

## COMMENTARY

The Fund returned -0.50% for the month of November 2024. Net exposure averaged 30% long, while gross exposure averaged 96%. This brings the calendar year return to positive 3.16% and since inception return to positive 18.97% p.a. net of fees.

Gains through the month of November were generated from long themes in Aerospace (+112 bps) and Data is the New Oil (+72 bps). Losses this month stemmed from the long Uranium theme (-106 bps), and long China theme (-53 bps).

Through the month, we decided to fully exit our China theme after reducing in October. This is due to a core part of our thesis changing. For much of the year leading up to July, China had largely faded from the investment community's radar. Sentiment had soured to the point where many had abandoned hope for the Chinese economy, leading to collapsing valuations and minimal investor positioning. However, this narrative shifted dramatically in September when China signalled a new policy direction. Investor engagement surged as market participants began discussing potential fiscal policy packages of up to 10 trillion yuan (approximately US\$1.4 billion).

We are of the view that China will not come to the fore with a huge policy package to bolster growth, but will focus on cushioning the fall, as the knock-on impacts from the bursting of the Chinese property bubble works through the system. Until market participants stop debating the quantum of China's fiscal package and expectations subside back to the humble levels we saw in July of this year, we will find it very difficult to re-engage in this theme from the long side.

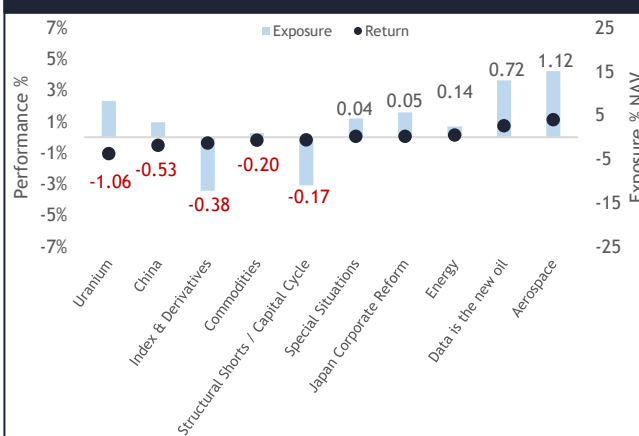
We recently held a webinar running through our current thoughts and some ideas in the portfolio, to watch the replay please [click here](#).

## STRATEGY PERFORMANCE METRICS\*

From May 2013

Annualised returns	18.97%
% Positive months	64.49%
Average monthly return	1.52%
Average return in MSCI up months	1.40%
Average return in MSCI down months	1.73%
Best month	13.07%
Worst month	-6.09%
Largest drawdown	-11.61%
Longest drawdown (mths)	24
Sortino	3.62
Sharpe ratio	1.53

## THEME CONTRIBUTORS TO FUND PERFORMANCE<sup>^\*</sup>



<sup>^</sup> Theme Contributors to Performance is Gross of Fees and exclusive of Cash.

## CORRELATION TO ASSETS - STRATEGY\*

Global Equity Markets	0.04
US\$ Gold	0.01
Bloomberg Commodities Index	0.00
Hedge Fund L/S	0.02

## MONTHLY SUMMARY METRICS - NOVEMBER 2024

NET RETURN	AV GROSS EXP	AV NET EXP
-0.50%	96%	30%

## STRATEGY HISTORICAL PERFORMANCE (%)

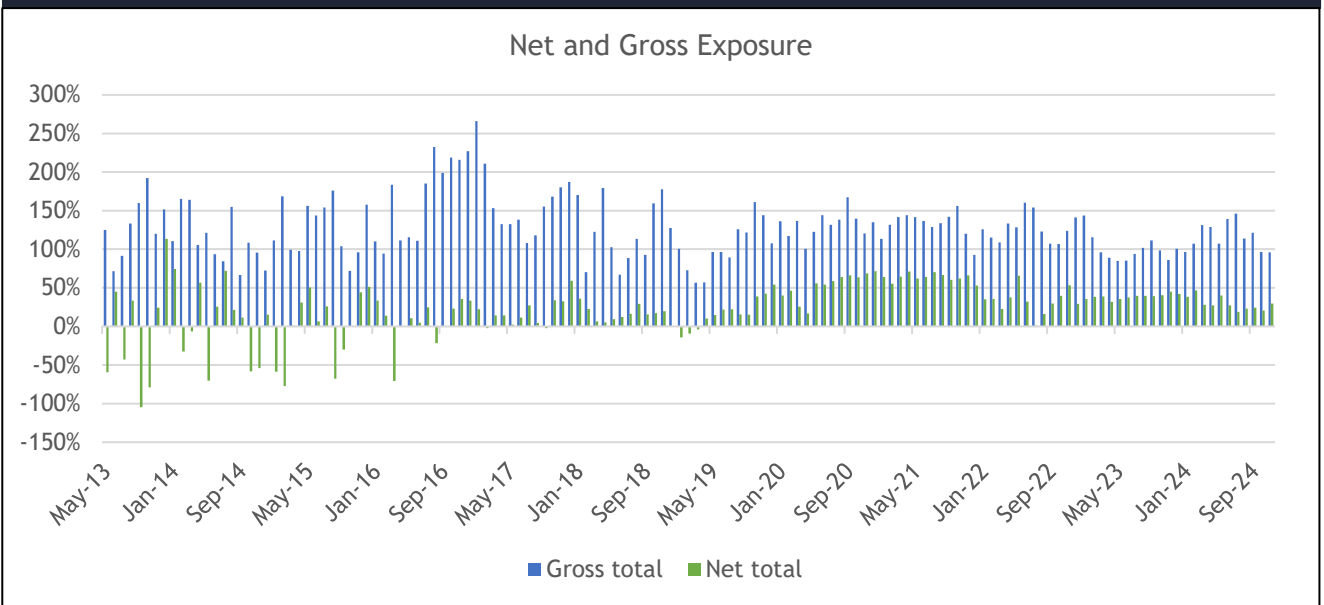
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013						13.07	7.63	2.97	2.82	-2.69	5.23	-5.25	25.00
2014	7.61	6.56	2.43	0.77	8.87	-0.93	8.46	-3.78	0.34	7.78	3.24	1.92	51.59
2015	4.46	2.88	1.99	3.19	4.12	-0.52	3.44	11.47	5.23	0.00	3.67	5.72	55.80
2016	-6.09	2.14	-5.17	-2.83	3.30	0.40	2.69	7.49	6.29	-1.15	-2.34	0.48	4.33
2017	7.99	-4.01	-2.94	-0.34	0.43	4.08	4.21	-0.02	3.37	2.79	-2.32	5.51	19.58
2018	3.47	0.88	0.72	-1.68	-1.86	0.09	0.03	0.66	1.24	-0.18	-2.61	-0.50	0.12
2019	-1.33	0.20	-0.21	-0.95	-1.87	0.50	1.75	1.53	-1.91	-2.00	3.28	1.12	-0.04
2020	-2.03	-5.10	7.77	7.95	1.60	-1.31	3.22	4.56	-3.56	-3.90	9.33	8.24	28.38
2021	3.43	5.63	2.80	4.05	5.19	-0.48	-2.74	5.37	5.86	1.87	4.51	0.22	41.60
2022	1.61	0.17	-0.73	0.32	2.65	-1.85	-0.96	3.75	-1.79	-2.93	-0.48	2.21	1.75
2023	0.26	-2.97	-0.12	-0.77	0.99	2.39	1.12	1.03	2.37	-2.72	0.21	3.15	4.84
2024	0.97	-1.52	3.67	1.42	1.07	-0.61	-3.39	-1.83	3.89	0.19	-0.50		3.16

Past performance is not an indicator of future performance.

\* Strategy - refers to the period from 2013 - 2017 for Bondi Capital Investments Pty Ltd ('Managed Account'), and 2018 - 2024 is for the Fund. The Managed Account was externally administered by Apex, but not externally audited. The Fund is audited by EY. Performance for the whole reported period is reported net of all fees. The currency is USD.

Above data and fees apply to the Arnott Opportunities (Cayman) Fund - Main Class (Founder Class). Other classes will be subjected to different fees. For a copy of the Information Memorandum, please contact investor relations at [investor@arnott.com.au](mailto:investor@arnott.com.au).

STRATEGY NET AND GROSS HISTORICAL EXPOSURE\*



INVESTMENT STRATEGY

The Fund adopts an absolute return strategy, focusing on thematic investment opportunities with an equity bias. We seek to achieve the investment objective through our asymmetric investment approach which includes:

1. Finding what we perceive to be good quality investments based on our analysis; and
2. Not losing money in the pursuit of realising these investments.

We strive to achieve asymmetric returns through a thematic investment process. This has four pillars.

1. Find asymmetric themes;
2. Invest in the best ideas within those themes;
3. Focus on macro drivers for risk & opportunities; and
4. Generate an asymmetric return profile.

FUND INFORMATION			
BASE CURRENCY	USD	ARNOTT CAPITAL PTY LTD	AFSL License 233743 ABN 23086081889
STRATEGY INCEPTION	1999	CONTACT DETAILS	<a href="mailto:investor@arnott.com.au">investor@arnott.com.au</a>
MINIMUM SUBSCRIPTIONS	USD \$100,000	WITHDRAWALS	Monthly
FUND ADMINISTRATOR	Apex Group Ltd.	PRIME BROKER	Morgan Stanley International PLC
LEGAL ADVISORS	Ernst and Young	FUND AUDITOR	Ernst and Young
FEE STRUCTURE	<b>Management Fee</b>	<b>Performance Fee</b>	<b>Subscriptions</b>
<b>Class A (Founder Class)*</b>	0%	25%	Closed to new investors
<b>Class C</b>	1.5%	20%	Monthly

\* All data displayed in this document is Founder Class data. Other classes will be subjected to different fees. For a copy of the Offering Memorandum, please contact investor relations at [investor@arnott.com.au](mailto:investor@arnott.com.au).

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