



Dear Investor,

Financial markets were relatively subdued over the last week with little discernible movements across the major asset classes other than commodity price strength. Accordingly, the materials sector was the main driving force for the local bourse with gains here largely neutralised by declines in the financial sector.

Net tangible assets for both funds increased over the week with notable contributions from gold positions (WAF.ASX +16%, EMR.ASX +10%, ORR.ASX +7%) augmented by widespread strength across the commodity space.

Yesterday, we released our monthly NTA reports detailing a very strong December half of investment returns for both companies (WIC +39%, OZG +45%) and also outlining current portfolio composition. Our investment portfolios benefitted over the half by being relatively fully invested over a period of sustained equity market strength. Returns were also aided by: a resilient and rapidly recovering Western Australian Economy; and, excellent operating performance and/or project execution, during a period of great uncertainty, by many of the companies in which we hold investments.

Looking forward, we remain confident in the prospects for the investments we hold for many reasons including: the uniquely accommodative monetary and fiscal policies in the local and global economies; a very healthy commodity price environment; ongoing and upcoming major project spend in our State; and, likely associated ongoing strengthening of the WA Economy and property market.

	WIC.ASX	OZG.ASX
Pre Tax NTA	141.9c	28.4c
Share Price	121.0c	22.5c
Share Price Discount to NTA	14.7%	20.9%
Gross Dividend Yield	7.1%	3.8%

Westoz and Ozgrowth December Updates



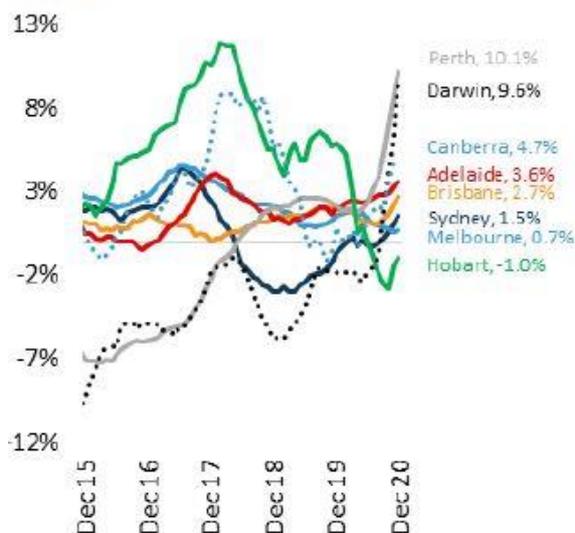
December updates for Westoz (WIC.ASX) and Ozgrowth (OZG.ASX) and have been released to the ASX and are now available.

WIC and OZG portfolios enjoyed another month of strong performance, posting respective gross portfolio returns of +6.3% and +8.9% respectively. These increases pushed the December half returns to 38.8% for Westoz Investment Company and 45% for smaller cap focused Ozgrowth Limited. Both companies have also confirmed interim dividend intentions. Consistent with past practice, the dividend timetable will be released in the near future.

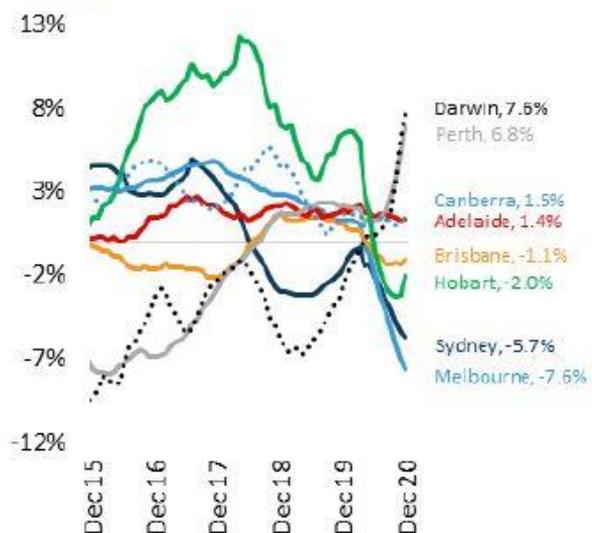
Click on the images above to read the releases.

Perth Housing Market On The Rise

Annual change in rents, Houses



Annual change in rents, Units



CoreLogic released details for December and 2020 dwelling price growth over the week, showing a modest +1.9% increase in Perth dwelling prices over the last year. Pundits are in full force at this time of year making predictions for the year ahead and it has been interesting to note several bank economists predicting Perth will have the strongest capital city house price appreciation in 2021. We concur and believe all the ingredients are in place for a rather rapid rebound in Perth house prices from the multi-year lows experienced in first half FY2020. For example, the above graph (*Source: CoreLogic*) demonstrates the rapid growth in Perth rents currently underway.

Warrego well to be continued



During the week Strike Energy Limited (STX.ASX) released an announcement stating unexpected formation pressures had been experienced prior to reaching target depth at the West Erregulla-3 (WE3) gas exploration well in the Perth Basin. Interpretation of the results to date suggest that the WE-3 well encountered a fault connected to the target formation. So the good news, as evidenced in the photo of the well flaring gas above, is hydrocarbons are present and a challenging well has been safely operated. The bad news is the very unexpected over-pressure encountered will require an engineering solution not immediately to hand.

The WE3 well is contained within the EP469 joint venture owned 50/50 by STX (the operator) and Warrego Energy (WGO.ASX). The joint venture has decided to temporarily abandon WE3 and move the rig on to drill WE4 before returning to WE3 with an appropriate drilling solution.

Warrego Energy is a disclosed holding in the Ozgrowth portfolio.

How To Become A Shareholder

Investors wishing to gain exposure to our investments can purchase shares in Westoz Investment Company Limited and Ozgrowth Limited through your investment platform, stockbroker or affiliated adviser. Shares trade on the ASX under the tickers WIC.ASX and OZG.ASX.

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Westoz Funds Management

Westoz Funds Management Pty Ltd is the appointed investment manager for two listed investment companies: Westoz Investment Company Limited (WIC.ASX); and, Ozgrowth Limited (OZG.ASX). Westoz Funds Management is a wholly owned subsidiary of Euroz Limited (EZL.ASX).

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Net Tangible Assets

The NTA figures reported above are unaudited and are our estimate as at the close of business on the specified date. Further detail on NTAs can be found on our [website](#).

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