

Argonaut Natural Resources Fund



Monthly Performance Report - January 2024

ASSET CLASS | RESOURCES SELECT

ANRF Receives "Commended" Rating

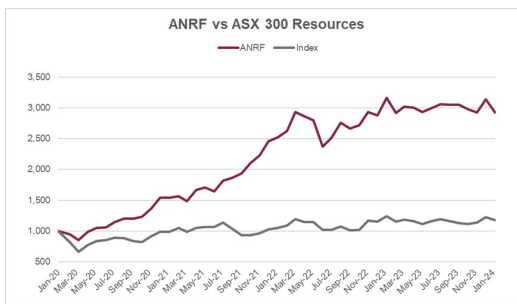
[Link to Rating Report](#)

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Fund Performance

	1 Month	3 Months	FYTD	12 Months	Inception
ANRF	-6.8%	-1.8%	-2.5%	-7.6%	192.4%
S&P ASX 300 Resources	-3.7%	5.5%	1.3%	-4.8%	17.8%
Outperformance	-3.2%	-7.3%	-3.8%	-2.8%	174.6%

- The Argonaut Natural Resources Fund was down 6.8% in January compared to the 3.7% fall in the S&P ASX Resources 300 Index. Financial Year to Date, the Fund is down 2.5% versus a 1.3% gain in the benchmark. Since inception, the Fund has delivered an annualised return of 30.5%, versus the 4.1% annualised return of the benchmark over the same time period.
- The Fund's unit price as at 31 January 2024 was \$2.054.
- January saw signs of capitulation from the second-tier battery metals stocks. Whilst the Fund had only limited exposure to this area of the market, it contributed to the majority of the negative performance for the month, largely offsetting the 7% portfolio gain in December.

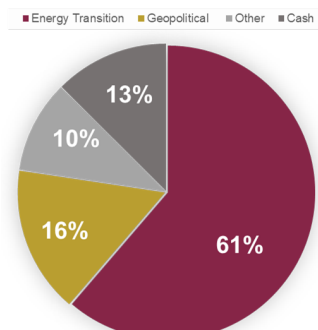


*Illustrates the relative performance of a \$1,000 investment in ANRF and the ASX Resource 300 Index since the inception date of ANRF. Assumes all distributions are reinvested back into the Fund.

ANRF Top Holdings (by company)

Company	Commodity	%
Metals Acquisition Corp	Copper	12.1%
Capricorn	Gold	10.3%
NexGen	Uranium	9.9%
MRM Offshore	Services	9.3%
Sandfire	Copper	8.2%

ANRF Portfolio Exposure (by commodity)



Market Overview

- Long term interest rates moved higher in January as robust US economic data pushed out expectations of when rate cuts would begin. This weighed on the resources market.
- In the US, the Dow Jones and the S&P 500 rose by 1.2% and 1.6% respectively, whilst in Australia, the ASX 300 and the All Ords both pushed 1.1% higher. By contrast, the 300 Resources declined by 3.7% and the ASX Gold Index dropped by 8.8%. Most commodities eased with Zinc down 3.4%, Nickel falling 1.4%, Gold down 0.7% and the recent outperformer Iron Ore down 3.1%. Copper held firm, edging up 0.4%. The star performer was Oil, with the Brent crude price up 6.1%, driving the Energy index up 5.2%.

Portfolio Update

- At month-end, the top 5 holdings accounted for 50% of the portfolio and a further 13% was held in cash. 54% of the portfolio was in Producers and 32% in Developers with the bulk of the developer exposure in larger, more advanced companies with strong balance sheets. Over 70% of the underlying projects in the companies we own are located in Australia and North America, whilst almost 75% of the portfolio is invested in companies with a market capitalisation over \$500m (with a further 12% in cash).
- Improved value is emerging in our resource sector universe and as such we continue to look to build exposure to good quality / good value opportunities which we believe will drive strong medium-term performance.
- The top performers for the month included Metals Acquisition Corp (+9%), MRM Offshore (+11%), and the Fund's uranium holdings, NexGen (+17%), Dension (+19%) and Cameco (+14%). The weaker performers included Global Lithium (-58%), Centaurus (-46%) and Lunnon (-52%) reflecting the deteriorating consensus view on nickel and lithium.
- At month-end, the portfolio was weighted 61% Energy Transition (with major exposures to copper and uranium), 10% Gold, 6% Oil & Gas, 10% Opportunistic and 12% Cash. The top 5 holdings were Metals Acquisition Corp, Capricorn, NexGen, MMA Offshore and Sandfire.

Business Update

- Argonaut Natural Resources Fund has received a "Commended" rating from the independent research group, Australian Fund Monitors.
- We encourage investors and prospect investors to read the full report [here](#).

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Important Disclosures

The Argonaut Natural Resources Fund is a Wholesale only Fund.

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