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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND

PORTLAND 15 OF 15 ALTERNATIVE FUND COMPANY NEWS

Nomad Foods Ltd. announced the final results of its "modified Dutch auction" tender offer for up to $500 million of its ordinary shares. Based on the final count by the depositary for the tender offer, a total of 18,061,952 ordinary shares were validly tendered and not validly withdrawn at or below the price of $25.50 per share. The company accepted all of these shares for purchase at the purchase price of $25.50 per share, for a total cost of $460,579,776, excluding fees and expenses related to the tender offer. Noam Gottesman and Sir Martin E. Franklin, Nomad Foods' Co-Chairmen and Founders commented, "We are delighted by the outcome of this tender offer, which achieves our objective of efficiently returning excess capital to our shareholders. Further, the results demonstrate the confidence of our shareholders in our collective ability to drive long-term value creation. Upon the completion of this accretive transaction, our liquidity and leverage position continue to provide financial flexibility to pursue our growth strategy." The total of 18,061,952 shares accepted for payment represents approximately 9.2% of the company's total outstanding ordinary shares as of September 10, 2020.

Oracle Corporation has reportedly beat Microsoft Corporation in the battle for the U.S. arm of TikTok with a deal structured as a partnership rather than an outright sale. ByteDance Limited, TikTok's Chinese owner, had been in talks to divest the U.S. business of its hugely popular short-video app to Oracle or a consortium led by Microsoft after U.S. President Donald Trump ordered the sale last month and said he might otherwise shut it down. While TikTok is best known for dancing videos that go viral among teenagers, U.S. officials are concerned user information could be passed to China's communist government. TikTok, which has as many as 100 million U.S. users, has said it would never share such data with Chinese authorities. China's state-run English television channel CGTN cited sources as saying ByteDance would not sell TikTok's U.S. operations to Oracle or Microsoft, and would not give the source code for the platform to any U.S. firm. Under ByteDance's latest proposal, Oracle would be the firm's technology partner and assume management of TikTok's U.S. user data. Oracle is also negotiating taking a stake in TikTok's U.S. operations. The data is currently stored in Alphabet Inc.'s cloud. The Committee on Foreign Investment in the United States (CFIUS), which reviews deals for national security risk, is overseeing the ByteDance-Oracle talks. The White House has stepped up efforts to purge what it deems "untrusted" Chinese apps from U.S. digital networks. Beyond TikTok, Trump has also issued an order prohibiting transactions with Tencent Holding Limited's messenger app WeChat. ByteDance acquired Shanghai-based video app Musical.ly - whose user base was largely American - for $1 billion in 2017 without seeking CFIUS approval, relaunching it as TikTok the following year.

Oracle Corporation signaled a recovery in client spending as remote work spurred demand for cloud services as well as traditional licensing business, helping it beat expectations for first-quarter results. The COVID-19 pandemic has led to a rapid shift to remote work with companies looking to extend it until the next year, benefiting cloud companies that support this move. It comes at a time when Oracle has been pushing into the cloud business that helps companies save costs by renting data centers rather than owning them. Revenue from its largest the unit, that includes its cloud services, rose 2.1% to $6.95 billion. Total revenue rose 1.6% to $9.37 billion, beating analysts' average estimate of $9.19 billion. The company's net income rose to $2.25 billion, or 72 cents per share, in the first quarter ended Aug. 31, from $2.14 billion, or 63 cents per share, a year earlier. On an adjusted basis, Oracle earned 93 cents per share, above market expectation of 86 cents per share. Oracle said it won deals with McDonald's Corporation, Albertsons Companies Inc. and Humana Inc. to move some of their work to Oracle's cloud computing services. Oracle also said it won a deal with business software firm Xactly Corporation in which Xactly will move the majority of its computing work to Oracle's cloud service. Oracle has been working to catch larger cloud rivals such as Amazon.com's Amazon Web Services or Microsoft Corp.'s Azure. Oracle has expanded its cloud computing business this year with wins from customers such as Zoom Video Communications Inc. and data centers in more countries.

Reliance Industries Ltd. - Investor demand for Reliance's retail business is so strong that The Carlyle Group Inc. and SoftBank Group Corp. are among those that have been put onto a waiting list, according to people familiar with the matter. Carlyle and SoftBank have recently expressed interest in investing in Mukesh Ambani's Reliance Retail Ventures Ltd. according to media reports. Reliance Industries has asked the two companies to wait on the sideline since the Indian conglomerate is already in advanced talks with other financial investors. Ambani is tapping the backers of his digital services business, which has secured $20 billion in recent months, as he seeks funding for Reliance Retail. Silver Lake Partners, an investor in Jio Platforms Ltd., last week agreed to chip in $1 billion. Other Jio investors, including private equity funds KKR & Co. Inc. and L Catterton, are also considering investing according to Bloomberg News. Abu Dhabi's Mubadala Investment Company, which is a Jio investor as well, is weighing an investment of about $750 million in Reliance Retail, the people said. Abu Dhabi Investment Authority and Saudi Arabia's Public Investment Fund are also mulling investments, one of the people said. The strong response from Jio's financial investors means there's not enough for others. Reliance Industries plans to sell about a 10% stake in Reliance Retail to financial investors and almost all the $5.7 billion worth of shares have been taken up, the people said. The largest allocation is reserved for Amazon.com Inc. Bloomberg News reported last week. Ambani is offering to sell a roughly $20 billion stake in the retail business to the U.S. tech giant, which could be equivalent to as much as a 40% holding. A deal, if successful, would be the biggest ever in India as well as for Amazon, according to Bloomberg News.

SoftBank Group Corp. - Nvidia Corporation agreed to buy SoftBank Group Corp.'s chip division Arm Ltd. for $40 billion, taking control of some of the most widely used electronics technology in the semiconductor industry's largest-ever deal. Nvidia will pay $21.5 billion in stock and $12 billion in cash for the U.K.-based chip designer, including a $2 billion payment at signing. SoftBank may receive an additional $5 billion in cash or stock if Arm's performance meets certain targets, the companies said Sunday in a statement. An additional $1.5 billion will be paid to Arm employees in Nvidia stock. SoftBank shares surged about 9% on Monday, September 14 in Tokyo trading, on news of the deal and renewed talks for the company going private. Arm's importance comes from licensing chip fundamentals and selling processor designs. Its technology is at the heart of the more than 1 billion smartphones sold annually. Chips that use its code and its layouts are in everything from factory equipment to home electronics. The acquisition is fueled by the drive to bring artificial intelligence to everything that has an on-switch, the Nvidia CEO said. Having succeeded in selling Nvidia's graphics chips to owners of data centers to speed up image recognition and language processing, Huang is looking to make sure his technology helps spread that to everything from self-driving vehicles to smart meters.

The initial payment from Nvidia marks a small premium over the $31.4 billion that SoftBank paid to acquire Arm in 2016, previously the semiconductor industry's biggest deal. The Japanese company is expected to own less than 10% of Nvidia following the transaction, according to the statement. Regulatory approvals may well prove challenging. The companies said sign-offs are needed from China, U.K., European Union and U.S. authorities and may take as long as 18 months. China's approval may be particularly difficult given rising tensions with the U.S.

DIVIDEND PAYERS

Citigroup Inc. has named a woman to be its new chief executive in a first for a Wall Street bank. Scottish Jane Fraser, its current president and head of global consumer division, is to become its new boss when current chief Michael Corbat retires in February. He is stepping down after 37 years at the bank, including eight as leader. It comes as the male-dominated world of U.S. finance faces pressure to diversify its ranks. (Source: BBC)

JPMorgan Chase & Co. executives told managing directors and some executive directors within the bank's sales and trading operation that they must return to the office by Sept. 21, according to a source familiar with the matter. Trading chief Troy Rohrbaugh and Marc Badrichani, the bank's global head of sales and research, delivered the message in conference calls last Wednesday morning, the Wall Street Journal reported.

LIFE SCIENCES

OncoBeta GmbH, a commercial stage medical device company specialized in innovative epidermal radioisotope therapies for Non-Melanocytic Skin Cancers (NMSCs), announced that it has entered an exclusive sales referral and distribution agreement with Grupo RPH to start Rhenium-SCT® (Skin Cancer Therapy) treatments in Brazil. As a leading brand in the Brazilian nuclear medicine market and one of the biggest of the sector in Latin America, Grupo RPH will employ its extensive knowledge on this area to introduce, distribute and service the Rhenium-SCT® therapy in Brazil. Under this agreement, Grupo RPH and OncoBeta® GmbH will work together sharing one mission: to promote the quality of life to patients with non-melanoma skin cancer. The global incidence of non-melanoma skin cancers has been drastically increasing over the past decades. Depending on the source, it is estimated that there are over 5 million non-melanoma skin cancer cases reported globally each year. NMSC is one of the most common forms of cancer in Brazil. Presently the number of newly diagnosed cases in Brazil is approximately 200,000 annually. It is expected that this number will increase dramatically over the next few years. Grupo RPH Managing Director, Rafael Madke stated, “Grupo RPH is very glad to establish the partnership with OncoBeta GmbH. The Rhenium-SCT® is a ground-breaking technology that will change the therapeutic practice of non-melanoma skin cancer. This agreement sets the start of a long-term partnership between Grupo RPH and OncoBeta GmbH to bring other innovative technologies to Brazil”. The Rhenium-SCT® is a non-invasive, painless therapy generally providing for unparalleled aesthetic results, even in cases otherwise considered difficult to treat. The Rhenium-SCT® utilizes the radioisotope Rhenium-188 in an epidermal application with optimal properties for the treatment of NMSCs. Due to the specially designed devices and accessories, the Rhenium-SCT® compound never comes in direct contact with the patients' skin and the application is safe and simple for the applying physician. Most cases of non-melanoma skin cancers (Basal Cell Carcinomas and Squamous Cell Carcinomas) can be treated using the Rhenium-SCT® with a single application, applied in one single session. Scar-free healing of the treated lesion area and the regeneration of healthy tissue occurs usually within a few weeks after treatment. Operating since 2004, Grupo RPH commercially delivers eight different Cold Kits for Technetium-99m and Gallium-68 preparation for the Brazilian market. Grupo RPH is also the proud owner of the only private-owned fully GMP production facility in Brazil for nuclear medicine products. Grupo RPH's products are sold throughout the whole Brazilian territory, serving nearly 400 customers on a daily basis. Grupo RPH is also a pioneer of the Centralized Radiopharmacy model in Brazil.

ENERGY SECTOR

Enbridge Inc. said it will restart the east segment of its Line 5 pipeline in the Straits of Mackinac after receiving authorization from the U.S. federal pipeline regulator. In a statement, the Canadian pipeline operator said a review by the Pipeline and Hazardous Materials Safety Administration did not identify any integrity issue around a displaced anchor and had no objection to restarting the east leg. The 67-year-old Line 5, a part of the vast North American Mainline network, travels through the Straits of Mackinac, which connects Lake Michigan and Lake Huron. A Michigan circuit court judge had allowed the Canadian company to restart operations at the west leg of the pipeline in July while the damaged east leg was shut following damage.

Enterprise Products Partners L.P. abandoned a major 450,000-barrels-per-day Permian crude pipeline project in Texas and agreed to give customers lower near-term commitments on other pipelines as oil prices remain stagnant. The cancellation of the Midland-to-ECHO 4 pipeline is in line with other delayed energy projects, including export terminals and pipeline builds, hurt by lower demand. Enterprise also said it no longer expects to receive regulatory approvals for its offshore crude export terminal in 2020. The company previously anticipated final approval in the second quarter. But the project has been hit by delays after the United States Coast Guard and Maritime Administration (MARAD) requested additional information. However, the cancellation is expected to reduce cash flow risk for Enterprise. The company said the cancellation will reduce growth capital expenditures for 2020, 2021 and 2022 by about $800 million. The decision will also tack on a $45 million impairment charge to third-quarter earnings this year. The Midland-to-ECHO 3 pipeline is expected to start up initial service in the third quarter.

Parsley Energy Inc. – Shale producer Parsley Energy raised its cash flow target and reinstated its 2020 production guidance, saying it expects to pump about 110,000 barrels of oil per day in the fourth quarter. Parsley is targeting $400 million in free cash flow this year, up from a prior goal of $350 million. It also expects well costs in the second half of 2020 to be 25% below initial estimates.

ECONOMIC CONDITIONS

U.S. Initial unemployment insurance claims were unchanged at 884,000 in the week of September 5, defying expectations of a moderate decline. Continuing claims unexpectedly rose by 93,000 to 13.385 million in the week of August 29, though the four-week trend continues to grind lower. The insured unemployment rate ticked up to 9.2%, suggesting a possible slight backup in the official unemployment rate after August's hefty 1.8 percentage point slide to 8.4%. Total claims in all programs climbed by 380,000 to 29.6 million in the week of August 22. The improvement in U.S. labour markets has lost momentum, likely because of the earlier flare-up in infections and new restrictions to contain the virus.

U.S. producer prices rose 0.3% in August, but are still down 0.2% from a year ago. Core prices jumped a larger-than-expected 0.4%, doubling the yearly rate to a still-subdued 0.6%, amid a rebound in commodity prices.

U.S. consumer prices rose a stronger-than-expected 0.4% in August, increasing the yearly up to 1.3% from 1.0%. Core prices rose by a similar amount and double expectations after a larger rebound in the prior month. The **yearly core rate rose to 1.736%** from 1.6%. That's up from June's 1.2% nadir, but below February's 2.4% pace. On an annualized basis, core prices have snapped back 5.1% in the past three months, more than retracing earlier declines, but are still up a contained 1.3% since February. The price increases were widespread in August, but **driven by a 5.4% surge in used motor vehicles**, which contributed to over 40% of the core increase. Household furnishings popped 0.9%, the most since 1991, amid a more than doubling of lumber prices in the past year. Gasoline, clothing, airfares and auto insurance also rose sharply, but all four are still down from a year ago (airfares by 23%). Tempering inflation in August was a subdued 0.1% advance in shelter costs, with help from falling mortgage rates. As well, food costs rose slightly, as beef prices tumbled another 4.4% after a larger decline in July (earlier supply-chain disruptions had sent beef costs soaring in the spring). Personal care prices fell, no doubt feeling the impact of new restrictions on some close-contact businesses. Despite the faster rebound in core prices than anticipated, much of the increase reflects an unwinding of earlier aggressive discounts during the worst of the pandemic. Elevated joblessness and increased automation should keep inflation under wraps for some time

Britain headed into a new round of Brexit trade talks last week acknowledging it could break international law but only in a “limited way” after reports it may undercut its divorce treaty with the European Union. As the pound fell on fears of a no-deal exit, the government's legal department head quit in disagreement with a plan to overwrite parts of the Withdrawal Agreement treaty signed in January. (Source: Reuters)

FINANCIAL CONDITIONS

The Bank Of Canada last week announced no change in rates, opting to keep its main policy rate at the lower effective bound of 0.25%—stating that monetary policy support was needed throughout the recuperation phase, that the quantitative easing program will continue until the recovery is well underway and that the Bank expects the recuperation phase to be slow and choppy.

The European Central Bank (ECB) last week reaffirmed its plans to: keep rates as is .... the refinance rate (0.00%), marginal lending facility (0.25%) and the deposit facility (-0.50%)... and they'll stay there until it sees inflation "robustly converge" to something close to, but below, 2%; keep buying bonds under the €1.35 trillion PEPP (Pandemic Emergency Purchase Programme) until at least the end of June 2021 or until the ECB judges that the crisis is over... and the purchases will be flexible, across asset classes and jurisdictions; keep making net purchases under the APP (Asset Purchase Programme) at a pace of €20 billion/month for as long as necessary, and with the additional €120 billion temporary envelope, until the end of the year; keep reinvesting the principal payments from maturing securities even after it starts raising rates; keep conducting refinancing operations; and stand ready to adjust all instruments, if needed. The analysis of the economy was little changed, perhaps a bit more upbeat judging by the upward revision to the 2020 GDP growth forecast (was -8.7%; now -8.0%). ECB President Lagarde noted that economic activity continues to rebound, but well below pre-COVID levels. She also pointed out the signs of notable improvement in consumer spending. But the risks, on balance, remain on the downside and much of it depends on the evolution of the pandemic.

The U.S. 2 year/10 year treasury spread is now 0.53% and the U.K.'s 2 year/10 year treasury spread is 0.30%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 2.86. Existing U.S. housing inventory is at 3.1 months supply of existing houses - well off its peak during the Great Recession of 9.4 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 26.39 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

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Glossary of Terms: 'boe' barrel of oil equivalent, a measurement of a unit of energy, 'boed' refers to barrel of oil equivalent per day, 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'netback' is a measure of oil and gas sales revenues net of royalties, production and transportation expenses and is used to compare performance in the oil and gas industry, 'ROE' return on equity, 'ROTE' return on tangible equity, 'ROTCE' return on tangible common equity.

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