

# NESTOR Australia Quarterly Report 1/2023



## Munich, April 2023

In the March quarter, the Australian S&P ASX 200 declined by 1.3% on a euro basis. Nestor Australia was even weaker, down 6.5%.

Politically, Australia's perception is certainly suffering from recurring fears of an invasion of Taiwan by China. Uncertainty in the global markets and recurring fears of inflation and recession left little room for risk appetite, which was reflected in the underperformance of small caps. Even in the gold sector - with gold prices rising - there is a sense of caution towards more speculative stocks. Doubts about a recovery of the Chinese economy also caused caution in the commodities sector.

Only one position was sold during the quarter - Beach Petroleum, along with some trading activity within other positions. The share prices of companies as diverse as Southern Palladium (platinum/palladium), Panoramic (nickel), Australian Vintage (wine), Fleetwood (construction), Scidev (environmental technology), Rubicon (irrigation technology) and Marvel and West African (gold) came under pressure. What they all have in common is that they are small caps! The latter also suffered from the increasingly pronounced reluctance to invest in West African countries.

Similar to other developed countries, the market was concerned about the consequences of a longer than previously assumed restrictive interest rate policy by the major central banks in order to get a grip on the persistently high inflation figures. The Australian housing market, which has been particularly strong in the past, could suffer, which is why major Australian banks also underperformed.

Among the winners were companies such as Strike Energy (gas), Osino Resources (gold, and currently the fund's only non-Australian investment) and Pilbara Minerals (lithium).

In the current quarter, there is more support for small-caps, which makes the fund look a little better. Weightings in companies such as Metro Mining, Osino Resources or Talon Energy have therefore been increased.

# NESTOR Australia Quarterly Report 1/2023



We continue to trust our stockpicking and see share prices reacting to positive company news again. For Nestor Australia, with its commodity-oriented, small-cap weighted exposure, we also need an improvement in market sentiment for a sustainable increase and significant outperformance!

Wilhelm Schröder, Schröder Equities GmbH

## **Contact**

Dr. Kohlhasse Vermögensverwaltungsgesellschaft mbH · Löwengrube 18 · D-80333 Munich  
[www.nestor-fonds.com](http://www.nestor-fonds.com) · Phone +49 (0)89 / 54 59 03-0 · [epost@kohlhasse.de](mailto:epost@kohlhasse.de)

# NESTOR Australia Quarterly Report 1/2023



## Disclaimer

This document was produced by Dr. Kohlhasse Vermögensverwaltungsges. mbH (DKO). It is aimed exclusively at those recipients to which DKO has specifically made the document available. If this document is made available to a client, only that client shall be the recipient even if the document was handed to a member of staff or representative of the client. The recipient may not publish this document nor make it available to a third party nor allow a third party access to it.

This document does not constitute and shall not be construed as an offer or an invitation to make an offer. It may be used only as guidance and to illustrate potential business activities. No claim is made as to the exhaustiveness of the information contained in this document, and it is therefore non-binding. Any statements made in this document about prices or interest rates or any other indications that are given relate exclusively to the time that the document was produced and do not contain any statements about future trends or in particular about future profits or losses. While the content of this information was accurate at the time it was produced, it may have since become out of date as a result of subsequent events without the document having been modified.

In addition, this document does not constitute and shall not be construed as advice or a recommendation. Before concluding any transactions presented in this document, you should always obtain client and product-specific advice from your advisor.

Detailed product information can be found in the current full version of the prospectus, the key investor information document and the annual and interim reports. These documents set out the sole binding conditions for purchasing investment units. They can be obtained free of charge from the registered office of the investment company (LRI Invest S.A., 9a, Rue Gabriel Lippmann, L-5365 Munsbach), or the paying and information agents (European Depositary Bank SA, 3, Rue Gabriel Lippmann in L-5365 Munsbach, M.M.Warburg & CO KGaA, Ferdinandstr.75, D-20095 Hamburg, Erste Bank der österreichischen Sparkasse AG, Graben 21 in A-1010 Vienna or Dr. Kohlhasse Vermögensverwaltungsges. mbH, Löwengrube 18, D-80333 Munich).