

NTA & Investment Update

AT 31 MAY 2020

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

	31 May	30 Apr
NTA per share¹	\$7.10	\$6.84
NTA per share after unrealised tax provision²	\$6.44	\$6.25

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

Amid easing lockdown measures and rising consumer confidence, Australian shares rose for the second consecutive month in May with the S&P/ASX200 Accumulation Index ending the month +4.4% higher. After failing to participate in the earlier market recovery, bank stocks staged a remarkable rally towards month-end as investor optimism extended to the sector. Mining companies were also notable performers with share prices driven higher by rising commodity prices, including iron ore and gold. Company capital raisings continued and were generally priced attractively for investors.

Australian shares have now rebounded more than +30% from their lows on 23 March, buoyed by extraordinary fiscal stimulus and highly accommodative monetary policy. Although investors have shrugged-off concerns over the impacts of the COVID-19 crisis, in our view, market optimism may be tempered as company updates gradually reveal the extent of the economic consequences of the coronavirus. Global headwinds, including a resumption of US/China trade tensions, could also generate market volatility in the short-term.

PORTFOLIO

Top 20 investments*

	%		%
CSL	6.0	APA	2.5
Macquarie Group	5.2	Transurban	2.3
BHP	5.0	Woolworths	2.2
Westpac	4.0	Aust. United Investment	2.2
Wesfarmers	3.9	NAB	2.2
CBA	3.8	Sonic Healthcare	2.0
Rio Tinto	3.8	Sydney Airport	1.7
ANZ	3.4	Aristocrat Leisure	1.6
Ramsay Health Care	2.8	Amcor	1.6
Telstra	2.7	Coles	1.5
Cash and term deposits	3.5	Top 20 equity investments	60.4

ARGO INVESTMENTS LIMITED

ASX code	ARG
Founded	1946
Listed	1948
Market cap.	\$5.4bn
Shareholders	92,000
Dividend yield [^]	4.4%
MER	0.16%

[^] Historical yield of 6.3% (including franking) based on dividends paid to shareholders 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

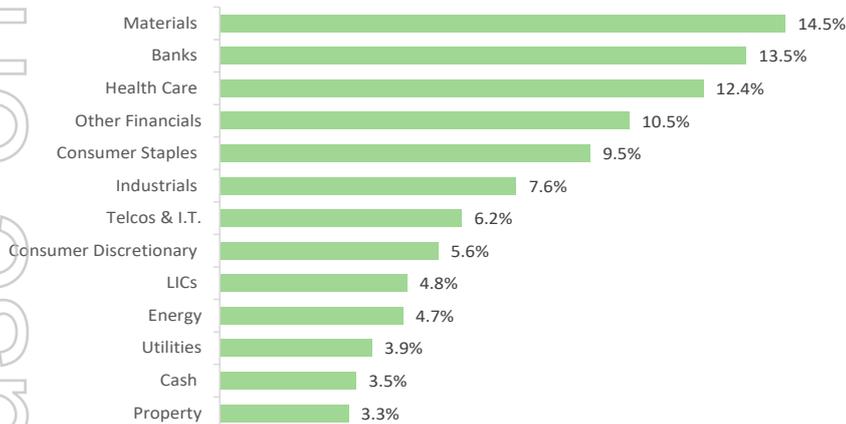
Extensive research and meetings to identify well-managed businesses in sound industries, with good cash flow and potential dividend growth. Argo buys or adds to holdings when prices compare favourably to long-term valuations.

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*



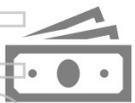
* As a percentage of investment portfolio.

COMMSEC EXECUTIVE SERIES



Managing Director, Jason Beddow, recently discussed share market conditions and the impacts of COVID-19. Click image or watch [here](#).

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

HOW TO INVEST

Argo Investments is listed on the Australian Securities Exchange (ASX) under the ASX code 'ARG'. To become a shareholder, simply buy shares through your stockbroker, online broker, financial adviser or platform.

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.**