



MONTHLY REPORT

APRIL 2024

Unit Price and FUM

Indicative Unit Price

\$1.3028[^]

FUM Size

\$20.3 Million

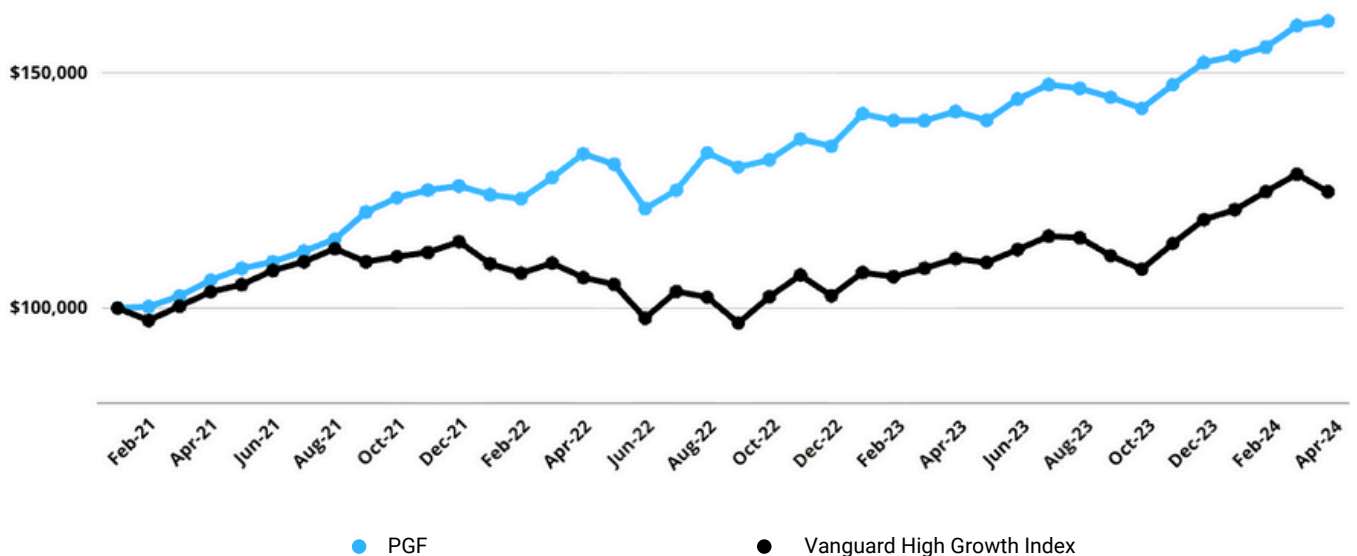
Past distributions paid: FY23: 9.61c, FY22 5.12c, FY21 8.91c.

Performance Table Net of Fees

As at 30 April 2024	PGF	Vanguard High Growth Index Fund	Difference
1 Month	0.60%	-2.91%	3.51%
3 Months	4.83%	3.15%	1.67%
1 Year	13.56%	12.86%	0.70%
3 Years p.a.	15.77%	6.58%	9.19%
Since Inception*	60.97%	25.22%	35.75%

Monthly Performance Net of Fees and Growth of \$100,000

Return %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Return %
2021	-	0.28	2.28	3.28	2.36	1.28	2.06	2.29	5.02	2.52	1.33	0.70	25.95
2022	-1.48	-0.68	3.80	4.10	-1.62	-7.21	3.21	6.80	-3.09	1.54	3.08	-1.12	6.72
2023	5.12	-1.01	-0.02	1.38	-1.30	3.21	2.13	-0.54	-1.28	-1.64	3.53	3.19	13.21
2024	0.93	1.22	2.94	0.60									5.80



*Inception date is 8 February 2021. Vanguard High Growth Index Fund is chosen as PGF's benchmark for its representation of ASX and global equity market indices.

[^]The latest monthly unit prices and return figures are provided on an estimated basis only and may be subject to change.

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Top 10 Listed Equity Positions

Stock Name	Portfolio Weight
NB Global Income (ASX:NBI)	9.3%
Magellan Global (ASX:MGF)	6.3%
S&P Biotech ETF (ASX:CURE/NYSE:XBI)	3.4%
Neuren Pharmaceuticals (ASX:NEU)	2.5%
Nick Scali (ASX:NCK)	2.1%
Santos (ASX:STO)	2.0%
VanEck Gold Miners (ASX:GDX)	1.7%
Meta Platforms (NASDAQ:META)	1.4%
Stanmore Resources (ASX:SMR)	1.4%
Whitehaven (ASX:WHC)	1.2%

Fund Commentary

PGF's estimated return for April was +0.60%, a notable achievement compared to the Vanguard High Growth Index Fund's -2.91%. During the same period, the ASX 200 Index declined by -2.94%, and the MSCI World Ex-Australia Index dropped by -3.26%. Despite the challenging market conditions and negative returns in both Australian and global equities, we are proud to report a positive performance. This result underscores our strategy's resilience and ability to generate value even in adverse environments.

This month, under our Bucket #1 strategy, PGF participated in 39 placements, 2 IPOs, and 4 block trades, with the anticipation of receiving free attaching options in 11 of these deals. The issuance of most of these options is pending, and we expect them to be allocated to the fund over the coming months. Deal flow was very strong in April across a wide range of industries. Top performers included Metrics Master (MXT) +3.0%, Worley (ASX:WOR) +5.0%, Salter Brothers (ASX:SB2) +6.2%, Argenica (ASX:AGN) +7.3%, Tasmaea (ASX:TEA) +8.2%, Aguia Resources (ASX:AGR) +17.7%, Capstone Copper (ASX:CSC) +17.9%, Ansell (ASX:ANN) +23.1%, and Energy Metals (ASX:EME) +50.2%. Detractors were Neurotech (ASX:NTI) -10.0%, Mirmar Resources (ASX:M2R) -16.7%, Cobalt Blue (ASX:COB) -23.3%, and Western Yilgarn (WYX) -33.8%. We are seeing block trades executed by larger companies such as Worley and Ansell, where we can secure good deals and decent allocations. Block trades are 'flying' and it is reminiscent of a high level of corporate activity observed in 2021, although the format has shifted from IPOs to block trades. Money never sleeps and capital markets will find a way to make a buck one way or another.

For the first time in a while, Tasmaea (ASX:TEA) listed at the end of the month and closed at \$1.68, compared to its IPO price of \$1.56. Although a relatively small win, it signals that investors do have an appetite for new listings at the right price. We are still seeing a relative lack of IPO activities outside of miners, but we are not concerned given that there are plenty of opportunities elsewhere.

In our Bucket #2 high conviction strategy, key positive contributions came from Alibaba (HKG:9988) +5.8%, Gold Miners ETF (ASX:GDX) +11.2%, Immutep (ASX:IMM) +13.2%, Evolution (ASX:EVN) +13.4%, Tencent (HKG:700) +14.5%, Aurelia Metals (ASX:AMI) +29.1%, and Stellar Resources (ASX:SRZ) +30.8%. We have held onto Alibaba and Tencent for over two years now, and they have recently broken even from our initial cost. Chinese stock markets (Shanghai, Shenzhen, and Hong Kong) have been the poorest-performing markets since we started the fund, but we believe there has recently been a bit of an inflection point in these markets. In addition to our long holdings, we have additional exposure to the upside in Tencent, Alibaba, and the Hang Seng Index via options.

Detractors were Magellan Global (ASX:MGF) -2.4%, Richemont (SIX:CFR) -8.0%, Neuren (ASX:NEU) -9.4%, NextDC (ASX:NXT) -9.8%, Temple & Webster (ASX:TPW) -14.4%, and Opthea (ASX:OPT) -16.2%. We have applied for double the amount of our rights in NextDC's much sought-after \$15.40 entitlement offer.

Exposure Allocation

Strategy Bucket Allocation	Portfolio Weight
#1 Cash and Fixed Interest Placement + IPO (ECM)	10.0%
#2 High Conviction Stocks	47.5%
#3 Options Account Managed Funds Unlisted Investments	8.0% 7.2% 7.0%

Fund Analytics

# of Positive Months	27/39 (69.2%)
Upside Capture	0.74
Downside Capture	0.13

RIU Sydney Resources Round-up

Since our January report, we have discussed gold, silver, and copper for three consecutive months. Therefore, it was quite relevant that we attended the RIU Conference last week, where companies and investors filled the Hyatt Regency to discover the next best idea. Out of all the conferences we attend, we believe RIU is one of the best for generating alpha, given its focus on micro and small-cap miners, which fits well within our Bucket #1 investment universe and mostly not covered by institutions.

We also noted that this year, there seemed to be fewer institutional managers present. During the three days in the conference halls, we encountered only two peers with the coveted 'Fund' designation on their name tags. We took the opportunity to listen to over 50 presentations and held more than 10 one-on-one meetings. We felt that we gained a lot from the conference and highlight our key findings as follows.

- Copper, silver, and gold companies were the most highly sought after at the conference, particularly copper and gold exploration companies with promising drilling projects. We previously discussed Southern Cross Gold in our reports, which received one of the largest turnout and greatest interest at the conference. Copper and gold have become consensus trades, and capital raises for the right companies will be very well supported.
- More niche companies, such as those in bauxite and manganese, also garnered attention. Both commodities are facing disruptive supply issues, and we have familiarised ourselves with the key players in this area to take advantage of any potential deal flows.



RIU Sydney Resources Round-up 2024 Photos, Source: PGF

- Resource exploration and development companies require constant funding, and there appears to be less institutional support for smaller-sized resource companies. Specific funds with resource knowledge are scarce, and high-net-worth retail individuals continue to be the main providers of capital in capital raises. PGF sits at the sweet spot, where the average small-cap fund is too large to operate in our space or does not invest in the resource sector. This unique positioning is highlighted by an example: out of the 87 small and mid-cap managed funds we can pull data from in FE Analytics, the average fund size is \$322 million. Using a typical market cap of a presenting company at the RIU Conference of \$50 million, the table below demonstrates why larger funds would not venture into the space where we are so active in. At \$20m (and typically half, or just \$10m operating in Bucket #1), we still have capacity left in front of us.

Fund	FUM	Size of a 1% Position	% of a \$50m Market Cap Co.	Exit Liquidity
Phoenix Growth Fund	\$20m	\$0.2m	0.4%	~1 day on market sale.
Average Small Mid-Cap Fund	\$322m	\$3.2m	6.4%	Have to become a substantial shareholder and any further transactions announced to the market. Would take at least 2-3 weeks to get out completely if selling on market. Usually large discounts will apply if selling via crossing.

Source: FE Analytics, PGF estimates

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Fund Information

PGF was established in February 2021 with the goal of generating an above equity net return for its unitholders. It is designed as an absolute return fund with capital growth as the key focus, achieved by using an unconstrained approach via investing in a wide range of investable assets. Refer to fund Information Memorandum for more information.

Portfolio Manager

Jack Hu, CFA, BCom | jack@pgf.net.au

Responsible Manager

Benjamin Peters, GDFP | ben@pgf.net.au

Fund Guideline

- Maximum Single Holding Size: 20% at Cost
- Maximum Unlisted Holdings: 30% at Cost
- Buy Sell Spreads: Nil
- Distribution Frequency: Annually
- Minimum Investment: \$100,000

Application and Redemptions

<https://www.registrydirect.com.au/offer/phoenix-growth-fund/>

Website

<https://www.pgf.net.au/>

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There are risks involved in investing in the Emerald Capital's strategy. All investments carry some level of risk, and there is typically a direct relationship between risk and return. We describe what steps we take to mitigate risk (where possible) in the Fund's Information Memorandum. It is important to note that despite taking such steps, Emerald Capital cannot mitigate risk completely.

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