MINOTAUR

MINOTAUR GLOBAL OPPORTUNITIES FUND

Monthly Report

July 2024

PERFORMANCE

PERIOD	MINOTAUR
July 2024	**4.5%**

MANAGER COMMENTARY

July 2024

July saw our fund outperform with a return of 4.5%.

We benefited from the profit-taking and subsequent shift from Mag7The “Magnificent Seven” refers to Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla - the seven largest technology companies by market capitalisation. and tech more broadly to everything else. The sell-off in these names has occurred for several reasons, including disappointing 2Q results from Google and Microsoft, and fears around AI costs and capex investment outpacing revenue and cost benefits. OpenAI might lose ~US$5B this year due to higher training costs, with media outlets such as The Information suggesting the company may need to raise capital in the next 12 months or so.

Weak US consumer data points are also weighing on the market, such as credit card delinquencies reaching the worst level since 2012, with the proportion of card balances more than 60 days past due at the end of the March quarter climbing above 2.5%, more than double the lows seen during the COVID-19 pandemic. As a result, there has been pressure on the Fed to cut rates earlier - an example is the Op-Ed published by former NY Fed President Bill Dudley asking for a rate cut at the July meeting to avoid a recession.

We are underweight the Mag7 relative to the index but hold a few names like Meta, Amazon and Microsoft (albeit at lower weights than the index), which were the biggest detractors to our portfolio. Testament to the strength of the diversification of our fund, our five largest upward movers were from 3 different countries and 5 different sectors. We continue to view this breadth as one of our key unique selling proportions and acknowledge its a different mindset from many of the highly concentrated global funds in the Australian market. But one of our core beliefs is our fund shouldn’t hinge on the performance of a few names. As Greek philosopher Epictetus says, *“Neither should a ship rely on one small anchor, nor should life rest on a single hope.”*

PORTFOLIO

Top 10 Holdings

ALPHABETICAL — AS AT 31 JULY 2024

CD Projekt Red S.A.	Poland	Mid Cap · Communication Services
Chugai Pharmaceutical Co., Ltd.	Japan	Large Cap · Health Care
Cie de Saint-Gobain	France	Large Cap · Industrials
COVER Corporation	Japan	Small Cap · Communication Services
Crown Castle Inc.	United States	Large Cap · Real Estate
Iberdrola, S.A.	Spain	Large Cap · Utilities
Megachips Corporation	Japan	Small Cap · Information Technology
Meta Platforms Inc Class A	United States	Mega Cap · Communication Services
Prysmian S.p.A.	Italy	Large Cap · Industrials
United Overseas Bank	Singapore	Large Cap · Financials

PORTFOLIO

Composition

MARKET CAP, EXPOSURE, REGIONS & SECTORS

MARKET CAP

Mega Cap US$200bn+	14.3%
Large Cap US$10–200bn	50.9%
Mid Cap US$2–10bn	15.1%
Small Cap US$300m–2bn	10.7%
Micro Cap <US$300m	0.0%

INVESTED POSITION

Gross Long	96.4%
Gross Short	5.4%
Net Exposure	91.0%
Long Positions	40
Short Positions	3

REGIONS

North America	**26.2%**
United States	25.3%
Canada	1.0%
Europe	**34.5%**
France	9.7%
Poland	5.9%
United Kingdom	5.9%
Italy	5.6%
Spain	4.1%
Germany	2.9%
Finland	0.4%
Asia Pacific	**30.3%**
Japan	15.4%
Singapore	5.3%
China	3.9%
Australia	2.1%
Hong Kong	1.9%
Taiwan	1.6%

SECTORS

Energy	1.4%
Materials	2.1%
Industrials	15.0%
Consumer Discretionary	6.4%
Consumer Staples	3.6%
Health Care	5.3%
Financials	11.0%
Information Technology	17.7%
Communication Services	19.5%
Utilities	7.8%
Real Estate	1.3%

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Charts, holding details, and more

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https://www.minotaurcapital.com/reports/monthly/2024-07

For investor enquiries, contact invest@minotaurcapital.com.

IMPORTANT INFORMATION

Minotaur Capital Management Pty Ltd (ABN 17 672 819 975) is a corporate authorised representative (CAR 1308265) of Minotaur Licensing Pty Ltd (ABN 86 674 743 198) (AFSL 557080). The Minotaur Global Opportunities Fund is issued by K2 Asset Management Ltd (ABN 95 085 445 094, AFSL 244393), a wholly owned subsidiary of K2 Asset Management Holdings Ltd (ABN 59 124 636 782).

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