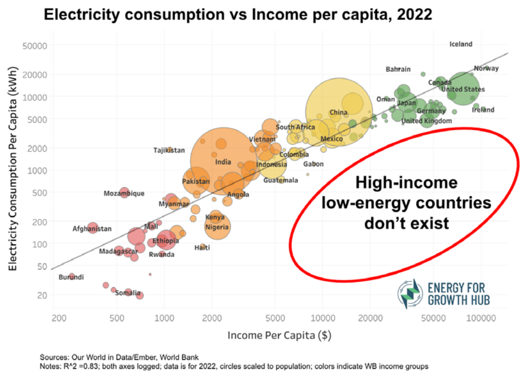
# Global High Conviction Unit Class
# TAMIM Fund

At 31 December 2024

The TAMIM Global High Conviction unit class was up +1.13% for the month of December 2024, this was in comparison to the index return of +2.47%. The strategy has generated a return of +26.73% over the past 12 months.

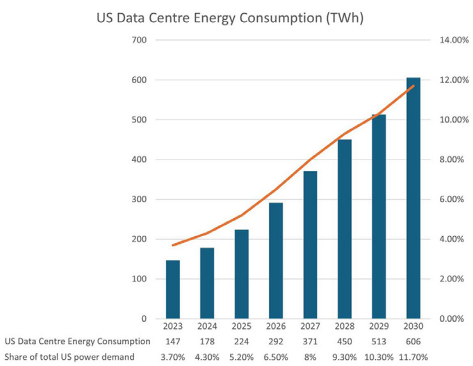
**The Nuclear Option and 2025 surmising**

Growth per capita and improvements in living standards requires access to affordable, reliable energy. If Artificial Intelligence (AI) is going to facilitate productivity gains and raise living standards, then it requires an increase in energy from current levels. Maybe time to look at listed energy utilities with significant nuclear power generation?




In the last media event of 2024, we pointed out some of the opportunities for investors afforded by a combination of AI related demand for reliable power supply and an ideological aversion to installing the most reliable long-term source of all - nuclear. Japan has enormous nuclear power generation capacity much of which is yet to be re-started or been given permission by their Nuclear Regulation Authority (NRA) to re-start. The released CSIRO report in Australia appeared to favour Renewables over Nuclear. We find that more ideological than scientific. Eg it takes from 1k - 2k tonnes of cement to anchor a windmill. Making cement needs to be included in any cost benefit analysis since making cement produces toxic gases such as Sulphur Dioxide, Nitrogen Oxides, and Carbon Monoxide. The CSIRO report appears to have been calibrated to agree with the Labor party's political stance anyway and some assumptions were "questionable". Let's assume however that this Labor government doesn't move forward on nuclear.

AI is power mad. See the projections for US Data Centre Energy Consumption - is Australia giving up on this growth 'industry'?

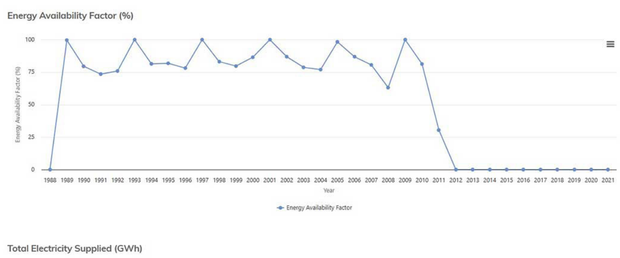



Even the US is facing obstacles to new nuclear plants - Meta's plan for a 4GW plant to power a new AI centre to be READY ONLY BY 2030...was stung by bees.

So - the solution to us is blindingly obvious! Locate Data Centres in Japan. Eg Hokkaido Electric power (9509) owns the Tomari Nuclear plant - a Pressurised Water Reactor - Idled since 2011 which has a capacity of 4 TerraWatts or 4,000 GW - a thousand times what Meta wanted.

In Nuclear Power time, it's ready to go "now" and the delays are due to its remoteness/lack of staff to answer the questions posed by the NRA.

It ran efficiently at up to 100% design capacity - see the Tomari Efficiency Factor chart.




It is in SW Hokkaido a very isolated place and so data centre perfect. Its valuation? P/E 3.6x P/B 0.45x EV/EBITDA 11.5x. If we were struggling to get a reliable data centre power source in the US, Europe or Australia we would offer to inject equity into one of the Japanese nuclear utilities in exchange for an off-take agreement. A win - win. Just saying.

Furthermore, if you think the general equity market valuation is stretched then we can't see much downside in these companies listed on the Tokyo Stock Exchange and operating in Japan - Hokkaido, Kansai, Shikoku - the latter two have had plants cleared by NRA to re-start. We've made some small initial investments.

Elsewhere and with tongue in cheek it looks like 2025 might be a year to worry about T.R.U.M.P.? Good luck in 2025!

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*According to Webster the word of the year is Polarisation. Oxford have Brain Rot and Cambridge have Manifest. Collins have Brat, which was apparently 'made famous by a Chari XCX album' (me neither). Personally, just as Cozzy Livs (cost of living) was my favourite in 2023, this year really deserves to be 'Word Salad', although without Kamala it is unlikely to reappear anywhere near as much.*

***The reality of course is that the word of the year, and next, is Trump.*** *It's a verb as well as a noun and its origins come from the word Triumph. For us though, it is a useful acronym for multiple themes for next year - as expressed in our word cloud (word salad) illustration.*

**T**

**Tariffs**

The main focus of discussion around the upcoming Trump administration is the role of Tariffs. Trump himself has been very vocal on their use to encourage onshoring, as well as to leverage neighbours like Mexico and Canada into a number of behaviours on the border. He is talking about using them to 'protect the $' by threatening BRICS countries considering their own trading unit and even to replace income taxes.

As with Trump 1.0, it is important to tale Trump seriously, but not literally, to see what he does, rather than what he says. We don't have long to wait. This one is a priority.

**Team Trump**

Trump 2.0 is about the team of Gen Xperts that he has assembled around him. Practical, Pragmatic and with experience of the real world, they are very different from Trump 1.0.

**Tik Tok**

The Singaporean social media phenomenon is seen as so influential that it is set to be banned in the US, unless it is sold to Private Equity friends of the establishment to 'protect the US from the Chinese'. Meanwhile its apparent influence is also being used to justify cancelling the Romanian Elections because of 'Russian interference' and to protect democracy. Or something. This is an example of the breakdown in control of Propaganda (qv) as well as the attempts by government to control it.

**Trade**

Economists like the idea of free trade according to Ricardian principles, that each country maximises its comparative advantage of production and engages in trade with others. This is not the same as Globalist Free trade, which involves companies with access to cheap capital maximising returns to shareholders (increasingly management and insiders) by outsourcing production. Trump's policies will undermine the latter.

**Transparency**

With almost all Covid era leaders gone and the DOGE campaign underway next year, transparency is going to be a buzzword - arguably along with accountability. Many are nervous about Tulsi Gabbard (qv) for this reason. For investors this may also increase stock specific risk as some light shone into dark corners might not be welcome.

**Trudeau**

Unlikely to survive Trump, apart from Macron (qv) the last of the Covid lockdown Globalists. Trump's reset on tariffs and NAFTA will put pressure on any successor. Likely new PM, sometime before October is Pierre Poilievre whose attitudes on axing carbon taxes and allowing resource development echo Trump's.

**Trust (but verify)**

The old Ronald Reagan maxim is once again apposite, not just for relations between the US and Russia over nuclear weapons, but more generally. The partisan behaviour of much of the Media (qv) over the Biden era in particular has led to a lack of trust in the traditional Media channels and government in general. Pew research shows that only 25% of Amercans trust their government to do the right thing. Twitter (now X) (qv) is now used extensively as a sense check on the mainstream narrative.

**Tulsi Gabbard**

As (likely) head of the Intelligence Services, former Democrat favourite Tulsi Gabbard has the job of reversing the all seeing eye of the agencies back into their own dark corners. It's going to be a tough four years for both sides.

**Turkey**

The stunning outcomes in Syria in December mark a return to central stage for Turkey, one of many powers in or adjacent to the Middle East making its play ahead of Trump 2.0. With a central role in East West relations including the likely pipelines of gas to Europe (qv) Turkey will be a priority for Trump and the EU.

**Twitter**

Now renamed X - we like to think to represent the Generation now in power - is now the go-to for readers, not just journalists, in order to find not only the consensus, but also alternative viewpoints. Elon Musk (qv) recognised the power of incumbency and rather than trying to build his own platform, reversed into the existing key player. Very much like Trump took over the Republican Party. Will continue to dominate the western media.

**Real Interest Rates**

Interest rates adjusted for (stubborn) inflation are 'real' in both the technical and he practical sense. Too high and they crowd out capital markets, too low and the misallocate capital. UK rates currently standout as too high.

**Recession**

Unlikely in the technical sense, more a 'failure to launch' in UK and Europe until and unless they drop the globalist policies on Net Zero (in particular) and unrestricted immigration. GDP per capita in places like UK and Germany has barely grown over the last 15 years and existing policies are not going to deliver any improvement. We continue to disagree with the apparent western consensus that China is on the brink of a recession and, with the largest trade surplus in the world, needs to devalue its currency.

**Redollarisation**

As we noted in an article (not de-dollarisation but re-dollarisation) there is a risk of 'careful what you wish for. If, in its desire to preserve reserve currency status for the $, the US punishes BRICS for adopting its own trading currency, there is a risk that China actually reverses into the offshore $ bond markets and issues US debt to the rest of the world.

**Reforms**

There is s lot of excitement over the prospect of reform in the US economy, especially with the DOGE group under Elon Musk (qv). However, there is a risk that while the reforms will be good for the US economy overall, they will almost certainly not be so good for the largest corporations as represented by the S&P500. By definition, these large(st) companies have achieved a degree of monopoly power, as well as benefitting from Government spending largesse.

Cutting spending and increasing competition are not good for S&P earnings and hence market prices.

**Renewables**

Trump has already effectively abandoned the Green Leap Forward with commands to "Drill baby Drill'. Canada looks likely to follow. Meanwhile its is increasingly clear that the Globalist push to ever more renewable energy in the absence of scale storage is making electricity grids increasingly unstable and with the peak pricing coming from gas spot markets, energy costs alarmingly uncompetitive. Germany in particular has crippled its industry and even if cheap gas returns, the push back politically against Green energy is going to escalate.

**Republican Party**

The Republican Party has now been fully subsumed by the Trump MAGA party, with J D Vance likely to be the Torch bearer for the next decade. Many Democrats must be wishing that Trump had won the last Election and had to deal with the fallout from Covid and that they had spent four years finding the right candidate. Now they will have to start again. At the very least, their candidate will have to be able to do Joe Rogan (qv).

***Restructuring***

A powerful theme in Asia, especially Korea and Japan, where small policy and tax adjustments could have significant impacts on returns and value investing.

**Returns**

After excess returns coming from years of QE driving down the cost of Capital and the discount rate, followed by 'unsterlisied' Fiscal Expansion in the wake of Covid and then an incredibly narrow leadership in the index tracking S&P 500 (essentially Nvidia), expectations of 'normal' returns are elevated - especially among US retail. These will need to be reset - hopefully not too painfully.

**RFK jnr.**

A former Democrat, like Tulsi Gabbard, RFK Jnr represents the non partisan element of Team Trump. Trump has given him the brief to 'make America Healthy again', which is not necessarily good for the quasi monopolies and their associated lobbyists in Big Pharma, Big Food and Big Agriculture - which represent a significant share of S&P500 profits (see Reform).

**Risk**

The investment industry focuses (almost) exclusively on two measures of risk - volatility and tracking error - that are internal management tools rather than relevant measures for the underlying investor.

The biggest risk for investors at the moment is the inherent concentration risk in portfolios and also the fact that the largest stocks have the highest Beta.

**Rogan (Joe)**

Trump's appearance (for free) on Joe Rogan was widely credited with boosting his support among Blue Collar voters and especially Gen Z. In particular the free 3 hour podcast was contrasted with the multi-million dollar soundbite campaigns of the Democrats in traditional media and the inability of Kamala Harris to move away from scripted comments. This was a key breakthrough moment for so called alternative media (qv) and an issue for marketing budgets more generally.

**Russia**

Almost everything from Russia and about Russia is Propaganda (qv). However, as with China, we prefer to listen to what Russia says it believes and thus how it will behave, rather than take western analysts' pronouncements over what they believe the Russians are thinking and what they 'should' do.

Russia clearly believes the 'Anglo Saxons' are waging a Proxy war against it and views its Special Military Operation as justified and far from 'unrpovoked'. It's actions will continue to reflect this view.

**UAPs**

Unidentified Anomalous (sometimes aerial) Phenomena (UAPs) have suddenly appeared everywhere, by which we mean mysterious 'drones' or some such have appeared in large numbers over military airbases in the US and elsewhere. And yet nobody appears to know what is going on. Otherwise extremely sound and sensible commentators are extremely alarmed about what used to be known as UFOs. This could be nothing - or the biggest story of 2025.

**Ukraine**

Trump has promised to end the Ukraine conflict 'overnight' and it certainly seems like the US wants 'out'. However, its apparent plan to impose tens of thousands of European 'Peacekeepers', while great for NATO contributions and the MIC, is unlikely to meet Russian approval (see Russia). Meanwhile, both sides are pushing to establish bargaining positions as some other actors look to keep this a 'forever war', at least like Afghanistan (which seemingly ended only to facilitate the start of Ukraine).

**Uncertainty**

Investment is about making decisions under conditions of uncertainty. The hindsight portfolio not only picks the best stocks but makes the perfect decision on asset allocation between equities and cash. Too much 'risk management' focuses on narrow definitions of Risk (qv) and the associated pretence that they can be removed. Separating the two is key in constructing portfolios.

**Uncorrelated**

As markets became increasingly correlated in 2021/22 , particularly bonds and equities, investors looked to alternatives - including Bitcoin. Obviously the lack of mark to market meant that Private Markets (qv) also looked attractive, but that very 'virtue' means that they have liquidity issues, so increasingly non US markets are looking a good diversification choice.

**Unemployment**

The markets' obsession with the Non Farm payrolls spilled over into politics where Democrats focussed on the headline numbers and missed the detail that many were working two jobs, or that most of the employment 'growth' was in the public sector. As such, the 'real' data is what is feeding populism as youth unemployment is a big issue, especially in the west. The Cost of Living (our 2023 word of the year Cozzy Livs) is a major feature of the disconnect between government and voters (see populism).

**Unrestricted Immigration**

Is another key focus for populists everywhere, with the emphasis on the unrestricted, or uncontrolled element. We will see a lot of action here in 2025 - not just from Trump.

**Macron**

The last of the Globalist leaders, will have to have more elections next year (along with Germany) and likely struggle to make it to full term. Political troubles leading to serious pressure on the EU and the Euro such that the previous losers (PIIGS) are now trading at lower bond yields than France.

**Margins**

Corporate Margins are close to all-time highs in the US. This is only partly structural (ie historically there were more cyclical businesses) and reflects a lot of monopoly power. Also, super high margins in parts of tech that may come under twin pressure from increased competition and from policy. For example, the high share of corporate profits (qv) is partly a function of low levels of corporate taxation and transfer pricing by the mega cap tech companies. Revenue hungry governments and regulators clearly have these companies in their sights.

**Markets**

The cloudy geo-political picture is currently being traded largely through currencies and to some extent bonds. Equity markets are not taking a big view, other than to remain underweight China. In the US, the stock market is a key source of a Wealth effect as well as a source of cheap capital. neither is true in China currently, although we believe the next big initiative is to make it so.

**Media (Traditional and alternative)**

The contrast between the billion-dollar Democrat campaign in traditional media and the most successful elements of the Trump campaign that were often free alternative media, marks a turning point in the balance between the two forms - with an interesting focus on long form interviews (Rogan, Lex Friedman etc) that is spilling into wider, non-political, marketing. So traumatised by the ratings experience of MSNBC, NBC is considering divesting.

**Momentum**

Momentum remains the most powerful factor that we monitor, increasingly enhanced by a combination of (likely AI driven) clone trading tools and the job preservation priorities of active managers being fired unless they generate short term 'alpha' on a constant basis. The fact that this is inherently bad for capital allocation and makes markets intrinsically unstable does not mean this will change any time soon.

**Monetary Policy**

Monetary policy has effectively normalised - albeit slightly too tight, which is why the Fed have eased a little. As such we should expect little drama from the Fed next year - although the Bond Markets and the Private Markets (qv) lobby groups will be pushing hard for rates to come lower to help them out. Rather than the twin targets of higher growth and lower inflation, US Monetary policy is now primarily focussed on financial stability and keeping the cost of servicing the Govt debt down - with the other two economic issues secondary.

**Musk**

Elon Musk has emerged as a major political force - as well as a beneficiary of the type of government spending that won't get cut. His focus on space (rather than cars) is something investors should also be thinking about.

**Passive versus Active**

The concentrated risk in the S&P500 (usefully known as Nvidia +499) has left passive investors feeling justified again this year; very few active investors will have outperformed a benchmark that implicitly takes that much concentration risk. Long term investors should focus on required return and then set their risk parameters accordingly. Human nature means they don't of course, and window dressing and job preservation by semi active funds further add to momentum (qv) effects.

**Pipelines**

The new regime in Syria seems amenable to the 2011 proposed pipeline for Qatari gas to Europe via Turkey. Assad was against it, preferring a route through Iraq for Iranian gas. At the same time, a resolution of Ukraine (qv) may see a period of time for Russian gas to maintain transit to Eastern Europe before being replaced with Ukrainian gas (which has huge reserves in the Donbas and Crimea). There may even be a resumption of NS2. Power as they say, is always about power.

**Polarisation**

The Webster's Dictionary word of the year largely reflects its in house view of the US and the realisation that not everyone agreed with the liberal consensus, as Trump won the popular vote and a sweep of the House. Actually, if anything, it suggests more, rather than less, agreement - just on something different. It also reflects the nature of Social Media, which is to generate activity by polarising headlines.

More importantly there is the growing realisation that the 6bn + in 'The Rest' do not agree with many of the policies of the so called Golden Billion in 'The West'. This multi-polar world that continues to emerge is very significant for everything, from the $, to the offshore bond markets and capital flows in general.

**Politics and Policy**

Politics is everywhere, but for investors, Policy risk is very elevated at the moment. This is a different type of Great Reset and in many senses the first shall be last. Lobbying has successfully delivered monopoly or semi monopoly profits for many large corporations by influencing policy. Moves to undo these policies, or even just to introduce more competition, risk damaging profitability of the largest companies, which in turn undermines the level of stock markets.

**Populism**

Populist politicians are emerging everywhere, and in particular are pushing back against the twin globalist policies of unrestricted immigration and Net Zero. Politicians will abandon both if it means preserving their own positions. At the least, Policy (qv) will cease favouring the Green Leap forward and hence ESG initiatives. The G7 and Cop 26 initiatives around vaccines and Climate, led by Boris Johnson, Justin Trudeau, Emmanuel Macron, Joe Biden, Shinzo Abe, Jucinda Ardern etc now look a world away.

**Pragmatism**

Pragmatism rather than dogmatism or indeed idealism seems to be the hallmark of Team Trump. Contrast with the "Page One Thinking' (as Tomas Sowell puts it) of so much of the bureaucratic/academic/think tank class, which appears permanently baffled as to why their policies have 'unintended consequences', which are obvious to everyone else and you have the key to why their policies new administration might achieve something.

**Private Markets**

The Private markets have been where 'all the money' has been made during the QE era, principally through the combination of the use of leverage and the definition of risk as volatility that meant private markets could fit into the matrix as 'low risk' on account of not having to mark to market. That era is now over and much of the liquidity in 'dry powder' ($3.9trn, of which $2.4trn is in PE) is as yet uncommitted and is likely to expire within the next 3 years.

The problem is that between 2010 and 2022, according to industry data experts Prequin, large cap funds raising grew 11x (largely thanks to QE) while deals only grew 4x. Small and Medium funds were closer in terms of asset raised versus funds deployed. This suggests that there will be a much tighter supply demand in the larger cap space as that money tries to deploy. The buzzword for 2025 is GP led secondaries, ie existing GPs exiting a position into a 'new fund', otherwise known as 'continuation funds'. This will free up liquidity but will further confuse the measured 'success' and returns from PE as an asset class.

**Prices**

A major pressure on both inflation and industrial production is coming from uncompetitive energy costs brought about by Green policies around net zero. This pretence at sustainability is not in itself sustainable. Inflation may be easing, but the price level itself is significantly higher than pre Covid (a major feature in the election). Increased domestic competition would help, but blocking international competition with tariffs will obviously not.

**Profits**

Profits as a % of GDP are close to an all time high in the UIS as margins (qv) are also unusually high. This partly reflects pricing power thanks to consolidation and small companies being driven out of business post covid, but also low levels of corporate tax for many of the largest companies. This looks an obvious target for revenue hungry governments.

**Propaganda**

Political persuasion, otherwise known as Propaganda, originated in the early 20th century as a way of manufacturing consent (Chomsky's phrase) for war. Its godfather, Edward Bernays literally wrote the book with that name and when it was unfortunately embraced by Goebbels, Propaganda was rebranded as PR and aggressively used by governments everywhere. With the MainStream Media it has been incredibly successful, but in the new Trust but verify world, it is losing its potency. Still, we need to maintain the discipline of always asking "Why are they telling me this? And why now?

**Putin**

His relationship with Trump will be key to solving Ukraine as an issue - especially for Europe, whose current woes have definitely been heightened by the war and the sanctions. As with Trump, it is important to listen to what he says, but watch what he does. It is all important to ignore what most western analysts claim he is thinking and what he should do.

There are many things we have left out - important countries like Palestine, Poland, Pakistan, Middle East as well as people like Meloni and Milei, Reform (as a political Party) , Rmb, Riyal and countless others. But we had to stop somewhere.

Of the 40+ words in our wordcloud, we could combine any five into an article - Team Trump, Reforms, Unemployment Markets and Prices, or Turkey, Russia, Ukraine, Media and Policy, or Tariffs, Risk, Uncertainty, Monetary Policy and Prices...So much to think about.

**Portfolio Highlights:**

**CK Hutchison Holdings Limited (SEHK: 1)**

CK Hutchison Holdings is a Hong Kong-based multinational conglomerate that operates across four key segments: Ports and Related Services, Retail, Infrastructure, and Telecommunications. The company boasts a unique portfolio of assets that includes 293 berths in 53 ports across 24 countries, retail operations under well-known brands like Watsons and PARKnSHOP, and extensive infrastructure investments in energy, water, and transportation. This strategic diversification provides the business with multiple streams of stable cash flow and exposure to global trade and urban modernisation trends.

The company trades at an exceptionally low price-to-earnings ratio (P/E) of **6.33**, significantly below peers in the industrial conglomerate sector, highlighting the market's underappreciation of its robust asset base and earnings stability. Additionally, CK Hutchison offers a compelling dividend yield of **6.14%**, underpinned by its strong cash flow from mature and defensive business segments.

Recent geopolitical developments suggest a more tempered trade environment, reducing the likelihood of extreme tariffs and fostering a more stable outlook for CK Hutchison's global trade-focused operations. Given the size of China's manufacturing base and the time it would take for the US to re-industrialise, we think that a more nuanced approach to tariffs on Chinese goods is likely. Key assets, including its port infrastructure, are strategically positioned to benefit from this shift. Furthermore, management's disciplined approach to capital allocation, evidenced by consistent reinvestment in high-return projects and a prudent debt-to-EBITDA ratio of **5.26**, reinforces the company's long-term sustainability.

Given its undervaluation and strong fundamentals, CK Hutchison represents a rare opportunity to invest in a diversified global business with stable cash flow and significant upside potential as the market reassesses trade-related companies in the current geopolitical climate.

**Corning Incorporated (NYSE: GLW)**

Corning, although classified as a materials company, is fundamentally a technology leader specialising in advanced glass and optical solutions. Its operations span five key segments: Display Technologies, Optical Communications, Specialty Materials, Environmental Technologies, and Life Sciences. Corning's cutting-edge products are critical in enabling the development of next-generation technologies, including **fiber optics for AI infrastructure and specialty glass for automotive applications.**

The **Optical Communications** segment is a standout performer, driven by increasing demand for high-speed fiber networks to support the growth of AI data centers and 5G deployments. Similarly, its **Specialty Materials** division provides the innovative glass used in mobile devices and advanced automotive applications. These high-tech solutions position Corning as a pivotal player in the digital transformation of industries, a far cry from the traditional materials company label it often carries.

Corning's financial metrics reinforce its appeal. Despite challenges in its Display Technologies segment, revenues for FY2024 are expected to surpass $15 billion, supported by robust growth in optical connectivity solutions and strategic pricing adjustments. The company has also secured funding under the **CHIPS Act** to enhance its specialised glass production capabilities, further aligning its operations with the evolving needs of advanced manufacturing and technology sectors.

Trading at a P/E ratio of **22.35**, Corning appears undervalued relative to other technology heavy companies, given its strong growth prospects and technological leadership. With a **2.25% dividend yield** and consistent capital returns through buybacks, Corning offers both income and growth potential. As markets increasingly recognise its critical role in enabling AI and next-gen automotive technologies, there is significant upside for investors. Recent interaction with the sell-side analyst community indicates earnings to surprise on the upside.

**Japan Aviation Electronics Industry Ltd. (TSE: 6807)**

Japan Aviation Electronics (JAE) is a leading innovator in the design and manufacture of high-performance electronic connectors and interface solutions. Serving a diverse range of industries, including aerospace, automotive, telecommunications, and factory automation, JAE delivers cutting-edge solutions critical to advancing modern technology. Its product portfolio spans connectors, motion sensors, touch panels, and optical components, which are increasingly essential for mobile devices, electric vehicles, and automated systems.

A key growth area for JAE lies in its advanced connector technologies, which are becoming indispensable in industries like EV manufacturing and smart factories. Recent innovations include ultra-compact connectors for smartphones and automotive applications, catering to the global push toward miniaturisation and efficiency. The company has also demonstrated a strong focus on the aerospace sector, with motion sensors and fiber optics playing a vital role in advanced navigation and stabilisation systems.

Financially, JAE has exhibited resilience with consistent revenue generation despite a challenging macroeconomic environment. For FY2024, the company reported a **4.63% return on assets** and a **7.86% return on equity**, reflecting robust operational efficiency. With a manageable debt-to-EBITDA ratio of **1.19**, JAE is well-positioned to fund future growth initiatives.

Trading at a forward P/E ratio of **13.8** and a price-to-book ratio of **1.46**, JAE is attractively valued relative to its technological peers. Its **2.16% dividend yield** adds to the investment appeal, offering income alongside growth potential. As industries continue to adopt more sophisticated electronics, JAE's role as a critical enabler of innovation makes it a compelling long-term investment opportunity.

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## Overview

The TAMIM Global High Conviction strategy is a portfolio of global equities from major developed global exchanges. The portfolio holds approximately 60 of the best ideas from around the globe. The portfolio uses a systematic and consistent approach to stock selection and portfolio construction to deliver strong risk adjusted returns to our clients while focusing on attempting to preserve their wealth.

## Key Facts

| | |
|---|---|
| **Investment Structure:** | Unlisted Unit Trust |
| **Minimum investment:** | A$100,000 |
| **Management fee:** | 1.00% p.a. |
| **Admin & expense recovery fee:** | Up to 0.35% |
| **Performance fee:** | 20% of performance in excess of hurdle |
| **Hurdle:** | MSCI World Net Total Return Index |
| **Exit fee:** | Nil |
| **Single security limit:** | +/- 5% relative to Investable Universe |
| **Country/Sector limit:** | +/- 10% relative to Investable Universe |
| **Target number of holdings:** | 80-110 |
| **Portfolio turnover:** | Typically < 25% p.a. |
| **Investable universe:** | MSCI World Net Total Return Index |
| **Cash level (typical):** | 0-100% (0-10%) |
| **APIR code:** | CTS5590AU |

## NAV

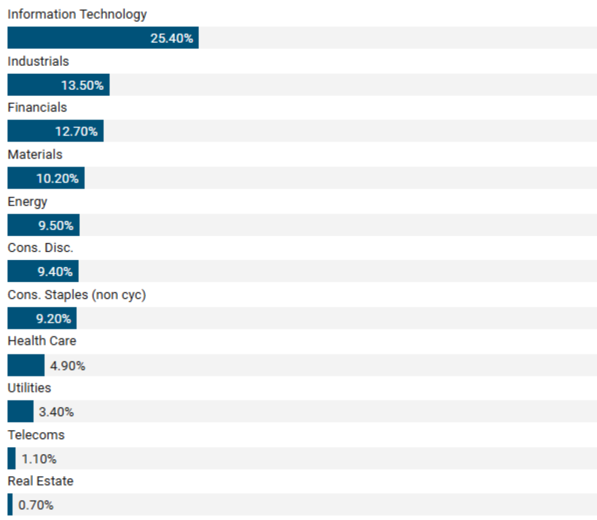
| | Buy Price | Mid Price | Redemption Price |
|---|---|---|---|
| **AU$** | $1.5525 | $1.5486 | $1.5447 |

## Selection of 5 Holdings

| Stock | Country |
|---|---|
| Hitachi | JP |
| Schlumberger | USA |
| Corning | USA |
| Cummins | USA |
| Ebara | JP |

## Portfolio Profile

| | |
|---|---|
| **Equities** | 99.20% |
| **Cash** | 0.80% |




## Portfolio Performance

| *Inception: 15/07/2011* | 1 month | 1 year | 3 years (p.a.) | 5 years (p.a.) | Since inception (p.a.) | Since inception (total) |
|---|---|---|---|---|---|---|
| **Global High Conviction** | 1.13% | 26.73% | 10.61% | 11.60% | 14.01% | 481.01% |
| **MSCI World** | 2.47% | 30.78% | 12.19% | 14.03% | 14.71% | 531.07% |
| **Cash** | 0.36% | 4.35% | 3.17% | 1.97% | 2.18% | 33.56% |

Strategy inception: 15/07/2011 | TAMIM Fund: Global High Conviction unit class inception: 31 December 2019

Returns prior to 31 December 2019 reflect the Individually Managed Account (IMA) underlying portfolio returns. IMA returns reflect a higher fee structure. Individually Managed Account (IMA) returns will, by their nature, vary from the underlying portfolio and TAMIM Fund portfolio. Should you wish to see your individual return, please log in to your account online. Returns are quoted net of fees and assume dividends/distributions are reinvested. Past performance is no guarantee of future performance. The information provided should not be considered financial or investment advice and is general information intended only for wholesale clients (as defined in the Corporations Act). The information presented does not take into account the investment objectives, financial situation and advisory needs of any particular person nor does the information provided constitute investment advice. Under no circumstances should investments be based solely on the information herein. You should seek personal financial advice before making any financial or investment decisions. The value of an investment may rise or fall with the changes in the market. Past performance is no guarantee of future returns. Investment returns are not guaranteed as all investments carry risk. This statement relates to any claims made regarding past performance of any Tamim (or associated companies) products. Tamim does not guarantee the accuracy of any information in this document, including information provided by third parties. Information can change without notice and Tamim will endeavour to update this document as soon as practicable after changes. Tamim Funds Management Pty Limited and CTSP Funds Management Pty Ltd trading as Tamim Asset Management and its related entities do not accept responsibility for any inaccuracy or any actions taken in reliance upon this advice. All information provided in this document is correct at the time of writing and is subject to change due to changes in legislation. Please contact Tamim if you wish to confirm the currency of any information in the document. The MSCI Word refers to the MSCI World Index in AUD. Returns shown for longer than 1 year (other than Inception) are annualised. All returns shown are AUD denominated.