

### Key Fund Facts<sup>1</sup>

Fund Managers	Keith Watson Robert Crayfourd
Launch Date	December 2006
Total Gross Assets	£35.25m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 35.48p Mid-Market Price: 27.36p
Gearing	16.6%
Discount	(22.89%)
Ordinary Shares in Issue	85,503,021
Annual Management Fee	1.25% on assets up to £20 million 1.00% on assets greater than £20 million
Bloomberg	GPM LN
Sedol	B1G9T99GB
Year End	31 December
Contact Information	contactncim@cqsm.com
Company Broker	FinnCap 020 7220 0500
Annual Report and Accounts	Published April
Investor Report	Monthly Factsheet
Results Announced	Finals: April Interims: October
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Results Announced	Finals: April Interims: October



**Keith Watson and Robert Crayfourd**  
Portfolio Managers

### Fund Description

The objective of the Golden Prospect Precious Metals Fund is to provide investors with capital growth from a group of companies in the precious metals sector.

### Key Advantages for the Investor

- Access to under-researched mid and smaller companies in the precious metals sector
- Potential inflation protection from precious metals assets
- Low correlation to major asset classes

### Ordinary Share and NAV Performance<sup>2</sup>

	1 Month	3 Months	1 Year	3 Years	5 Years
NAV	-3.98%	-6.24%	-15.48%	-43.33%	-7.02%
Share Price	-9.82%	-17.09%	-25.04%	-47.18%	-6.46%

### Commentary<sup>3</sup>

#### Market

After Gold failed to break the all-time high of \$2,074 in May, it drifted back toward \$1900/oz through June. Expectations for future rate hikes have waned, with peak rates in the US and Europe increasingly looking on the horizon as economic data softens, which should be supportive for precious metals. Weaker manufacturing and economic data points are offset by remarkably resilient low unemployment rates, leaving precious metals lacking clear direction for now. Inflation is starting to ease, albeit on higher year-on-year comparisons, but central banks remain focused on not cutting too soon as jobs remain sticky, so the plateau may remain high for some time yet. Chinese inflation was flat in June, which may help ease inflation pressures globally, but recession risks remain elevated. Gold continues to provide good insurance against this.

ETF holdings, which represent financial market demand, show that appetite remains lacklustre, falling 1.73% (1.6Moz) over the month. This is a positive dynamic, as Central banks are stickier holders, and likely to remain buyers, whilst this relatively high gold price is despite limited financial flows in to physical, which would be further supportive if that were to improve.

#### Performance

The Fund declined 4.0%, versus the Van Eck Junior Gold miners ETF which fell 6.5% in GBP. Sterling has been a headwind for the Fund since last September, with a gain of 18.8% versus US Dollar since the low. The holdings in the Fund are predominantly non-sterling, so values are exposed to fx translation effects.

#### Positioning

The Fund took some more profits on Emerald following positive performance as position sizing got extended. We reduced MAG silver following Mexican mining law uncertainty, although the Fund continues to hold a large weight in silver which continues to trade closely with gold, but around 50% of global demand is from industrial demand with high a growth trajectory, including solar panels, EV's and other high end electrical applications.

We added to Reunion Gold, a large and growing gold discovery company in Guyana that is a possible M&A target.

#### Outlook

Economic and market uncertainty remains high as central banks hike rates to slow the economy to try and tame inflation. This is not an easy task given the lag effects from their actions on the real economy, which historically has often lead to an overshoot and corresponding economic slowdown (recession). We continue to believe precious metals provide provide protection against this and wealth degradation through inflation. Central banks agree, as they remain strong buyers, while miners continue to trade at low earnings multiples, hence there is no premium for this protection given poor sentiment for the sector.

Source: <sup>1,2</sup>CQS as at the last business day of the month indicated at the top of this report. Performance is net of fees and expenses. New City Investment Managers took over the investment management function on 15 September 2008. These include historic returns and past performance is not a reliable indicator of future results. The value of investments can go down as well as up. Please read the Important Information section at the end of this document.

<sup>3</sup> All market data is sourced from Bloomberg unless otherwise stated. The Fund may have since exited some / all the positions detailed in this commentary.

**Top 10 Holdings (% of Gross Assets)<sup>1,4</sup>**

Name	(% of Gross Assets)
Emerald Resources NL	9.96
Calibre Mining Corp	8.15
MAG Silver Corp	7.52
West African Resources LT	5.90
Leo Lithium LTD	5.42
Fortuna Silver Mines INC	5.15
B2gold Corp	4.89
Westgold Resources LTD	3.55
Calidus Resources LTD	3.48
Osisko Development Corp	3.04

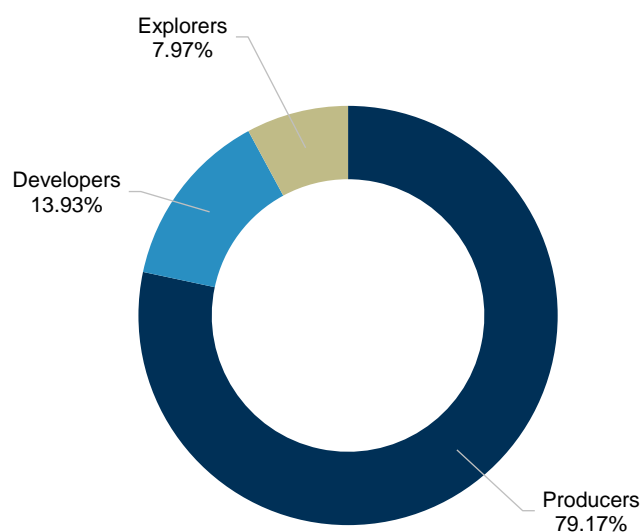
**AIFMD Leverage Limit Report (% of NAV)<sup>1</sup>**

	Gross Leverage (%) <sup>5</sup>	Commitment Leverage (%) <sup>6</sup>
Golden Prospect Precious Metals Limited	117	117

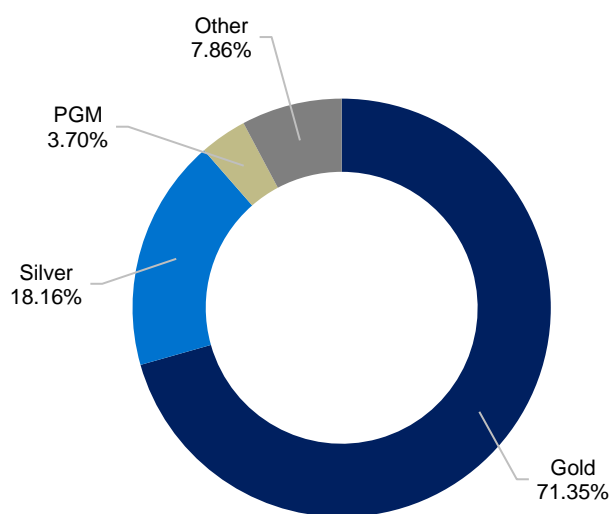
The proposal to create a Subscription Right was approved by Shareholders on 7 December 2022. The first Subscription Right date is on 30 November 2023 and the Subscription Price is 38.31p for each new Share subscribed for. The Subscription period has now begun as the existing shares carry the right to subscribe (on the basis of 1 New Share for every 5 Shares held). We will write to all Shareholders in October 2023 to advise of the process to exercise their Subscription Rights.

**Portfolio Holdings Analysis<sup>1</sup>**

**By Type**



**By Metal**



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<sup>4</sup> All holdings data are rounded to two decimal places. Total may differ to sum of constituents due to rounding.

<sup>5</sup> For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013.

<sup>6</sup> For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 8, 9, 10 and 11 of Delegated Regulation 231/2013.

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PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact. GMv11.

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