

Returns

As at 31 October 2024	1m %	3m %	1y %	3y % pa	5y % pa	Since inception % pa (Nov 13)
Gross	-3.5	-0.6	7.5	-4.9	5.2	10.4
Net of Fees	-3.5	-0.6	7.5	-4.9	5.0	9.6
S&P Biotechnology Select Industry Index (converted to AUD)	3.3	-4.4	42.1	-3.7	4.6	11.2

Portfolio Composition

NAV per share	% in cash	% shares in USD	% shares in AUD
1.58*	36	38	26

Commentary

Month of October started with hopes of Chinese stimulus. This quickly evaporated with Chinese equities stalling again. Then came more geopolitical tensions. This was followed by the US election campaigns. Long term bond yields started rising again, whilst gold, equities and bitcoin all rallied in unison.

We live in interesting times indeed.

The 3% movement in the CE portfolio incorporated several factors such as AUD/USD currency swing, negative stock specific news (CEO departure for Beamtree and growth hiccups for Transmedic) and a moribund biotech sector. Our diversified stance together with cash basically reduced this to normal portfolio noise, much of which has actually reversed at the time of publication of this memo.

As the biotech winter continues, I added to our radiopharma position by buying more shares in Telix and also started a small position in Clarity. I also started another new position in Repligen, a specialised player in the field of bioprocessing. I sold our position in Edwards Lifesciences as evidence begins to mount of slowing growth in TAVR markets and increasing competition. We continue to maintain positions in structural heart via our holdings in Boston Scientific and Terumo.

I have updated Appendix 2 of CE monthly memo to provide portfolio composition information.

Thank you for your trust and confidence in us.

Regards

Peter Phan

Portfolio Manager

Appendix 1: Gross Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SPSIBI
2022	-5.5	0	0.5	-4.5	1.0	-0.5	2.0	-1.0	-5.0	2.0	4.0	-0.5	-7.5	-20.4
2023	2.0	2.0	-1.2	1.8	-2.3	0.0	5.4	-5.7	-3.0	-7.5	6.1	6.4	2.9	6.9
2024	1.2	1.0	0.5	-7	2.5	-1.8	0.0	3.1	0.0	-3.5			-4.8	12.7

SPSIBI = S&P Biotechnology Select Industry Index (converted to AUD)

Appendix 2: Portfolio Composition

Sector*	% of portfolio
Cash	36%
Software/Data	21%
Tools and Devices	12%
Bioprocessing	11%
Genomics	6%
Radiopharma	6%
Drug Discovery	2%
Legacy	6%

Appendix 3: CE NAV

CE commenced on 1 November 2013 with shares issued at \$1 per share, backed by \$1 of cash per share.

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,
- (e) 2.53 to 2.25 in Feb 2021,
- (f) 2.03 to 1.77 in Feb 2022,
- (g) 1.77 to 1.65 in Feb 2023.
- (h) 1.65 to 1.65 in Feb 2024.