

Fat Prophets Global Contrarian Fund (ASX Code FPC)

Estimated Pre-Tax NTA 15th January 2025

The estimated pre-tax NTA per share for the Fat Prophets Global Contrarian Fund as at Wednesday 15th January 2025:

	Amount (\$)
Pre-Tax NTA (as at 15th January 2025)	1.2521
Pre-Tax NTA (as at 31st December 2024)	1.2182
Change in NTA (31st December 2024 – 15th January 2025)	2.78%

NTA for the Fund has lifted in recent weeks driven primarily by a rerating of Japanese financials due to rising domestic and international bond yields and a rally in precious metals, chiefly Australian gold stocks. Upward pressure from US bond yields has been one driver in the 10yr JGB yield hitting 1.25%, the highest level in nearly two decades, which is positive for net interest margins for the banking sector. Another factor has been higher inflation which might see the Bank of Japan soon move with another rate hike. This confluence of factors has been very positive for Japanese financials, many of which we hold in the portfolio, and are now trading at multi-decade highs.

Gold stocks globally have benefited from a higher spot price which has managed to shrug of a major headwind in the very strong US dollar. We are encouraged by the technical outperformance in recent weeks, despite the dollar index having one of the biggest rallies in 15 years. Central bank buying is likely one factor, but also more ubiquitous hedging by investors who see the incoming Trump administration's policies as being potentially inflationary. In Australia, gold miners have benefited from A\$ spot gold making a new record high above A\$4400oz – a level which is now providing the sector with much higher margins.

Angus Geddes
Chief Investment Officer

Fat Prophets Global Contrarian Fund Limited

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