



October 2024 Monthly Report

Returns 31-Dec-12 to 31-Oct-24

	Norse Capital All Ords Accum Outperformance			Small Ords Accum Outperformance	
Inception	457.04%	191.39%	265.64%	96.26%	360.78%
Inception per annum	15.61%	9.00%	6.61%	5.49%	10.12%
CY2024 (ytd)	31.55%	11.15%	20.40%	10.34%	21.20%
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	4.04%	-1.12%	5.16%	0.80%	3.23%
3m	10.37%	2.70%	7.67%	3.77%	6.60%
6m	18.42%	8.32%	10.10%	5.84%	12.58%
1y	52.81%	25.62%	27.20%	26.65%	26.17%
2y pa	18.79%	13.67%	5.12%	9.61%	9.17%
3y pa	2.09%	7.63%	-5.54%	-0.61%	2.70%
5y pa	10.10%	8.49%	1.61%	4.65%	5.45%
7y pa	14.64%	9.18%	5.46%	5.69%	8.95%
10y pa	15.69%	8.85%	6.84%	7.29%	8.40%
Sharpe Ratio	0.94	0.60	1.57x	0.31	3.00x
Sortino Ratio	1.57	0.84	1.85x	0.44	3.54x
Annualised standard deviation	14.68%	13.61%		16.71%	
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	69.72%	65.49%		57.75%	

A slightly later report as market events (the catalyst of Trump's second election victory) take centre stage.

A positive result for the portfolio, +4.0% to outpace both the Australian indices (All Ords -1.1% and Small Ords +0.8%) and the US indices (S&P 500 -1.0% and Nasdaq -0.5%).

In October, there were actually no meaningfully negative performers within the portfolio. In fact, the largest individual negative performer on the month was our ~1% position in NAN which dropped -13.3% and cost the portfolio ~-0.15%. Outright shorts cost ~-0.3% but when grouped with our option hedges (discussed below), shorts and hedges together were essentially flat (in fact a tiny positive).

On the positive side of the ledger, the largest positive contribution came from the -4.8% fall in the AUD-USD which contributed ~+2.2% to performance. This came despite ~2/3rds of our currency exposure being hedged as we also benefitted from our sold 68.5c AUD-USD call expiring worthless after previously being in the money at the end of September.

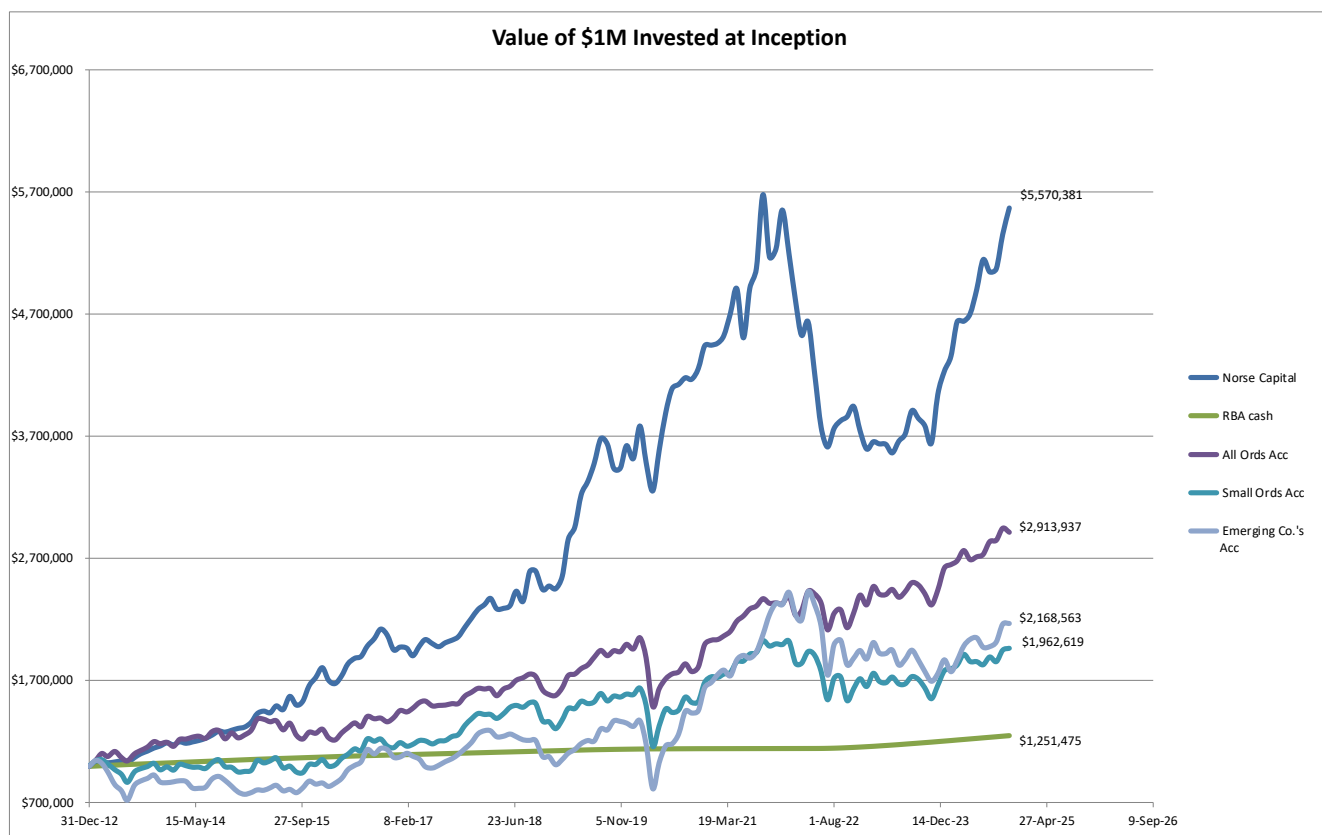
PME's stellar run continued with the shares up +9.3% to be the next largest contributor on the month. A couple of positive announcements: a \$98m 8-year renewal with Mercy Health for Visage Viewer and Archive and a 5-year, \$32m contract extension for their Visage RIS product with "a large Australian Radiology Network". Both contracts were negotiated at an increased fee; more confirmation of PME's continued positive momentum.

Our enterprise software basket came next, contributing ~+1.3% to performance. The software sector as a whole put in a positive month (e.g. the IGV software sector ETF was up +2.1% in October) despite the wider US indices being negative. Within the basket, TTD was up +9.6%, CRWD +5.8%, DDOG +9% and ZS +5.8%. TTD was the beneficiary of positive ad momentum reported by both Alphabet (Google) and Amazon, and with the record ad spend in the US election. I foolishly trimmed a small percentage of our TTD position; they have come back slightly from new all-time highs after reporting earnings in early November. Meanwhile CRWD shares have continued to recover from the global outage swoon despite Delta Airlines launching legal action against them. Positive reports from the cloud infrastructure providers benefitted DDOG.

Portfolio Holdings:

Cash: 13.4% (AUD and USD)
AUD-USD currency exposure: 16.3%
Longs: 88.9%
Shorts: -6.0%
Options delta: 3.2%
Net exposure: 86.1%
Top 5 equities (alphabetical): AAPL, PME, RMD, RUL, TTD

Reporting our exposure numbers post the Trump election victory rally has seen net exposure increase by another +7.3%. Longs have increased +1.2% with the rally, despite trimming some TTD and some BTC exposure (in the \$80ks). Our shorts have decreased as I stopped out of our IWM (Russell 2000) short ETF post- election. Option delta has flipped from negative to positive with our “just in case” purchased SPY call spreads potentially in play and our put spread option deltas whittling away.



Performance/Risk Ratios

