

An Overview.



Built on a solid position

“Our continued, long-term sustainable growth is dependent on long-term mutually beneficial relationships.”

Harry Adams
Chief Executive Officer

Whilst the impacts of COVID-19 and central banks’ response to the crisis are prominent on people’s minds, evolving geo-political events will also play a role in shaping and influencing global markets.

COVID-19

COVID-19 has been the worst pandemic the world has faced since the Spanish flu in 1919, and while central banks’ responses have been robust in supporting global markets, the avalanche of cheap money has impacted market fundamentals. The relationship between economic fundamentals, such as growth outlook and interest rates, and exchange rates dislocated following March’s market collapse. Instead we are seeing exchange rates tracking stock market performance resulting in currencies that are usually most sensitive to growth becoming best performers.

US unemployment hit a high of 13.3% in May, which to put into perspective is 3.4% higher than peak unemployment in early 2009. While unemployment figures seem to be declining, recent increases in the number of COVID-19 cases across the US is a cause of concern for a second wave which will undoubtedly impact the US Dollar. These factors have been offset by the market’s risk-off approach, which has seen investors exit stocks which they

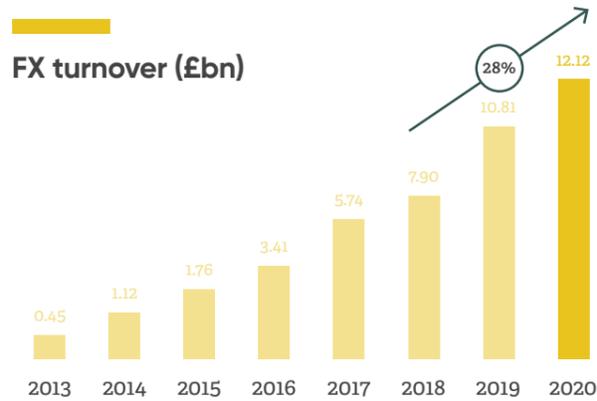
deem to be risky and seek a safe-haven in currencies. Currency strength since its bottom is less about fundamentals but more likely a risk recalibration from investors who found themselves overweight in equities since central banks provided unprecedented support. Other factors impacting markets include the ongoing Brexit negotiations which increasingly seem to be at an impasse and the US-China trade war, with continued escalation seemingly strengthening the Dollar while weakening the Yuan.

KEY ACHIEVEMENTS

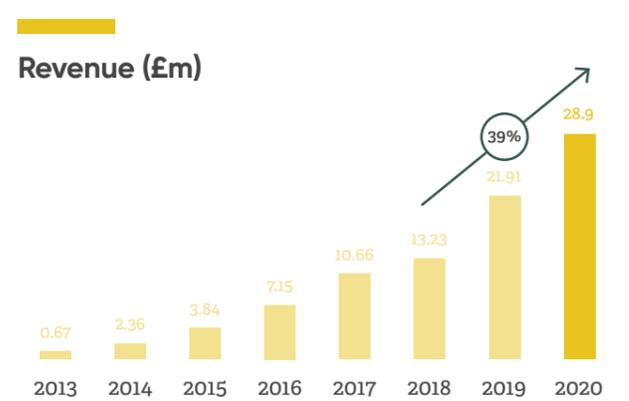
Despite 12 months of unpredictable events, Argentex has achieved significant results. FX turnover, revenue, the number of traded corporates, the total number of trades and average FX turnover per traded corporates have all been on an upward trajectory. We have adhered to what we set out to achieve surpassing our goals and objectives from when we listed last year. These positive trends are illustrated on the graphs on the following page.

Growth and profitability

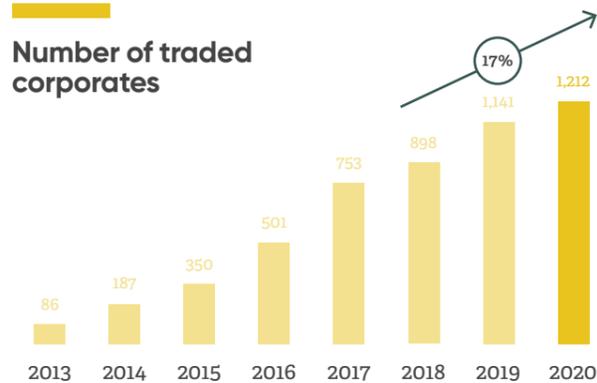
FX turnover (£bn)



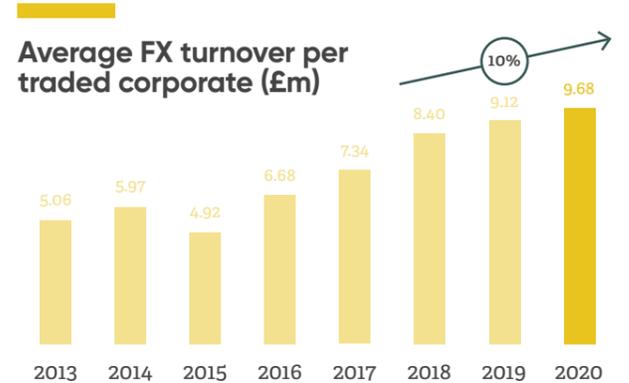
Revenue (£m)



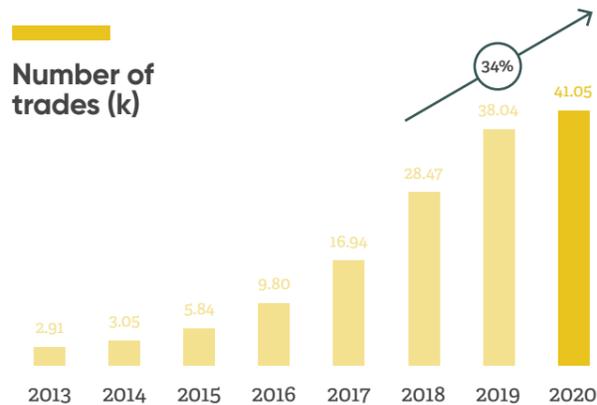
Number of traded corporates



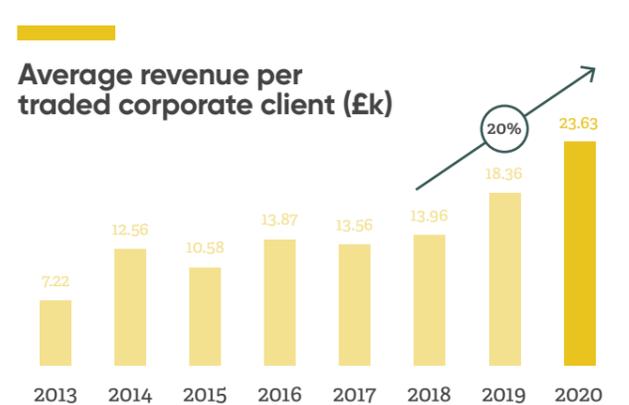
Average FX turnover per traded corporate (£m)



Number of trades (k)



Average revenue per traded corporate client (£k)



3 year CAGR

