

Returns (AUD)	1 month	2 months	1 year	3 years	Since inception (p.a.)
Fund	4.46	5.46			
MSCI World Index	3.50	3.83			
Active return	0.96	1.63			

NAV: A\$1.7010

up: 4.46%

MSCI World Index

up: 3.50%

Thymos Capital

Thymos is an Australian fund manager specialising in global equities. Funds are managed through unique blend of macroeconomic modelling and bottom-up stock quantitative analysis.

Global Equities Long Only

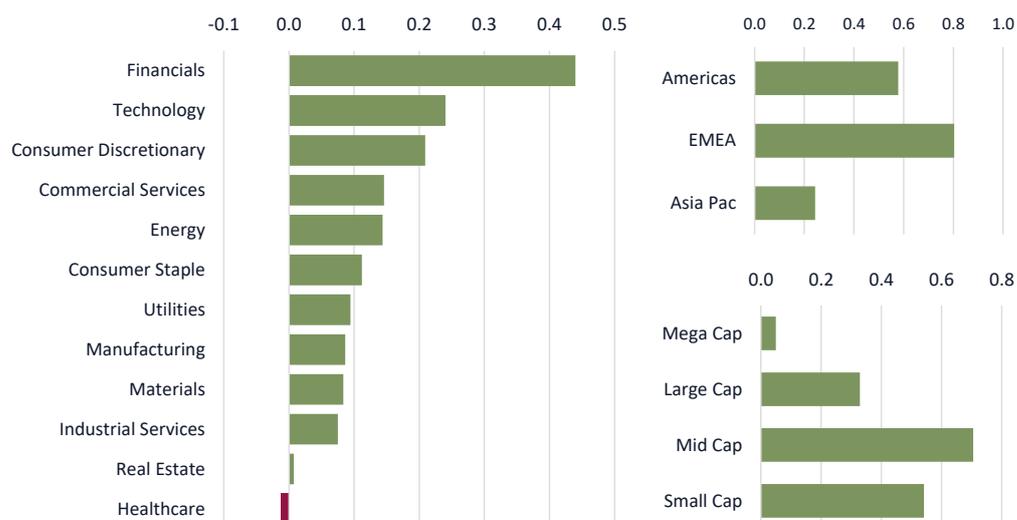
The Fund gives investors a broad exposure to global equities in developed markets. The portfolio is actively managed and aims to achieve above benchmark returns.

LAST MONTH

November was dominated by news of the Omicron variant of coronavirus and risk appetite was hit hard. Equity markets were down more than 2% across the world. The AUD/USD fell over 5% which helped our NAV, denominated in AUDs.

When risk appetite falls, quality stocks tend to outperform. Indeed, we note that our factor tilt towards quality has worked well for us during the month, adding 96bps to the benchmark return, offset slightly by our underweight position on mega-cap stocks.

The graph below shows that we have added value in most sectors, regions and size segments of the portfolio.



Estimated excess returns contribution to USD portfolio performance in basis points (1/100 of percent)

While Omicron is creating a lot of volatility, it changes nothing when it comes to our portfolio positioning.

We continue to favour quality stocks, and where possible, we try to find them outside the expensive mega-cap stocks that everyone owns. Our modelling tells us that the growth should slow as a result of inflation and diminishing policy (fiscal and monetary) support. Consequently, we believe investors should hold quality stocks through this period.

In our view, higher volatility makes the case to own value stocks even weaker, especially considering the heightened risks around inflation that are driving short-term rates up faster than long-term bond yields, with curve flattening tending to squeeze more cyclical and generally cheaper stocks.

Portfolio	
Number of stocks	300
Largest stock*	2,655,211
Smallest stock*	9,907
Median Turnover*	246

Sectors	Holding
Technology	43.3
Healthcare	14.3
Consumer Discretionary	15.4
Financials	8.9
Manufacturing	5.5
Commercial Services	4.8
Consumer Staple	4.8
Utilities	1.3
Materials	0.6
Real Estate	0.5
Energy	0.4
Industrial Services	0.2

Regions	Holding
Americas	78.5
EMEA	14.3
Asia Pac	7.2

Segment	Holding
Mega Cap	29.6
Large Cap	34.8
Mid Cap	22.7
Small Cap	13.0

*Holding as a % of portfolio, * in USD*

LOOKING AHEAD

Disclosure:

There were no material changes to Thymos staff, investment strategy or risk / return profile of the fund. There were no material changes to service providers.

Important information:

The Fund invests in global stocks whose share prices are denominated in many different currencies such as USD, EUR, JPY, CHF, GBP to name a few. The stocks themselves are often global companies operating in many countries. NAV is calculated using month end share prices of The Fund's holdings, converted to AUD at the month end exchange rates. The benchmark is quoted in USD but then converted to AUD returns such that it can be compared to NAV returns on a like for like basis. Overweight and underweight positions are in relation to the universe of global stocks Thymos invests in.

The purpose of this report is to summarise and highlight the main drivers of performance and current portfolio positioning. This report cannot be relied upon for accuracy or completeness. The past returns are not indication of future returns. This report is not an invitation to invest in The Fund. This report is not a financial advice. This report cannot be relied upon as a forecast. You should consult your investment adviser before investing.

For more information, please go to www.thymoscapital.com.au or contact client services on (02) 8277 0000 or email operations@oneinvestment.com.au

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