

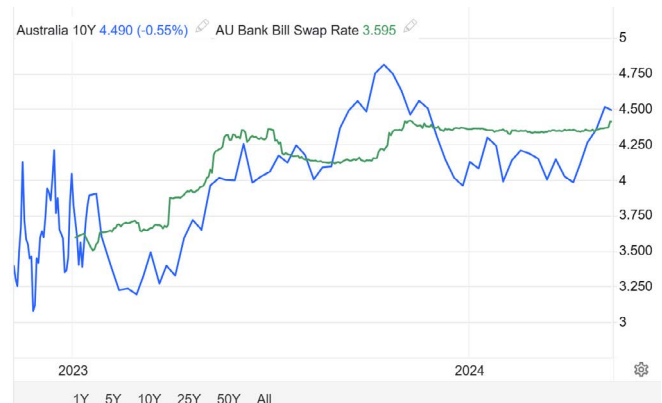
As at: 30 April 2024	1 mth	3 mths	Fin YTD	1 Year	5 Year (p.a.)	7 Year (p.a.)	Since Incep (p.a.)	Since Incep	Volatility
<b>Cyan C3G Fund</b>	3.3%	1.2%	-4.5%	-15.3%	-12.3%	-6.4%	1.7%	18.2%	18.3%
<b>S&amp;P/ASX All Ords Accum</b>	-2.7%	1.5%	10.8%	9.9%	8.4%	8.4%	8.0%	111.3%	14.2%
<b>S&amp;P/ASX Small Ind Accum</b>	-5.0%	2.1%	11.8%	10.4%	2.6%	5.3%	6.3%	81.5%	17.5%
<b>S&amp;P/ASX Emerge Accum</b>	4.1%	14.9%	8.7%	4.4%	11.4%	10.8%	8.8%	127.3%	22.8%

## April 2024

After a solid start to the calendar year, both local and international markets endured a tough April as inflation indicators turned northward and long-term rates increased.

In Australia, domestic 10yr bonds spiked 50bp to 4.5% which had a correspondingly negative impact on equity markets. The S&P/ASX All Ords Accumulation Index fell 2.7% and the S&P/ASX Small Industrials retreated 5.0%. Overseas both the NASDAQ and S&P500 dropped 5% and 4.2% respectively.

In contrast to the macro headwinds and soft markets, the Cyan C3G Fund enjoyed some significant stock rises and returned 3.3% in April.



**Aust 10yr Govt Bonds (blue), 90day Bank Bills (green)**

There is increasing interest in the smaller to micro end of the market with several significant capital raisings being supported. The most significant of these was the \$100m+ (upscaled from \$70m) that drone defence company **Dronesield (DRO)** raised at a valuation of ~\$600m. DRO's present order book stands at just \$27m.



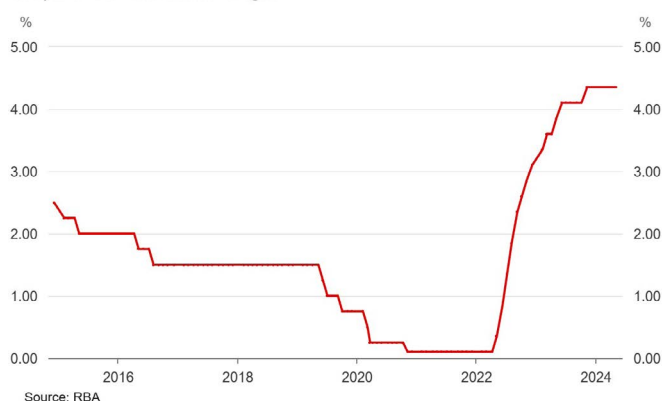
# Media

For all articles, videos and commentary featuring Cyan Investment Management please head to the [Cyan Investment Management LinkedIn page](#).

# Outlook

Recent inflation and wages data has tempered the outlook for a rate-cut, indeed most recent RBA commentary has indicated there may be a renewed tilt towards further official cash rate rises. Cash rates in Australia have been held at 4.35% since November 2023.

Graph of the Cash Rate Target



This has had a corresponding impact on the stock market although some recent strength this month might imply that this has been factored in.

In respect to the Cyan C3G Fund the environment is looking increasingly promising with stock flows, corporate activity and general market activity improving markedly from prior periods.

Almost across the board we're seeing upticks in volumes and prices which, in some cases, are being prompted by material improvement in underlying company performance. However, in others there appears to be a sense that investors are reacting to a fear of missing out in picking the bottom of this highly depressed micro-cap market.

We've discussed at length the irrationality of companies trading below their cash backing and yet, even with the recent market strength, this opportunity or arbitrage remains.

We remain highly motivated by the opportunities in the present market. It's been a long and painful road to get here but we believe there will be significant and potentially swift rewards for investors over the next few months as momentum builds and market prices close the large valuation gap to underlying fundamentals.

**Dean Fergie and Graeme Carson**

**Cyan Investment Management**

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An investment in the Cyan C3G Fund can be made by clicking [here](#)



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Past performance is not a reliable indicator of future performance. The Total Returns of the Cyan C3G Fund over specified periods are shown above. This document contains information regarding Total Returns to 30 April 2024. Total Returns are calculated after taking into account performance fees. A performance fee of 20.5% is payable quarterly on any excess performance (after deducting the Management fee) above the quarterly benchmark of 2.5%. A performance fee is only payable where the Fund has exceeded both the benchmark and high water mark

The Total Return performance figures quoted are historical, calculated using end of month mid prices and do not allow the effects of income tax or inflation. Total Returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The Indices do not incur these costs. This information is provided for general comparative purposes. Positive returns, which the Fund is designed to provide, are different regarding risk and investment profile to index returns. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific recipient. As such, before acting on any information contained in this document, recipients should consider the appropriateness of the information to their needs. This may involve seeking advice from a qualified financial adviser. Cyan Investment Management Pty Ltd (AFSL 453209) is the issuer of the Cyan C3G Fund. A current IM is available from Cyan Investment Management Pty Ltd, located at 17/31 Queen Street, Melbourne VIC 3000. A person should consider the IM before deciding whether to acquire or continue to hold an interest in the Cyan C3G Fund. Any opinions or recommendation contained in this document are subject to change without notice and Cyan Investment Management Pty Ltd is under no obligation to update or keep any information contained in this document current. Cyan Investment Management Pty Ltd holds AFSL 453209.