



March 2024 Monthly Report

Returns 31-Dec-12 to 31-Mar-24

	Norse Capital	All Ords Accum	Outperformance	Small Ords Accum	Outperformance
Inception	364.33%	176.47%	187.86%	91.29%	273.04%
Inception per annum	14.62%	8.98%	5.64%	5.55%	9.07%
CY2024 (ytd)	9.65%	5.45%	4.20%	7.55%	2.10%
CY2023	17.73%	12.98%	4.75%	7.82%	9.90%
CY2022	-30.79%	-2.96%	-27.83%	-18.38%	-12.41%
CY2021	16.86%	17.74%	-0.88%	16.90%	-0.04%
CY2020	26.36%	3.64%	22.73%	9.21%	17.15%
CY2019	43.44%	24.06%	19.38%	21.36%	22.08%
CY2018	7.46%	-3.53%	10.99%	-8.67%	16.13%
CY2017	15.55%	12.47%	3.08%	20.02%	-4.46%
CY2016	9.31%	11.65%	-2.33%	13.18%	-3.87%
CY2015	36.80%	3.78%	33.02%	10.16%	26.65%
CY2014	10.81%	5.02%	5.79%	-3.81%	14.62%
CY2013	19.24%	19.66%	-0.41%	-0.76%	20.00%
1m	0.08%	3.13%	-3.05%	4.79%	-4.71%
3m	9.65%	5.45%	4.20%	7.55%	2.10%
6m	22.56%	14.59%	7.97%	16.71%	5.85%
1y	27.71%	14.98%	12.73%	13.83%	13.88%
2y pa	0.06%	6.65%	-6.59%	-0.60%	0.66%
3y pa	-0.46%	10.18%	-10.64%	2.98%	-3.44%
5y pa	9.42%	9.51%	-0.09%	5.42%	4.00%
7y pa	12.91%	8.90%	4.01%	6.79%	6.12%
10y pa	14.59%	8.49%	6.09%	6.68%	7.90%
Sharpe Ratio	0.88	0.60	1.47x	0.32	2.72x
Sortino Ratio	1.45	0.84	1.72x	0.45	3.19x
Annualised standard deviation	14.88%	13.85%		17.00%	
Highest monthly return	11.91%	10.16%		14.27%	
Largest monthly loss	-10.61%	-20.94%		-22.38%	
Largest drawdown	-36.68%	-27.33%		-29.11%	
% positive months	68.89%	65.19%		58.52%	

Continued positive equity market performance in March to close out a big positive first quarter of 2024. The All Ords tacked on +3.1% and the

Small Ords +4.8%, while in the US the S&P 500 also rose +3.1% and the Nasdaq +1.8%. Our portfolio lagged considerably this month, only just managing to eke out a positive result at +0.1%.

The biggest drag on the month came from our enterprise software basket which cost the portfolio ~-1.15% with the bulk of those coming from ZS which dropped -20.4% and SNOW at -14.2%. ZS reported earnings post February month close with revenue up +35% and GAAP EPS -19c vs -40c pcp and FCF at \$100.8m vs \$62.8m pcp, all beats. There was some angst about a forecast sequential decline (-7%) in billings but to be followed by strong sequential growth, i.e. seasonality. The other concern in the cybersecurity space was Palo Alto's prior guidance downgrade due to "buyer fatigue" and lowering of prices via bundling to try to retain market share. At the moment, that seems more a specific Palo Alto issue as they try to bundle disparate products to create a unified platform with cyber names in general being sold in response. Meanwhile, SNOW's recent +22% revenue guidance (as mentioned last month) was disappointing and the shares continued downwards in March. Finally we trimmed some more of our CRWD position, the basket is currently at a ~19.6% weighting.

AAPL contributed our next biggest loss in March although partially recouped through our \$180 puts on half the position expiring this month. Concerns remain about a potential fall in iPhone sales in China while at the moment, Apple remains on the outer in the AI space, albeit there are reports they have talked with both OpenAI and Google to use their genAI models. Beyond the short term, it would seem that Apple's ecosystem should be central to consumer-facing AI but the market is waiting for news with eyes now on their June developer's conference. In the interim, the shares have drifted lower, lagging most of their "Magnificent 7" peers.

On the positive side of the ledger, RMD rose +13.1% to (briefly) top \$30 at month-end. The shares continue to oscillate between longer-term GLP-1 concerns and nearer-term financial results.

Elsewhere, we initiated a position (just shy of ~2% at writing) in MU, the memory producer, post their earnings release via call options and outright shares. (So we missed the ~+14% earnings pop). Thanks to AI server demand, revenue jumped +58% and they guided next quarter at +76%. EPS swung to +78c from -38c and gross margin jumped from 1% to 20%, almost all from price increases. Their high bandwidth memory chips are used in NVDA's GPUs with the new generation GPU to use a third more

memory from MU. They have already locked in 2024 orders in both volume and price with 2025 volume almost fully allocated and 2026 discussions already starting.

Our crypto positions added another +0.45% with BTC up +14.5%.

The ~+0.4% rise in the AUD detracted -0.2% from performance.

Portfolio Holdings:

Cash:	16.4% (AUD and USD)
AUD-USD currency exposure:	12.8%
Longs:	86.4%
Shorts:	-7.0%
Options delta:	-4.1%
Net exposure:	75.3%
Top 5 equities (alphabetical):	AAPL, PME, RMD, RUL, TTD

Our trim in CRWD plus the increase in RMD shares saw the latter swap places with the former into the top 5. Otherwise, not much change in exposure. The majority of our put spreads (excepting our AAPL puts) continue to decay out of the money although we have continued to replace them slowly. I have relabelled “Non-AUD exposure” to “AUD-USD currency exposure” as above as the percentage is net of currency hedges.

