July 2025 Monthly Comment as of 11 AM Chicago time Thursday July 31

At our deadline, with Latam stocks and currencies from all regions still trading, we estimate our reference investor is presently up 3% MTD and 21%-22% YTD. Our trailing portfolio PE is 7.0 and our weighted average dividend yield is 5.7%. Through Wednesday, July 30, here are the total return gains of the indices we track. MTD: MSCI Frontier Markets Small Cap (FM SC) 8%, MSCI Frontier Markets (FM) 7%, MSCI Emerging Markets (EM) 3%, S&P 500 3%, and MSCI EAFE -1%. YTD: FM 28%, EAFE 19%, EM 18%, FM SC 15%, and US 9%.

As July ends, we can offer an addendum to three topics covered in our 2025 Q2 letter. On page 3, we discussed currency. Through July 30, the Dollar Index rose 3.1% and the Bloomberg Dollar Index gained 2.4% MTD, the first monthly gain in 2025 for either. In the quarterly, we wrote that there could be reversals such as this even if longer-term currency trends remain intact. The Dollar Index consists of six major currencies: the euro, Japanese yen, British pound, Canadian dollar, Swedish krona, and Swiss franc, with the euro comprising 58% of the index. The Bloomberg Dollar Index drops the krona in favor of the Australian and Singaporean dollars, then adds five large EM currencies from Mexico, China, South Korea, India, and Taiwan. This reduces the euro's weight to 29%. Nevertheless, these two indices tend to move together. Through July 30, currency subtracted 1.3 percentage points of Frontaura return MTD but has added 2.4 percentage points YTD. We have no opinion on whether July's dollar strength is just a short-term reversal or new trend.

Tariff news was prominent in July, with rates falling from April 2 Liberation Day levels. Some portfolio countries negotiated cuts; others received letters with lower rates. As we discussed on pages 3-4 of the quarterly, President Trump announced a 20% deal for Vietnam July 2 (46% April 2). On July 22, the Philippines secured a 19% rate, one point better than a 20% reciprocal letter rate earlier in July, but up from 17% April 2. The EU (Slovenia and Cyprus for us) cut a deal July 27 at 15% (20% April 2, with threats up to 50%). Letter rates included Cambodia 36% (49% April 2), Bangladesh 35% (37%), and Sri Lanka 30% (44%). We reiterate that we favor plays on local economies rather than exporters and we do not own any companies with material US export revenue.

On pages 10-11 of the quarterly, we mentioned financial conglomerate Grupo Sura while discussing our Bancolombia exit, where we sold the latter in January to remain within our Colombia country limit while buying more of the former. Sura itself is the largest owner of Bancolombia, so we kept some economic exposure to the bank. Sura is undergoing a multi-year disentanglement of intertwined corporate structures. A significant event in this simplification occurred in July when Sura spun off its ownership in Grupo Argos, primarily a cement company, to Sura shareholders. We received Argos shares, which we then sold. We made 18% MTD in Sura through July 30 before fees, comparing the sum of its ending value plus our Argos sale proceeds to Sura's June ending value. Sura is our top performing stock in 2025 in both percentage and dollar returns and Colombia is our top performing country in dollars.

Our worst performing country YTD is Argentina, -17% before fees through July 30. From April, news flow on the country has been mostly positive, including this month, where we are +6% before fees through July 30. We see the first half's loss there as the market digesting and consolidating last year's tremendous 73% gain. July saw further disinflation, reduction of agricultural export tariffs, and the IMF preparing to disburse the next $2 billion tranche in its multi-year loan program. We expect President Milei's party to gain seats in mid-term legislative elections on October 26.

Frontaura Global Frontier Fund

Fund Objective & Investment Strategy

Bloomberg Tickers: FRGLFRO US, FRGLFRC KY

Investing exclusively in publicly traded companies in frontier markets, provide investors with a net return series that over multiple years exceeds that of the major global developed and emerging equity indices.

We seek to exploit pricing inefficiencies in frontier equity markets. Our investment approach uses both top-down country factors and bottom-up company factors. At the country level, we examine sovereign risk and calculate country scores that measure currency vulnerability. At the company level, we model each company's discounted cash flow using our proprietary valuation tool that accounts for expected exchange rate changes and fading rates of return on invested capital and profit growth as time passes. Ultimately, we aim to own solid businesses at attractive prices in stable or improving countries.

Performance through July 2025[1, 2]

Period	Frontaura	MSCI Frontier Small Cap	MSCI Frontier	MSCI Emerging	MSCI EAFE	S&P 500
2020 Q1	-22%	-24%	-27%	-24%	-23%	-20%
2020 Q2	6%	12%	15%	18%	15%	21%
2020 Q3	4%	8%	8%	10%	5%	9%
2020 Q4	20%	14%	11%	20%	16%	12%
2021 Q1	2%	5%	1%	2%	3%	6%
2021 Q2	20%	14%	14%	5%	5%	9%
2021 Q3	4%	8%	3%	-8%	0%	1%
2021 Q4	5%	10%	1%	-1%	3%	11%
2022 Q1	-5%	0%	-8%	-7%	-6%	-5%
2022 Q2	-6%	-16%	-14%	-11%	-15%	-16%
2022 Q3	-7%	-6%	-6%	-12%	-9%	-5%
2022 Q4	8%	-2%	-1%	10%	17%	8%
2023 Q1	7%	3%	3%	4%	8%	7%
2023 Q2	8%	6%	2%	1%	3%	9%
2023 Q3	-1%	3%	2%	-3%	-4%	-3%
2023 Q4	3%	6%	4%	8%	10%	12%
2024 Q1	8%	-5%	5%	2%	6%	11%
2024 Q2	9%	-1%	1%	5%	0%	4%
2024 Q3	5%	4%	5%	9%	7%	6%
2024 Q4	8%	4%	-1%	-8%	-8%	2%
2025 Q1	5%	2%	8%	3%	7%	-4%
2025 Q2	12%	5%	11%	12%	12%	11%
2025 Q3	3%	8%	7%	3%	-1%	3%
2008	-28%		-54%	-53%	-43%	-37%
2009	46%		12%	79%	32%	26%
2010	37%		24%	19%	8%	15%
2011	-15%	-29%	-19%	-18%	-12%	2%
2012	18%	6%	9%	18%	17%	16%
2013	26%	32%	26%	-3%	23%	32%
2014	-3%	6%	7%	-2%	-5%	14%
2015	-5%	-8%	-14%	-15%	-1%	1%
2016	7%	15%	3%	11%	1%	12%
2017	17%	23%	32%	37%	25%	22%
2018	-13%	-17%	-16%	-15%	-14%	-4%
2019	-1%	-2%	18%	18%	22%	31%
2020	3%	5%	1%	18%	8%	18%
2021	34%	42%	20%	-3%	11%	29%
2022	-11%	-23%	-26%	-20%	-14%	-18%
2023	17%	19%	12%	10%	18%	26%
2024	33%	2%	9%	8%	4%	25%
2025	22%	15%	28%	18%	19%	9%
1 Year	35%	26%	30%	18%	14%	17%
2 Years	58%	20%	39%	25%	27%	43%
3 Years	90%	30%	44%	36%	48%	61%
5 Years	179%	89%	68%	31%	65%	110%
Since Inception	329%		25%	44%	80%	481%

Holdings Summary[2]

Country	Holding
Philippines	14%
Colombia	9%
Turkey	6%
Egypt	6%
Tanzania	6%
Peru	5%
USA (cash & accruals)	5%
Rwanda	4%
Uganda	4%
Ghana	4%
Chile	4%
Côte d'Ivoire	3%
Argentina	3%
United Arab Emirates	3%
Slovenia	3%
Cambodia	3%
Cyprus	3%
Vietnam	2%
Namibia	2%
Sri Lanka	2%
Kenya	2%
Bangladesh	2%
Pakistan	2%
Senegal	1%
Uruguay	1%

Region	Holding
Sub-Saharan Africa	27%
Latin America & Caribbean	22%
Southeast Asia	19%
Middle East / North Africa	16%
Eastern Europe	5%
South Asia	5%
USA (cash & accruals)	5%

Sector	Holding
Financials	43%
Consumer Discretionary	16%
Consumer Staples	13%
Communication Services	8%
Cash & accruals (all countries)	7%
Health Care	4%
Real Estate	3%
Utilities	3%
Industrials	2%
Energy	1%

Portfolio Statistics	
Portfolio Price to LTM Earnings	7.0
Portfolio Price to Book	1.23
Portfolio LTM Dividend Yield	5.7%
Weighted Average ROEE	26.1%
Weighted Median ROEE	23.3%
Positions	35
Countries	24
Weighted Average Market Cap	$2,344m
Weighted Median Market Cap	$1,355m
Portfolio Turnover (12 Months)	27%
Portfolio Turnover (ITD)	30%
Standard Deviation (36 Months)	13%
Standard Deviation (ITD)	14%
Beta to S&P 500 (36 Months)	0.32
Beta to S&P 500 (ITD)	0.46
Assets Under Management	$225m

Terms

Subscriptions	Monthly. $500,000 minimum for new qualified purchasers. Additions may be any amount.
Redemptions	Quarterly with three-month notice. No initial lock-up. Exit restrictions apply.[2]
New Investor Terms[2]	**Series A**: 2% mgt fee, 10% incentive, 4-qtr exit. **Series B**: 2% mgt fee, no incentive, 8-qtr exit. For both series, mgt fee cut 25bp at $246m and $491m fee-paying AUM, indexed annually to CPI.

Service Providers

Attorney	Faegre Drinker Biddle & Reath LLP
Auditor / Tax	RSM US LLP
Fund Administrator	Liccar Fund Services
Global Custodian	Bank of New York Mellon

1 Frontaura returns are net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2024. Frontaura returns use a subject-to-change estimate for the current month, as of intraday Thursday 31 July 2025. Index returns are total returns, net of any withholding tax for a US investor, through Wednesday 30 July 2025. Final investor and index returns for all periods that include the current month may differ from the numbers on this page. We discuss our returns and different series here.

2 Click here for disclosures regarding performance, terms, series conversions, redemptions, index descriptions, holdings and portfolio statistics calculations, and performance attribution.

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