

To: Investor Partners of Castlereagh Equity Pty Ltd

From: Peter Phan

Date: 30 June 2020

Re: Monthly Update

	CE	CE ex-fees	XAOA	CE ex fees vs XAOA	XAO	CE vs XAO	CE Net Asset Value
1/11/13 to 30/6/20	138%	118.3%	46%	72.3%	10.7%	127.3%	194 cents*
1/11/13 to 31/1/15	6.2%	6.2%	7.7%	-1.5%	2.4%	3.8%	106.2 cents
1/2/15 to 29/1/16	19.4%	16.4%	-4.7%	21.1%	-9.2%	28.6%	126.8 cents
1/2/16 to 31/1/17	19.7%	16.3%	17%	-0.7%	12.5%	7.2%	151.8 cents
1/2/17 to 31/1/18	9%	8.3%	13%	-4.7%	8.3%	0.7%	146 cents
1/2/18 to 31/1/19	0%	0%	0.6%	-0.6%	-3.4%	3.4%	139 cents
1/2/19 to 31/01/20	65%	51.7%	25%	26.7%	20.3%	44.7%	229 cents
1/2/20 to 30/6/20	-7.6%	-7.6%	-14.4%	6.8%	-15.9%	8.3%	194 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 calendar month February of each year. These payments "reset" the NAV as follows:
 - (a) 1.52 to 1.34 in Feb 2017,
 - (b) 1.46 to 1.39 in Feb 2018,
 - (c) 1.39 to 1.39 in Feb 2019.
 - (d) 2.29 to 2.10 in Feb 2020.

The XAO started at 5420 on 1 November 2013 and ended at 6001 on 30 June 2020. In percentage terms, the XAO gained 10.7% for the 80 months period since the start of the CE fund.

The XAOA started at 44054.2 on 1 November 2013 and ended at 64331 on 20 June 2020. In percentage terms, the XAOA gained 46% for the 80 months period since the start of the CE fund.

CE's performance over the same 80 months period is 138%.

For the month of June 2020, the XAO gained 2.2% and the XAOA gained 2.3%. CE dropped 1% for the month.

The cash component of the CE fund is just over 25%.

As a matter of record, the CE fund performance over the financial year of 2019 to 2020 is 22%.

The Month That Was

No points for noticing the topsy turvy markets continue in June unabated. Whilst future outcomes remain uncertain in many sectors and industries, market participants appear to be blithely ignoring any downside risks, judging by the price levels of some shares being bidded up.

We remain alert throughout the tax loss selling season. However, compelling opportunities to deploy large sums of capital remain scarce. As a consequence, our cash levels continue to build up modestly.

The investing environment continues to be challenging, but by and large, we are already accustomed to this. We continue with business as usual, exercising patience but practising diligence. Rest assured, investor partners will get 100% of my efforts and dedication in protecting and enhancing the capital you have all kindly entrusted to me.

Thank you for your trust and confidence in us.

Regards

Peter Phan

Director, Castlereagh Equity Pty Ltd