

To: Investor Partners of Castlereagh Equity Pty Ltd

From: Peter Phan

Date: 31 July 2019

Re: Monthly Update

	CE	CE ex-fees	XAOA	CE ex fees vs XAOA	XAO	CE vs XAO	CE Net Asset Value
1 November 2013 to 31 July 2019	91%	82%	62%	20%	27%	64%	166 cents*
1 November 2013 to 31 Jan 2015	6.2%	6.2%	7.7%	-1.5%	2.4%	3.8%	106.2 cents
1 February 2015 to 29 Jan 2016	19.4%	16.4%	-4.7%	21.1%	-9.2%	28.6%	126.8 cents
1 February 2016 to 31 Jan 2017	19.7%	16.3%	17%	-0.7%	12.5%	7.2%	151.8 cents
1 February 2017 to 31 Jan 2018	9%	8.3%	13%	-4.7%	8.3%	0.7%	146 cents
1 February 2018 to 31 Jan 2019	0%	0%	0.6%	-0.6%	-3.4%	3.4%	139 cents
1 February 2019 to 31 July 2019	19.5%	17.6%	18.5%	-1%	16.2%	3.3%	166 cents

To aid in understanding the tables above:

1. CE commenced on 1 November 2013 with shares issued at \$1 per share, backed by \$1 of cash per share.
2. The first row of the table above provides a summary of CE's performance since its commencement on 1 November 2013 until the date of this memorandum. It also compares CE's performance with the benchmark All Ordinaries index (XAO) and the All Ordinaries Total Return Index (XAOA) over the same period.
3. The second row of the table provides a summary of CE's performance for its first reporting period (15 months period from 1 November 2013 to 31 January 2015).
4. The third row of the table (and subsequent rows) provides a summary of CE's performance for its reporting period (12 months period from 1 February to 31 January).
5. The last row of the table provides a summary of CE's performance for its current reporting period (period commencing 1 February 2019 to the date of this memorandum).

6. *CE NAV is after payment of dividend and director fees in Feb 2017 and Feb 2018. These payments “reset” the NAV from 1.52 to 1.34 in Feb 2017, from 1.46 to 1.39 in Feb 2018, and from 1.39 to 1.39 in Feb 2019.

The XAO started at 5420 on 1 November 2013 and ended at 6897 on 31 July 2019. In percentage terms, the XAO gained 27% for the 69 months period since the start of the CE fund.

The XAOA started at 44054.2 on 1 November 2013 and ended at 71378 on 31 June 2019. In percentage terms, the XAOA gained 62% for the 69 months period since the start of the CE fund.

CE’s performance over the same 69 months period is 91%.

For the month of July 2019, the XAO gained 3% and the XAOA gained 3%. CE gained 4.4% for for the month.

The cash component of the CE fund is 23%.

There is nothing of significance to report for the past month. I have initiated another quasi cash position with a dividend yield of nearly 18%, and also bought a small initial position in a quality company. These positions replaced the cash received from the conclusion of SRS. We are still awaiting the conclusion of a few of our quasi cash position which I will report in due course. Apart from the above, I am doing the usual preparations in anticipation of the upcoming reporting season in August.

Thank you for your trust and confidence in us.

Regards

Peter Phan

Director, Castlereagh Equity Pty Ltd