

NTA & Investment Update

AT 30 NOVEMBER 2020

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	30 Nov	31 Oct
NTA per share¹	\$7.99	\$7.25
NTA per share after unrealised tax provision²	\$7.05	\$6.53

¹ After all costs, including any tax payable.

² As required under the ASX Listing Rules, theoretical NTA per share after providing for estimated tax on unrealised gains/losses in the portfolio. That is, after tax that may arise if the entire portfolio was sold.

MARKET COMMENTARY

Australian shares posted their strongest month in 32 years with the S&P/ASX200 Accumulation Index surging +10.2% in November. The share market was generally buoyant on positive vaccine news and a resolution to the contentious US election. After a long lock down in Victoria and the swift containment of a cluster in South Australia, the nation has almost entirely eliminated the coronavirus and is rapidly re-opening. Various economic data points demonstrate the effectiveness of government stimulus and reveal the economy is recovering faster than previously expected.

In concert with a rally in 'value' stocks, banks were among the best performers as company results revealed the sector is generally well-provisioned for bad debts. Although low interest rates and increased competition are weighing on the banks, they are benefitting from a strong housing market supported by targeted stimulus measures.

Despite concerns regarding the Australia/China relationship and surging coronavirus cases globally, the immediate outlook is positive supported by low interest rates, promising vaccine developments and flow-on stimulus effects.

PORTFOLIO

Top 20 investments*

	%		%
Macquarie Group	5.8	Ramsay Health Care	2.2
CSL	5.7	Sonic Healthcare	2.0
BHP	4.8	Woolworths	2.0
Wesfarmers	4.3	Aust. United Investment	2.0
CBA	4.2	Transurban	2.0
Westpac	3.9	APA	1.9
Rio Tinto	3.6	Sydney Airport	1.8
ANZ	3.6	Aristocrat Leisure	1.8
NAB	2.5	Coles	1.5
Telstra	2.4	Amcor	1.5
Cash and term deposits	3.2	Top 20 equity investments	59.5

ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$5.9bn
Shareholders	93,000
Dividend yield [^]	3.7%
MER	0.16%

[^] Historical yield of 5.2% (including franking) based on dividends paid over the last 12 months.

COMPANY OVERVIEW

One of Australia's oldest and largest listed investment companies (LICs), Argo provides exposure to a professionally managed, diversified portfolio of ASX-listed companies.

COMPANY OBJECTIVE

Maximise long-term returns to shareholders through a balance of capital and dividend growth, by investing in a diversified Australian equities portfolio which is actively managed in a tax-aware manner within a low-cost structure.

INVESTMENT APPROACH

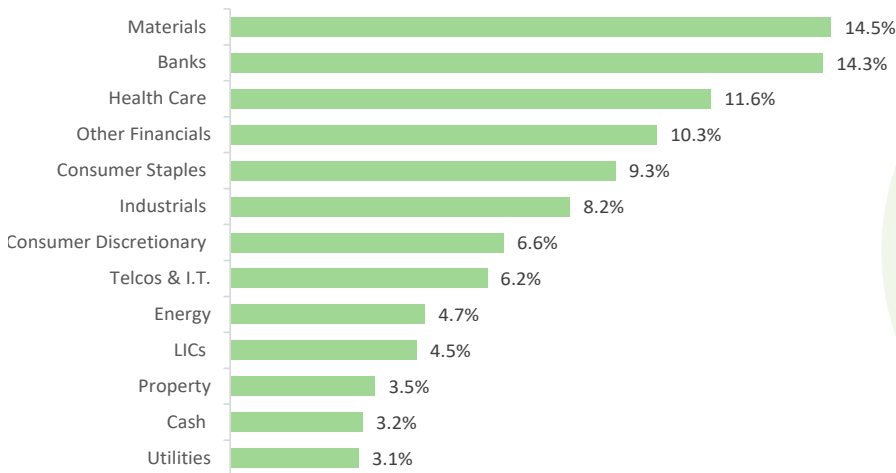
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

INVESTMENT TEAM

Jason Beddow	Managing Director
Andy Forster	Senior Investment Officer
Brydie Lloyd-Roberts	Analyst
Colin Whitehead	Analyst
Paul Frost	Analyst
Andrew Moller	Analyst

PORTFOLIO

Sector diversification*



* As a percentage of investment portfolio.

HOW TO INVEST

Argo is listed on the Australian Securities Exchange (ASX) under the ASX code 'ARG'.

To become an Argo shareholder, simply buy shares through your stockbroker, online broker, financial adviser or platform.

ARGO SHAREHOLDER BENEFITS



Low-cost, internally managed

Internal management structure ensures low operating costs and no external fees



Fully-franked, sustainable dividends

Dividends paid every year since inception in 1946 and fully franked since 1995



Diversified and administratively simple

Exposure to a highly diversified portfolio of Australian equities through a single ASX trade



Experienced board and management team

Highly experienced board and management team with strong governance and culture



Long-term, proven investment approach

Resilience and growth through various market cycles and conditions over almost 75 years



Strong balance sheet with no debt

Conservatively managed investment with a strong balance sheet and no debt

CONTACT US

W argoinvestments.com.au

T 08 8210 9500

E invest@argoinvestments.com.au

A Level 25, 91 King William St. Adelaide SA 5000

SHARE REGISTRY ENQUIRIES

BoardRoom Pty Limited

W investorserve.com.au

T 1300 350 716

This report has been prepared as general information only and is not intended to provide financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances before making any investment decisions. Past performance is no guarantee of future results. **This announcement is authorised by Tim Binks, Company Secretary.**