

## 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 its 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.

## FEBRUARY COMMENTARY

The Fund lost 3.9% in February and has returned 18.59% since inception (13.66% annualised).

Corona Virus fears hit the market hard during February, with the S&P 500 down 8% for the month. The Fund fared better than the benchmark and was assisted by a fall of 2.68% in the AUDUSD rate.

There were some wild moves in the portfolio in February. The 4 stocks that we highlighted as a risk at the end of January had mixed performances. Alibaba was slightly positive for the month, Expedia was down 10% (not enough to be stopped out), United Airlines was down 15% for the month, but was sold during the month and did not cost the portfolio, and Royal Caribbean was the worst performer at down 30%. EXPE, RCL and UAL are all out of the portfolio at the beginning of February due to the portfolio reshuffle, detailed below.

February is the month of the year when we evaluate how all our constituent hedge funds did during the previous year and add new hedge funds that have come onto our radar. We calculate 10Y returns, 5Y returns and then choose the best performing hedge funds to form our portfolio for the coming year. Using this methodology underperforming Funds are removed from the portfolio and replaced with Funds that have outperformed. This dynamic process ensures that as times change the Fund changes with them. The portfolio reshuffle this year was large, with over 50% of the portfolio being changed, and from this point of view the market selloff could not have come at a better time as taxable gains were a lot smaller than they would have been. The Fund is back to 100% invested as the Fund's trading rules dictate.

It is at unnerving times like these when having a solid trading plan is invaluable. Without a solid plan you are at the mercy of your fears and emotions, which will conquer your rational thinking EVERY TIME during times of stress. Human's have evolved over hundreds of thousands of years to survive in the jungle, and these primal instincts hardwired into us do not serve us well in the investing world.

Get a plan AND stick to it.

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."***

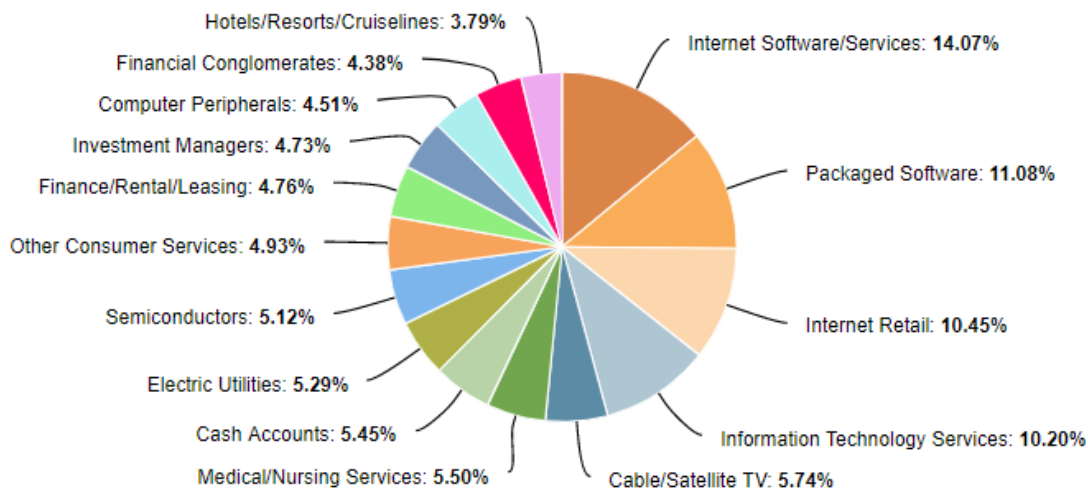
Please see next page for Charts and tables.

## FUND FACTS

|                    |   |               |                     |
|--------------------|---|---------------|---------------------|
| Inception          | 01 November 2018                        | Sharpe ratio  | 0.98*               |
| Fund Size          | 2.236mm                                 | Sortino Ratio | 2.00*               |
| Minimum Investment | AUD 50,000                              | Mid-Price     | 1.1859              |
| Management Fee     | Nil                                     | Best Month    | 7.89%               |
| Performance fee    | 15% of any returns above 6% pa          | Worst Month   | -3.9%               |
| 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 | Feb-20  |              |              |              |               |                 |
|--|---------|--------------|--------------|--------------|---------------|-----------------|
|  | 1 Month | Year to Date | 3 year(p.a.) | 5 Year(p.a.) | 10 year(p.a.) | Inception(p.a.) |
| GANE CAPITAL                           | -3.90%  | 2.06%        | N/A          | N/A          | N/A           | 13.66%          |
| BENCHMARK - Index                      | -7.00%  | -2.35%       | N/A          | N/A          | N/A           | 14.33%          |
| BENCHMARK - Hedge Fund                 | -2.90%  | 0.73%        | N/A          | N/A          | N/A           | 6.39%           |

