for the Fund since the beginning of the year. Since 30 June, the NTA has recovered most of the drawdown as evidenced by the weekly NTA estimate released to the ASX earlier today. Negative performance in June was attributable to corrections in copper, uranium and precious metals amidst what was a stronger US dollar environment.

We continue to believe the US dollar is on the cusp of a weaker cycle with the Fed likely to soon commence easing in September following Thursday's weaker than expected CPI. A weaker dollar will be positive for precious metals and commodities, but also emerging markets where the Fund has exposure to China/Hong Kong.

Uranium was one of the bigger detractors from performance during June with key holdings in Paladin and the Global X Uranium Miners ETF coming under pressure, but this followed strong outperformance over the past year, with a correction expected. We remain committed to our bullish thesis on nuclear energy.

In Japan, our bank and insurance holdings continued to deliver as expectations build for the BOJ to soon commence lifting interest rates. Weakness in yen against the dollar to levels not seen since 1985 are likely to soon force the BOJ's hand which could see interest rate differentials with the US sharply narrow. Bearish bets against the yen have also blown out to levels not seen in years, so an unwind when it finally arrives could prove unruly.

We added **British Telco BT Group** to the portfolio this month, with the view that after a decade of underperformance there is a solid case for a turnaround. We believe BT Group is being significantly undervalued by investors in the UK equity market, which in itself also screens historically cheap. BT is nearing the end of a lengthy and heavy CAPEX cycle, so free cashflow is set to improve dramatically in the years ahead after a big commitment to Fibre investment winds down.

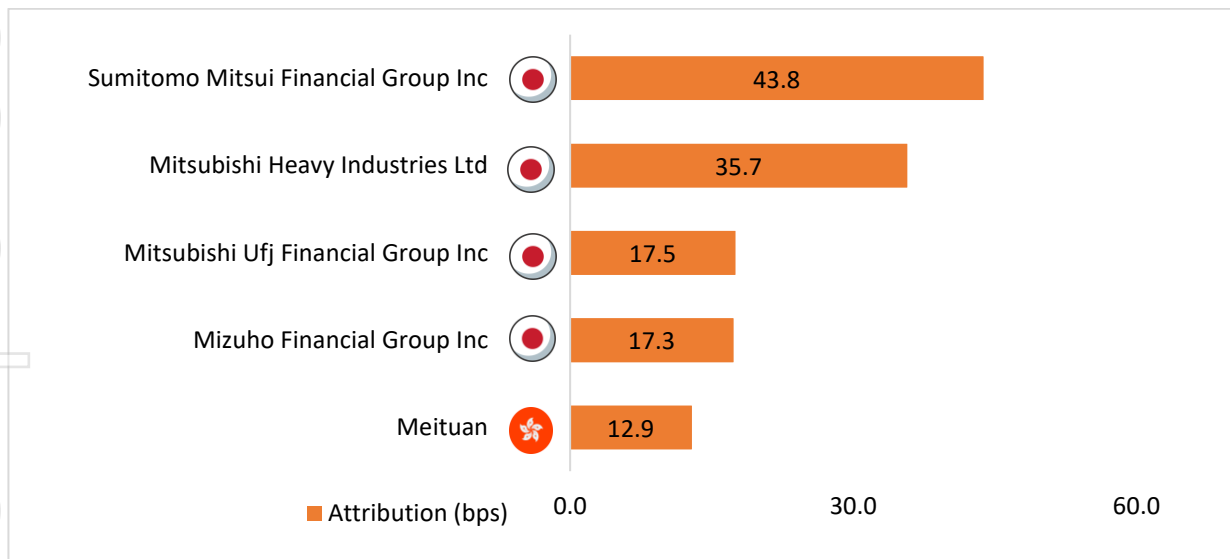
The Telco is well positioned within the UK fixed and mobile markets and is the only national operator in the UK. **After a turbulent period in recent years, the future for BT is looking more promising.** Regulatory risks are also dissipating, competition appears to be becoming more rational. BT has significant pricing power and stands to benefit from the rollout of AI and the coming wave of infrastructure upgrades. Whilst capex investment is past peak levels and set to decline, BT is priced on a trailing 12-month dividend yield of 5.7%.

### KEY METRICS

EOM Gross Assets	EOM Cash	Current Net Exposure (30/6/2024 estimate)
\$35.14M	-19.92%	119.92%

### POSITIVE ATTRIBUTIONS

Japanese banks and financials once again provided positive attribution in June due to a combination of solid earnings results and higher bond yields that will be beneficial to margins. **Sumitomo Mitsui Financial Group and SBI Sumishen** made new highs. Meituan in China/Hong Kong confirmed plans to expand into Saudi Arabia and disrupt that market.

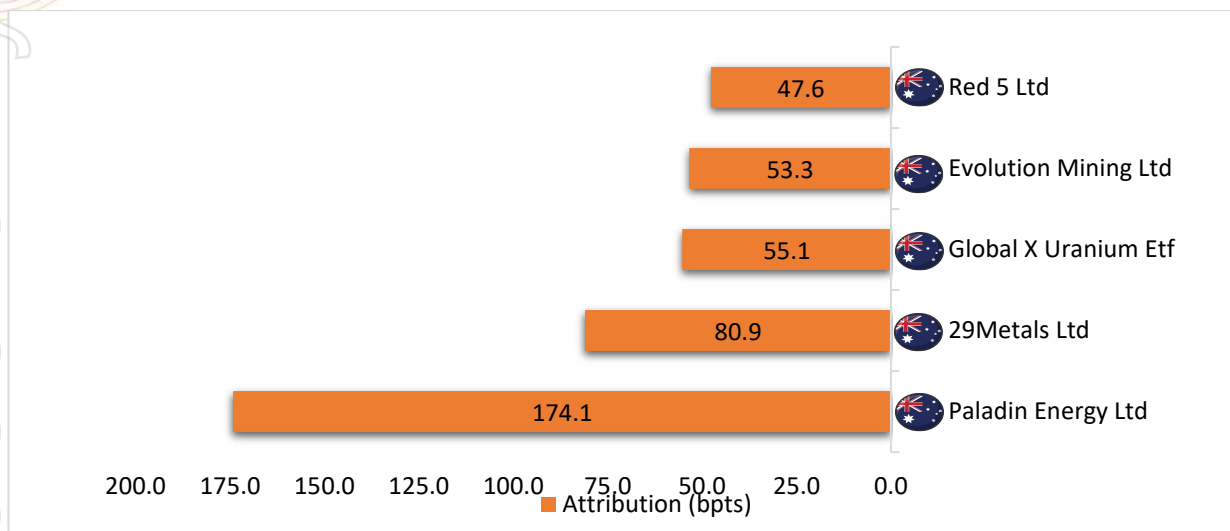


### NEGATIVE ATTRIBUTIONS

In terms of negative attributions, gold, copper and uranium all underperformed in June as spot prices retreated from record highs. **Paladin Energy** was by far the biggest attribution to June’s drawdown after correcting sharply following a strong run. We see the correction as being transitory however, with Paladin up fourfold since June ’23. It was a similar story for the Global X Uranium Miners ETF (US:URA). **Red 5**

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declined in line with lower spot gold prices and despite completing a successful merger with Silver Lake that will create a much larger mid-tier producer. **Evolution Mining and 29 Metals both fell on lower spot gold and copper prices.**



### TOP 10 HOLDINGS

Top 10 Holdings	Country	30 June 2024
Sumitomo Mitsui Financial Group	Japan	11.88%
Paladin Energy	Australia	6.83%
Global X Uranium ETF	United States	5.20%
Coeur D'alene Mines Corp	United States	4.83%
Evolution Mining Ltd	Australia	4.82%
Mitsubishi UFJ Financial Group	Japan	4.80%
Mizuho Financial Group	Japan	4.48%
Whitehaven Coal Limited	Australia	4.39%
Sbi Sumishin Net B Npv	Japan	4.27%
Northern Star Resources	Australia	4.18%

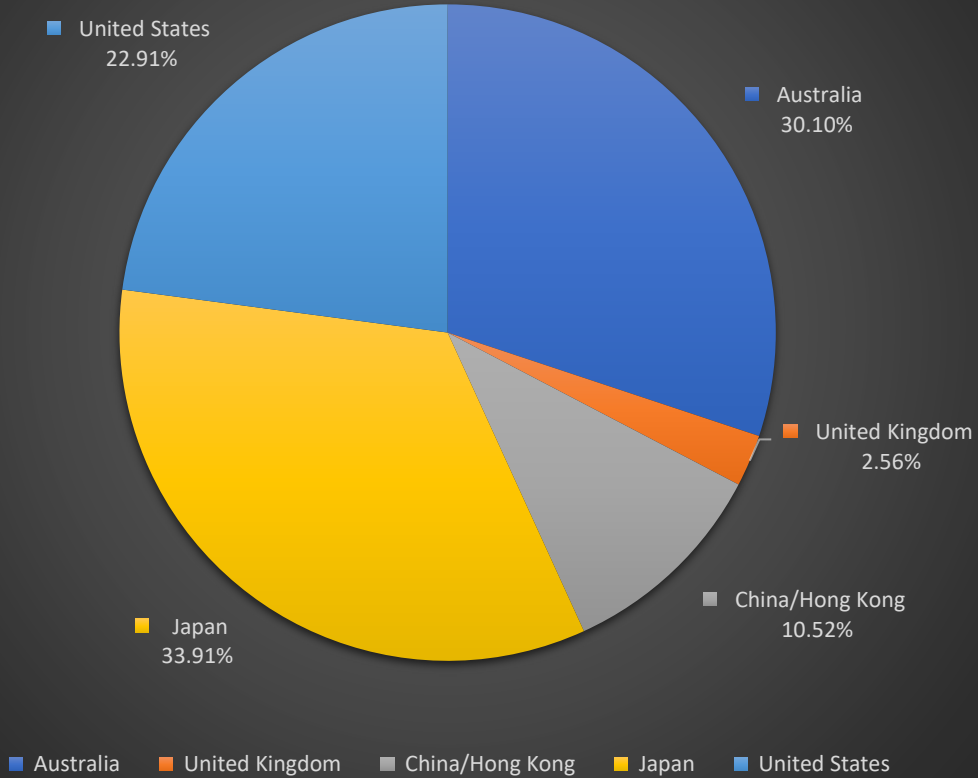


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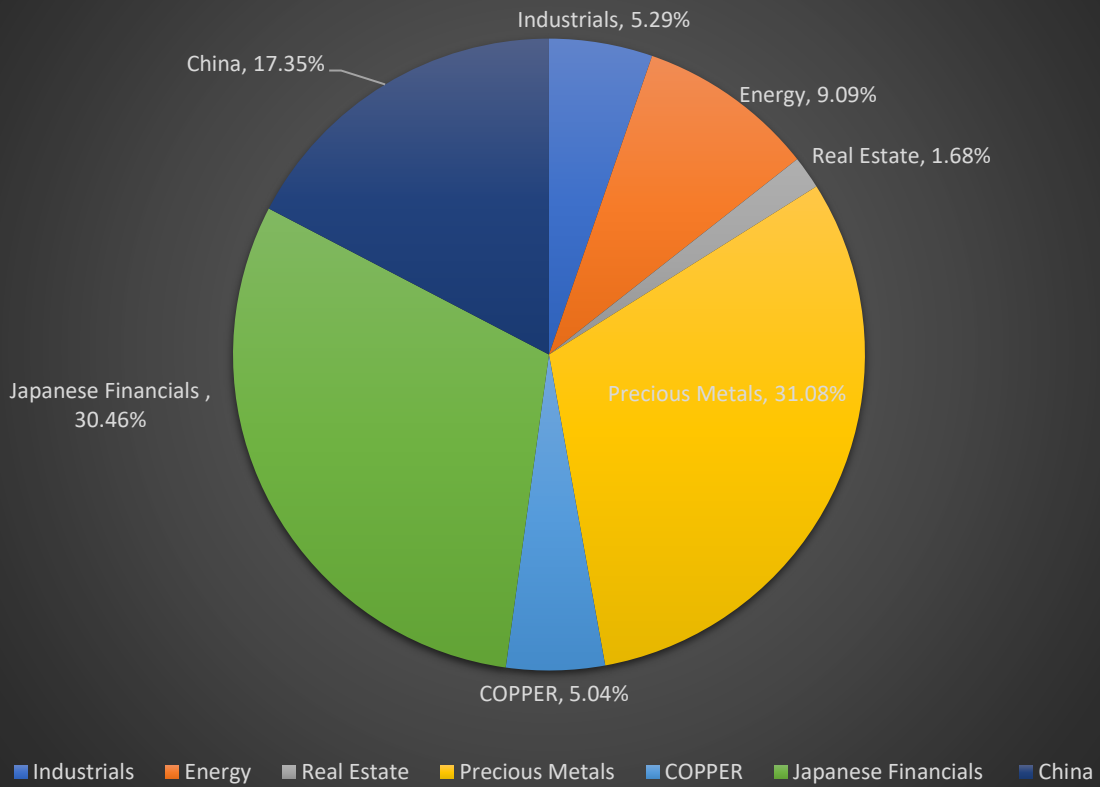
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### Geographic Exposure as at 30 June 2024



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### Sector Dispersion as at 30 June 2024



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