



MINOTAUR GLOBAL OPPORTUNITIES FUND

Monthly Report

March 2025



PERFORMANCE

PERIOD	MINOTAUR
1 Month	-4.9%
3 Months	-3.3%
6 Months	+7.7%

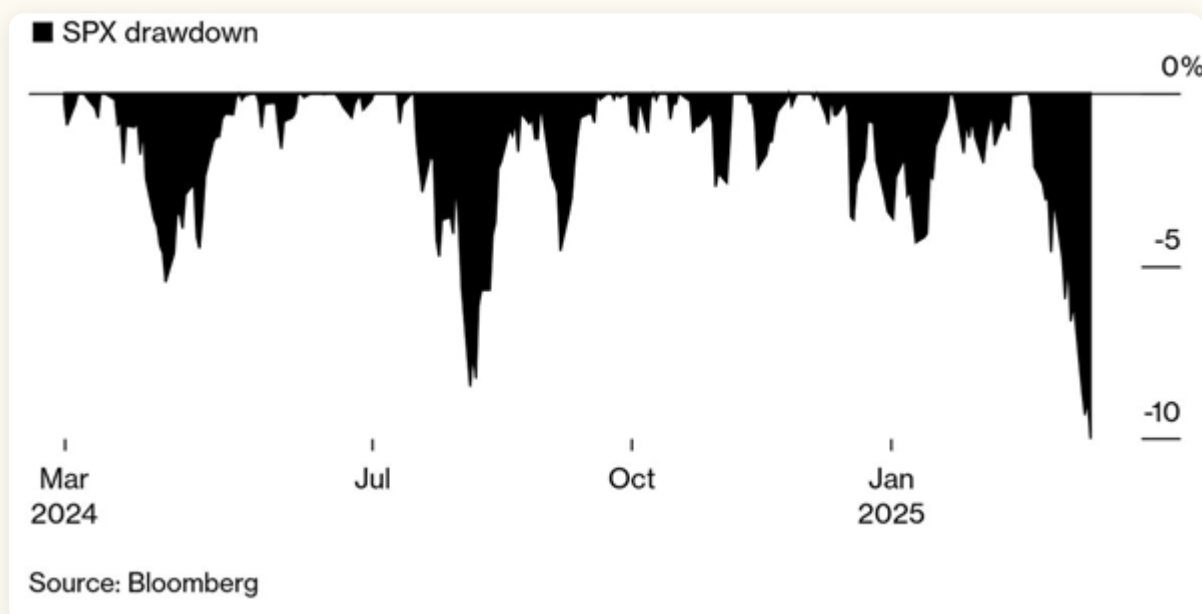
MANAGER COMMENTARY

March 2025

March was a tough month with the Minotaur Global Opportunities Fund down 4.9% underperforming the benchmark slightly by 70bp. This was disappointing as prior to this we had outperformed the market by 100bps each time it had been down in a month. For most of March, we were actually flat to slightly up. Up until 25th March (coincidentally Arms' birthday) the fund was up 0.14% but then gave it all back and then some in the last five trading days when the market gave Arms' the worst birthday present ever - a large drawdown.

But drawdowns happen and we do expect some beta exposure to our fund. Our active positioning softened the blow somewhat. In terms of our winners, we saw the same trends this month as we did last month - our Top 10 contributors were either a European defence stock (six of them) or a stock we have shorted (remaining four). Our short positions continue to increase and now comprise 20% of our portfolio. Where we felt the pain was in our AI-related and financial names in the US. Some have even rewritten the sobriquet and are now calling it the Maleficent Seven rather than the Magnificent Seven (being the wordsmith that she is, Arms wishes she came up with that but credit goes to David Krostin, Chief US equity strategist at Goldman Sachs).

This correction was the seventh-fastest in history going back to 1929 - it took 16 sessions for the S&P500 to fall 10%. Interestingly, three of the seven fastest drawdowns have happened under Trump - In 2018, 2020 and now.



The main culprit for the sell-off is a darkening US economic outlook with Trump barrelling ahead on tariff policy. Other worries about the US have added fuel to the fire, including stretched valuations, heavy spending on AI and lofty expectations for future growth. JPMorgan economists now see a 40% chance of recession this year “owing to extreme US policies.”

The place to hide this month seemed to be Europe and China to which we thankfully had exposure. Europe, and Germany in particular, is showing an unprecedented responsiveness to revisiting its fiscal stance and in doing so, may create an upside growth bias once the impact of tariffs has been absorbed. The growth outlook for European defence companies is very different today than it was even six months ago. They may look expensive right now, but we believe consensus hasn't really had a chance to upgrade earnings yet.

In credit markets, investors have long seen lower-rated American companies as less risky than their European counterparts. That's no longer the status quo. For the first time in two years, investors are demanding a bigger premium to hold junk-rated US debt than the European equivalent.

China has been helped by President Xi Jinping's push for economic expansion and tech innovation leading to a 15% increase in the MSCI China to the end of March. Chinese consumption, investment and industrial production exceeded estimates to start the year.

In light of all this, we are reviewing our portfolio accordingly. We have readjusted our 'Idea Triage' prompt slightly to consider the impacts of tariffs and it has already uncovered some interesting ideas. Taurient also gives us real-time data on our risk parameters including factor exposures and parametric Value at Risk and we remain vigilant on this. We are keeping a cool head on names that have been hit where we remain convicted on the long term. It seems apt to leave you with a simple but profound quote this month from Epictetus - *“It's not what happens to you, but how you react to it that matters.”*

PORTFOLIO

Top 10 Holdings

ALPHABETICAL — AS AT 31 MARCH 2025



Airbus SE

France

Large Cap · Industrials



CD Projekt Red S.A.

Poland

Mid Cap · Communication Services



Chugai Pharmaceutical Co., Ltd.

Japan

Large Cap · Health Care



COVER Corporation

Japan

Small Cap · Communication Services



CyberArk Software

United States

Large Cap · Information Technology



IperionX Limited

United States

Small Cap · Materials



NVIDIA Corporation

United States

Mega Cap · Information Technology



RENK Group AG

Germany

Mid Cap · Industrials



Rheinmetall AG

Germany

Large Cap · Industrials



Super Micro Computer Inc

United States

Large Cap · Information Technology

Composition

MARKET CAP, EXPOSURE, REGIONS & SECTORS

🏠 MARKET CAP

Mega Cap	US\$200bn+	13.8%
Large Cap	US\$10–200bn	48.7%
Mid Cap	US\$2–10bn	11.7%
Small Cap	US\$300m–2bn	12.2%
Micro Cap	<US\$300m	4.7%

🌐 REGIONS

North America	22.2%
United States	19.5%
Canada	2.7%
Europe	40.0%
Germany	11.2%
France	8.7%
United Kingdom	7.9%
Poland	5.2%
Spain	2.9%
Italy	2.6%
Norway	1.3%
Greece	0.2%
Asia Pacific	28.9%
Japan	10.1%
China	7.8%
Australia	5.6%
Singapore	2.9%
Hong Kong	1.2%
South Korea	0.7%
Kazakhstan	0.6%

↑↓ INVESTED POSITION

Gross Long	110.9%
Gross Short	19.8%
Net Exposure	91.1%
Long Positions	59
Short Positions	13

📊 SECTORS

Energy	1.6%
Materials	4.7%
Industrials	26.9%
Consumer Discretionary	3.1%
Consumer Staples	-1.8%
Health Care	3.8%
Financials	12.8%
Information Technology	20.2%
Communication Services	15.7%
Utilities	1.3%
Real Estate	2.9%

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<https://www.minotaurcapital.com/reports/monthly/2025-03>

For investor enquiries, contact invest@minotaurcapital.com.

IMPORTANT INFORMATION

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