



Portfolio Overview Fund Performance

Last month we saw earnings reported in the bulk of US firms for the previous quarter. Growth is slowing. It will remain to be seen if global governments can avoid a recession in 2023. Investors are hopeful that the slower corporate earnings will result in a slower pace of tightening from global central banks. The markets responded with an equity rally to end the month. As a post script, in early November the US Fed tightened interest rates by 75 basis points. This is not a slowdown. The Dent Sector Fund was positioned short equities in the USA, expecting the lower earnings and guidance coupled with higher interest rates would see lower equity prices. This was not the case and the fund lost 4.62% on the month. Importantly the fund is up on the quarter and year to date. The last year has seen the fastest increase in US money market interest rates in the last 40 years. The Fed is struggling to rein in inflation so we expect them to raise interest rates towards 5% at a minimum. Other Central Banks like the RBA will follow suit but perhaps aiming towards a lower terminal rate. Alongside this move higher in rates, US (and global) corporations are announcing slower earnings. As governments look to rein in spending from COVID, their policies offer little assistance. This does not bode well for equity markets. With growth slowing, inflation moderating and central banks active, we think that longer term interest rates could perform well in the near term. This is because tighter monetary policy is perceived to keep inflation in check. This in turn gives an alternative to investors who had the hard choice between equities and bond markets this year as both were falling in value. The recent crypto stumble will also concern financial authorities who will want to make sure that this does not infect the broader financial markets.

Fund Strategy

The Fund will use an investment process based on macroeconomic research to identify global investment themes and opportunities. It has a flexible and focused approach to take advantage of global trends and changes through a range of asset classes. The fund will be dynamic and has the scope to take a market contrary position where it is considered overvalued and/or reaching a turning point. The Fund aims to seek returns in excess of the RBA cash rate over rolling 5 year periods. The Fund's investment strategy is based on the Investment Manager's belief that the best investment opportunities are driven by fundamental trends that are reflected in cycles of many types and their interplay.

Portfolio Performance

	1 month	3 months	12 months	ITD**
Dent Sector Fund*	-4.62%	2.02%	6.28%	-0.54%
RBA Cash Rate	0.22%	0.55%	0.80%	0.45%

*The Dent Sector Fund is a registered fund in Australia (ARSN 642 661 729 APIR ETL9161AU ISIN: AU60ETL91617) denominated in AUD Dollars. The Fund's inception date was 29 October 2020. Past performance should not be taken as an indicator of future performance. All performance figures are net of fees and expenses.

**Annualised since inception.

Dent Sector Cumulative Performance vs Benchmark



Exposure

As at 31 October 2022	% of NAV	Positions
Australia	31.84%	0
USA	68.16%	4
Total	100.00%	4

Features

Fund type	Global Macro
Inception date	29 October 2020
Net Asset Value at 31 Oct 2022	\$9,737,967
Redemption value at 31 Oct 2022	\$0.9755
Min. Initial Investment	\$10,000
Management Fee (% of NAV)	1.50%
Usual expenses (% of NAV)	0.25%
Performance Fee	15% of performance
Distribution Frequency	Annually
Applications/Withdrawals	Daily
Buy/Sell Spread	+0.50% on applications into the Fund and -0.50% on withdrawals out of the Fund

Net Monthly Returns

	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	1 YR
Dent Sector Fund	1.66%	-1.78%	3.15%	1.02%	-4.51%	5.12%	-0.48%	3.46%	-3.12%	1.59%	5.29%	-4.62%	6.28%
RBA Cash Rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.03%	0.11%	0.15%	0.19%	0.22%	0.80%

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