

# ARNOTT OPPORTUNITIES TRUST

CLASS D (APIR: ANC6332AU)  
JULY 2025

## COMMENTARY

The Fund returned -1.57% net of fees for the month of July 2025.<sup>1</sup> Net exposure averaged 34% long, while gross exposure averaged 139%. This brings the calendar year return to 1.72% net of fees, and the Strategy since inception return to 17.52% p.a. net of fees.<sup>2</sup>

Gains through the month of July were generated from *Energy* (+114 bps), *Special Situations* (+98 bps) and *Data is the New Oil* (+52 bps) long themes. While losses stemmed from long themes, *Uranium* (-149 bps) and *Housing* (-95 bps).

*Uranium* was the biggest detractor to Fund performance through July. While a disappointing month for the theme after a strong recovery in the underlying Uranium price in June, conviction in the theme remains. Arnott's belief is that post the World Nuclear Association conference in September, there will likely be a material lift in overall contracting activity, firming up the market. As the thesis has remained, demand is growing, while supply is struggling to come back to market and as with imbalanced markets the cure for high prices is higher prices.

The other negative contributor to Fund performance was the *Housing* theme, primarily the UK homebuilders exposure. Arnott discussed in detail the thesis for the UK homebuilders in the recent [investor letter](#) and [webinar](#). Arnott has been taking advantage of the price weakness through July to continue building the position, capitalising on the markets current tough operating conditions.

For further commentary on Arnott's current market thoughts and recent additions into the portfolio, watch the [Strategy update webinar recording](#).

## STRATEGY METRICS - FROM MAY 2013<sup>1,2</sup>

Annualised returns	17.52%
% Positive months	60.96%
Average monthly return	1.42%
Average return in MSCI up months	1.28%
Average return in MSCI down months	1.65%
Best month	13.07%
Worst month	-6.09%
Largest drawdown	-11.61%
Longest drawdown (mths)	24
Sortino	3.60
Sharpe ratio	1.42

## THEME CONTRIBUTORS TO PERFORMANCE<sup>1,3</sup>



## CORRELATION SINCE MAY 2013<sup>1,2</sup>

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

## MONTHLY SUMMARY METRICS<sup>1</sup>

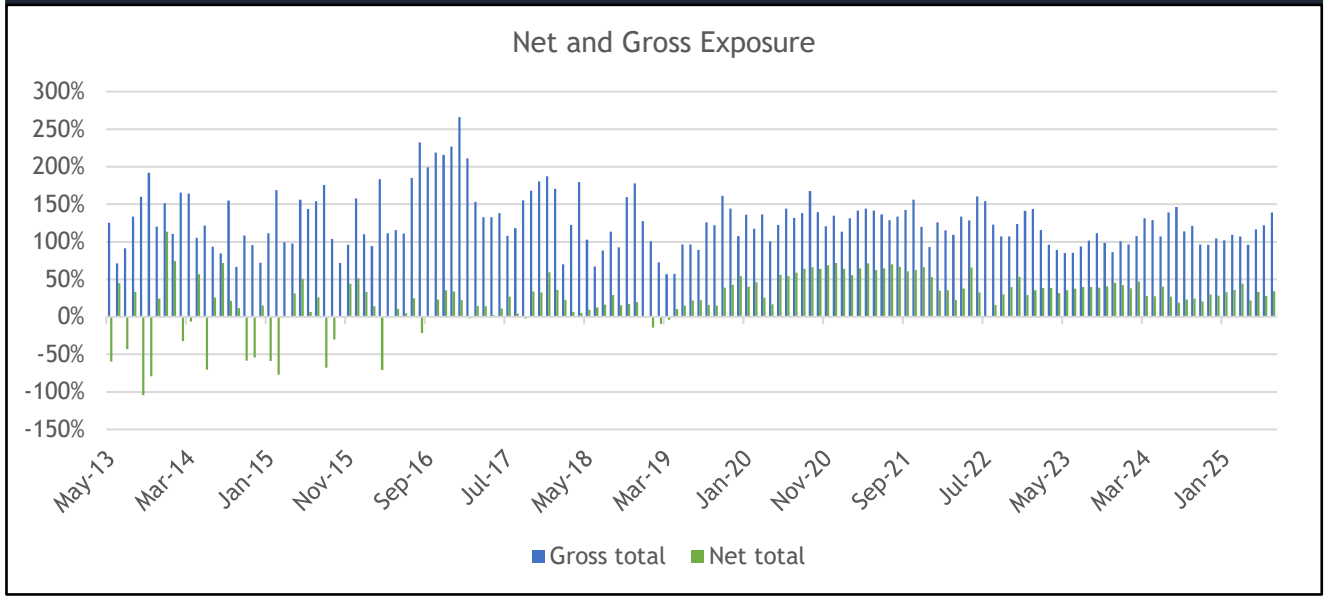
NET RETURN	AV GROSS EXP	AV NET EXP
-1.57%	139%	34%

## STRATEGY<sup>2</sup> PERFORMANCE FROM MAY 2013 (NET RETURN %)<sup>1</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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	-1.66	0.53	-0.30	-1.16	-1.90	0.29	1.70	1.72	-2.10	-2.04	3.20	1.05	-0.82
2020	-1.90	-4.03	6.32	8.76	1.82	-1.47	2.69	4.29	-4.08	-3.45	9.76	7.61	27.97
2021	3.38	5.98	2.81	4.09	5.28	-0.67	-2.93	5.88	6.04	1.29	5.63	-0.45	42.34
2022	2.20	-0.57	-1.61	1.14	2.78	-2.37	-1.74	5.23	-2.20	-3.20	-1.19	1.74	-0.15
2023	-0.42	-2.45	-0.50	-0.87	0.94	1.87	0.75	1.45	3.06	-2.83	-0.35	3.07	3.59
2024	1.06	-2.01	3.88	1.35	0.73	-1.02	-3.49	-2.06	3.32	0.57	-0.67	0.33	1.75
2025	0.92	-0.14	-2.90	-2.05	3.22	4.44	-1.57						1.72

1. Past performance is not an indicator of future performance. This is historical performance data. Class D is based on month end unit prices in Australian dollars. Net return is calculated after management fees and operating costs. Individual investor level taxes are not taken into account when calculating net returns. Fund inception date: 31 July 2020. 2. To provide a longer-term view of our performance, we have shown returns for the Arnott Opportunities Strategy (shaded). Performance is calculated using monthly returns (after fees) from Jun-13 to Dec-17 for Bondi Capital Investments Pty Ltd (managed account) which is net of 0% management fee & 25% performance fee. From Jan-18 to Jul-20 is the performance of the Fund (Founder Class - closed to new & additional investments). Performance is net of 0% management fee & 25% performance fee. 3. Theme contributors to performance is gross of fees and exclusive of Cash for the Strategy.

## STRATEGY NET AND GROSS HISTORICAL EXPOSURE<sup>2</sup>



Source: Arnott Capital. For illustrative purposes only.

**ARNOTT OPPORTUNITIES TRUST**CLASS D (APIR: ANC6332AU)  
JULY 2025**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.

**IMPORTANT INFORMATION**

Arnott Capital Pty Ltd	AFS License 233743 ABN 23086081889	<b>CONTACT DETAILS</b>	<a href="mailto:clientservices@channelcapital.com.au">clientservices@channelcapital.com.au</a>
<b>STRATEGY INCEPTION<sup>4</sup></b>	1999		
<b>FUND NET ASSET VALUE<sup>5</sup></b>	A\$139.7m	<b>REDEMPTION PRICE</b>	\$1.0779
<b>FEE STRUCTURE</b>	<b>Management Fee</b>	<b>Performance Fee</b>	<b>Availability</b>
<b>Class A (Founder Class)</b>	0%	25%	Closed to new investors
<b>Class D</b>	1.5375% <sup>6</sup>	20% <sup>7</sup>	Applications/Redemptions - Daily

4. The same investment approach has been utilised since 1999, from 1999 to 2005, leverage used during this period was much higher than later periods.

5. Net Asset Value is calculated as Fund assets less Fund liabilities.

6. Including the net effect of GST less any RITC payable monthly in arrears on the Net Asset Value and excludes expense recoveries of 0.1241%.

7. Performance fee of 20% (plus GST) based on outperformance above the High Water Mark, accruing daily and payable monthly in arrears. Refer to the PDS for further information on the performance fee.

**Fund Disclosures**

- Key service provider changes - nil
- Key individual changes - nil
- Risk profile or investment strategy material changes - nil

**Definitions**

**Sharpe ratio:** The Fund's annualised average monthly excess return (net of fees) divided by Fund volatility.

**Sortino ratio:** A risk-adjustment measurement which determines the additional return for each unit of downside risk.

**Volatility:** Annualised standard deviation of monthly returns (net of fees) since inception.

**Disclaimer**

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