OCTOBER COMMENTARY

The Fund made 3.1% in October and has returned 72.08% since inception (19.8% annualised vs 18.7% (S&P) and 17.1% (MSCI World)). Stocks in the Fund made 6.6%, which was offset by a strong AUD which cost -3.47% to give a net gain of 3.1%.

The Fund remains 85% invested, with 3 stocks still hovering below their buy levels.

October was a month of contrasts, and while 2 stocks performed poorly, namely Paypal (-10.6%), and MercadorLibre (-11.8%), the month was dominated by the striking performance of Tesla (+43.6%).
Tesla was added to the portfolio in March 2021 – at the time I thought it was overvalued and would struggle to perform – since then it has almost doubled! Which reinforces for me that trying to predict the future is futile and it is far more productive to follow the rules, and results will follow.

We return to our summary of Morgan Housel's excellent book "The Psychology of Money". Psychology plays a huge role in investing, and any effort in this area is time well spent. We will break down the book chapter by chapter.

Chapter 5 – "Getting Wealthy vs Staying Wealthy"

In this chapter he talks about the change in mindset required in switching from making money, to keeping money. Making money requires taking risks, being optimistic, and putting yourself out there. Contrast that with keeping money, which requires some combination of frugality, paranoia, and an instinct for survival. It becomes about NOT making mistakes, as opposed to making smart decisions. He tells the story of Rick Guerin, who was the third partner of Buffet & Munger in the early days. The reason he disappeared, while Buffet & Munger thrived, was that he made one of the basic mistakes. In the 1973/74 downturn, he was too highly levered, had margin calls, and had to sell his stock to Buffet & Munger.

Buffet & Munger never (or very seldom) make mistakes – they may not make the smartest decisions (having missed a lot of the tech bull market), but they have survived – they never overleverage, don't panic, and sell at market lows, and did not burn out – they stay in the game long enough for the reasonable returns to compound.

Another way to look at it is also from Buffet – "Don't risk what you have and need, for what you don't have and don't need"

"The best strategy is the one you can stick with long enough to reap the benefits of compounding".

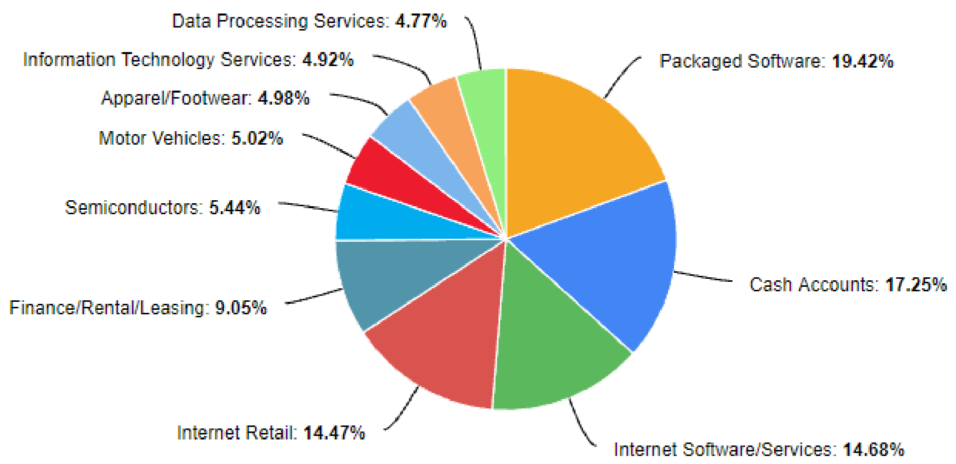
Please see next page for Charts and tables.

FUND FACTS

Inception	01 November 2018	Sharpe ratio	1.47*
Fund Size	4.564mm	Sortino Ratio	3.68*
Minimum Investment	AUD 50,000	Mid-Price	1.5343
Management Fee	Nil	Best Month	9.98%
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				Oct-21	
	1 Month	Year to Date	1 year	2 Year(p.a.)	Inception(p.a.)
GANE CAPITAL	3.1%	18.2%	20.5%	26.5%	19.8%
BENCHMARK - S&P 500	2.9%	27.2%	33.1%	19.5%	18.7%
BENCHMARK - MSCI World	3.1%	29.9%	38.9%	18.2%	17.1%