FUND OUTLINE

The Fund is a concentrated long only equity Fund, investing in US listed stocks favoured by leading global fund managers. The Fund's objective is to outperform it's benchmark by 3-5% pa over any rolling 5-year period. Preservation of Capital is a key tenet of the Fund, and a strict dynamic risk control strategy is in place to control losses, to enable optimal long-term compounding within the Fund.

JANUARY COMMENTARY

The Fund made 6.2% in January, and has returned 23.4% since inception (18.29% annualised).
The Fund had a strong start to the year, mainly driven by a drop in the AUDUSD rate which accounted for 4.47% of the returns, while the stocks within the Fund returned 1.73%. The Fund has moved to 100% invested, which is the first time this has happened since inception, which also means that the Fund is 100% exposed to moves in the AUDUSD fx rate.
As the month came to an end with the Corona virus at the top of everyone's mind (and front page of the Economist), I thought I would detail the Fund's stocks most at risk if the virus continues to grow, and how the risk control strategy is working to mitigate the risk:-
Alibaba (BABA) – Provides online and mobile commerce businesses in China and internationally. The stock lost 2.6% in January and price is still well above the level where the risk strategy kicks in.
Expedia (EXPE) – an online travel company was barely affected and made 0.29% in January. The stock has however been weak in previous months, and a further leg down this month will see the stock sold.
Royal Carribbean (RCL) – Operates as a cruise company and lost 12.31% in January. The stock is sitting just above the level where action will be taken, and a further leg down in February will see the risk strategy activated.
United Airlines (UAL) – Was the worst performing stock in January losing 15.09%. The risk control strategy has been activated, and a further leg down will see the stock being sold out of the portfolio.

So, to summarise, the Fund had 4 stocks at risk, 2 of which (UAL & EXPE) have firm sell levels in place and will be sold if they have another leg down in February. The remaining 2 (BABA & RCL) will be monitored, and the appropriate action taken at the end of February. Nobody knows how this will unfold, but as always, we will let the price of our stocks dictate our actions, and not opinions, forecasts or emotions.

On the flipside of the bad news above, the SAAS (Software as a Service) sector, which in previous months has been an underperformer for the Fund delivered some outperformance in January. The Funds exposure includes Salesforce (CRM) up 12.1%, Servicenow (NOW) up 19.8%, and Workday (WDAY), up 12.3%.

And as always….

"Good investing isn't necessarily about earning the highest returns, because the highest returns tend to be one-off hits that kill your confidence when they end. It's about earning pretty good returns that you can stick with for a long period of time. That's when compounding runs wild."

Please see next page for Charts and tables.

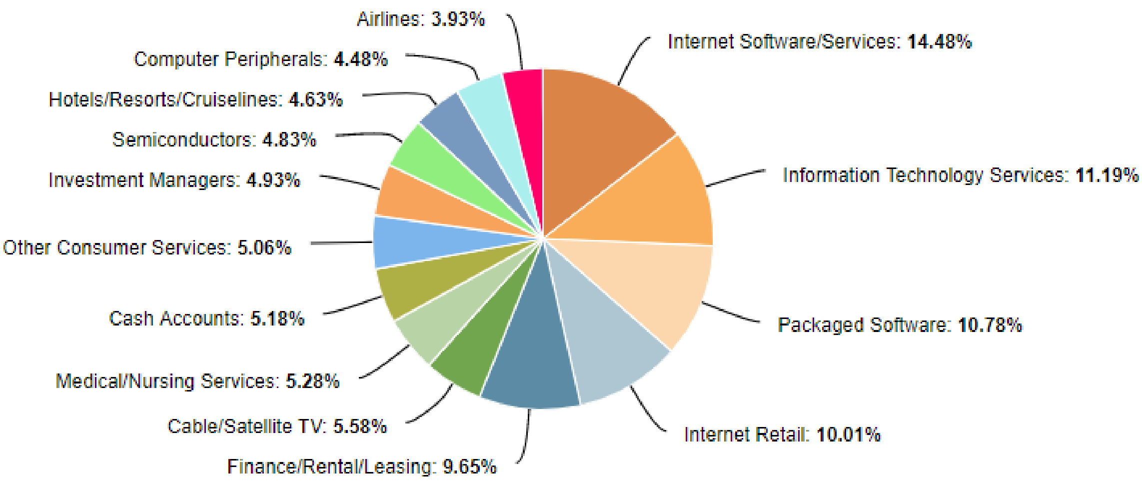
INTERNATIONAL EQUITY FUND
Monthly Report January 2020

FUND FACTS

Inception	01 November 2018	Sharpe ratio	1.37*
Fund Size	2.327mm	Sortino Ratio	3.31*
Minimum Investment	AUD 50,000	Mid-Price	1.2340
Management Fee	Nil	Best Month	7.89%
Performance fee	15% of any returns above 6% pa	Worst Month	-3.32%
Other Fees	Any direct costs + 0.4% Buy/Sell spread	Website	www.ganecapital.com

*ratios are calculated before Fees & Expenses

PORTFOLIO BREAKDOWN



PERFORMANCE SUMMARY

GANE CAPITAL International Equity Fund					Jan-20	
	1 Month	Year to Date	3 year(p.a.)	5 Year(p.a.)	10 year(p.a.)	Inception(p.a.)
GANE CAPITAL	6.20%	6.20%	N/A	N/A	N/A	18.29%
BENCHMARK - Index	5.00%	5.00%	N/A	N/A	N/A	22.18%
BENCHMARK - Hedge Fund	3.33%	3.33%	N/A	N/A	N/A	9.02%