

## INVESTMENT REPORT & FACT SHEET

### FUND OVERVIEW

The Montgomery Global Equities Fund (Managed Fund) (the Fund) employs a highly disciplined, bottom-up, value style and typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges. The focus of the Fund is on investing in what Montgomery Global regards as high quality businesses with attractive prospects trading at a discount to their estimated intrinsic value.

The Fund has the flexibility to retain a reasonable level of cash, with a "soft" 30 per cent limit. The Fund will generally be currency

unhedged but we can put in place strategies aimed at protecting investor capital against currency fluctuations if we predict material upside to the Australian dollar.

The Fund aims to deliver superior positive returns when suitable investment opportunities are abundant, and to preserve capital through cash allocations when an insufficient number of company names are appealing. The Fund also aims to target a minimum 4.5% annual distribution yield, paid semi-annually.

### FUND FACTS

#### INVESTMENT MANAGER

Montgomery Global Investment Management Pty Ltd

#### OBJECTIVE

The Montgomery Global Equities Fund (Managed Fund) aims to outperform the index over a rolling 5-year period.

#### BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

#### ASRN

621941508

#### RECOMMENDED INVESTMENT TIMEFRAME

5 years

#### INCEPTION DATE

20 DECEMBER 2017

#### FUND SIZE

\$74.3 M

#### MANAGEMENT COST

1.32% per annum, inclusive of GST/RITC.

#### PERFORMANCE FEES

15.38% of the total return of the Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

#### APPLICATION & REDEMPTION PRICES

[montinvest.com/mogl](http://montinvest.com/mogl)

### PERFORMANCE GRAPH



Performance Graph Monthly Index: \$100,000 = MOGL inception date<sup>2</sup>

### CONTACT DETAILS

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### PORTFOLIO PERFORMANCE (to 30 April 2018, after all fees)

	INCOME	CAPITAL GROWTH	FUND RETURN	MSCI WORLD NET TOTAL RETURN INDEX <sup>1</sup>	OUT/UNDER PERFORMANCE
1 month	0.00%	2.41%	2.41%	2.85%	-0.44%
3 months	0.00%	4.25%	4.25%	1.74%	2.51%
MOGL (since inception) <sup>2</sup>	0.00%	2.42%	2.42%	1.57%	0.85%
MGF (since inception) <sup>3</sup>	12.10%	25.68%	37.78%	28.03%	9.75%

<sup>1</sup> In Australian dollars <sup>2</sup> Inception: 20 December 2017 <sup>3</sup> Inception: 1 July 2015

## FUND COMMENTARY

In the month of April, the Montgomery Global Equities Fund (Managed Fund) (the Fund) delivered 2.41 per cent, net of fees. Over the same period, the MSCI World Total Return Index in Australian dollar terms (the Benchmark) increased by 2.85 per cent. Since inception of the underlying strategy, the Montgomery Global Fund (MGF) has returned 37.78 per cent, net of fees; versus the Benchmark which returned 28.03 per cent, over the same period.

The most significant global event this month was the historic meeting between North Korea's Kim Jong-un and South Korean President Moon Jae-in. At the summit, Mr Kim became the first North Korean leader to set foot in South Korea in more than 60 years. While it remains unclear what the lasting effects of this collaborative meeting will be, it appears that any near-term risk around potential military action on the Korean Peninsula has abated, thankfully.

April also marked the commencement of the financial reporting period for the first calendar quarter of 2018. At the time of writing this report, the majority of the Fund's portfolio businesses have reported. Results to date have been above expectation, on balance. Stand out performers include Facebook (NASDAQ: FB), which we had added to in prior weeks; Insperity (NYSE: NSP); and Apple (NASDAQ: AAPL).

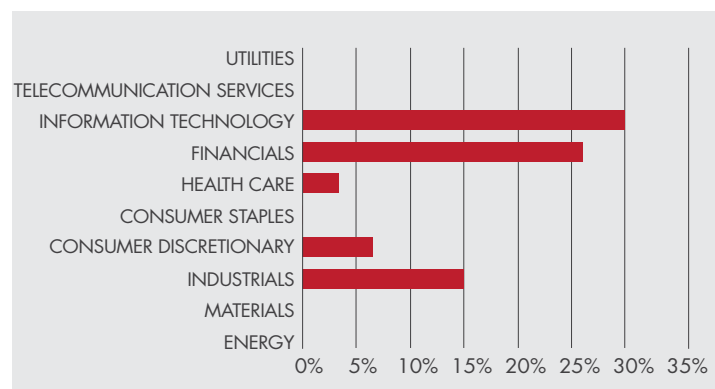
The Fund finished the month holding 19 per cent of the portfolio in cash. We believe these cash holdings will help preserve capital should the market weaken and allow us to rapidly add new undervalued businesses to the portfolio when the time is right.

## TOP COMPLETED HOLDINGS\* (TCH) (at 30 April 2018, out of 20 holdings)

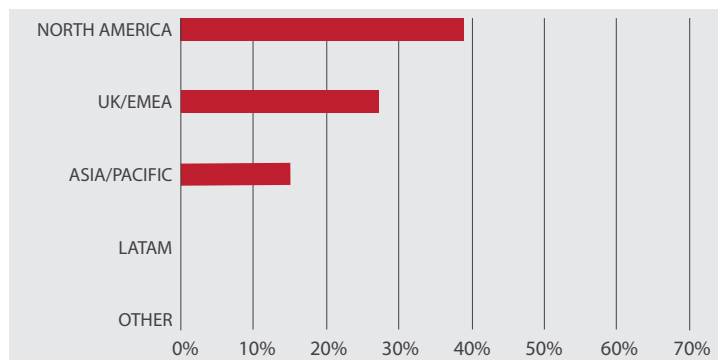
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
St James's Place	GB	8,255	6.0
Facebook	US	498,063	5.6
Alibaba	CN	457,268	5.3
Insperity	US	3,371	5.3
Wells Fargo	US	253,248	5.1
51job	CN	5,106	5.1
Travelers Companies	US	35,566	4.8
REA Group	AU	8,040	4.6
Union Pacific	US	102,928	4.4
Apple	US	838,531	4.2
<b>PORTFOLIO MEDIAN</b>		<b>32,768</b>	<b>4.0</b>
<b>Total equity weighting</b>			<b>81.2</b>
<b>Total cash weighting</b>			<b>18.8</b>

\*Top Completed Holdings are businesses we own but are not actively buying or selling at the time of writing.

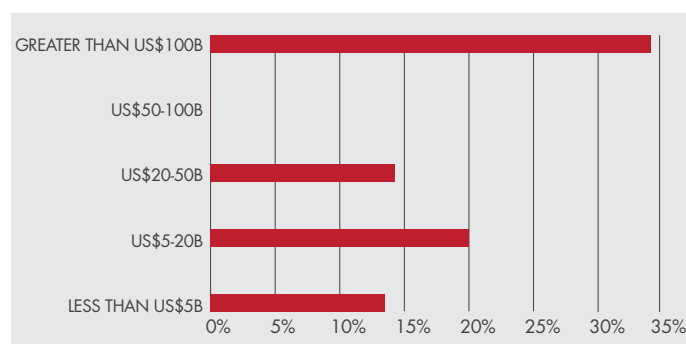
## GICS SECTOR INDUSTRY EXPOSURE



## GEOGRAPHIC - COUNTRY OF DOMICILE



## MARKET CAPITALISATION EXPOSURE



#Portfolio Performance is calculated after fees and costs, including the investment management fee and performance fee, but excludes the buy/sell spread. All returns are on a pre-tax basis. This report was prepared by Montgomery Global Investment Management Pty Ltd, (ACN 604 878 533) (CAR) #001 007 050 (Montgomery) the investment manager of the Montgomery Global Equities Fund (Managed Fund). The issuer of units in Montgomery Global Equities Fund (Managed Fund) is the Fund's responsible entity Perpetual Trust Services Limited ACN 000 142 049 (AFSL 236648). Copies of the PDS are available from Montgomery Global Investment Management (02) 8046 5000 or online at [www.montinvest.com/mogl](http://www.montinvest.com/mogl). Before making any decision to make or hold any investment in the Fund you should consider the PDS in full. The information provided is general information only and does not take into account your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor or stockbroker if necessary. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.