

# 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

MGIM 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 (AUD)

\$96.7M

### MANAGEMENT COST

1.32% per annum, inclusive of GST/RITC.

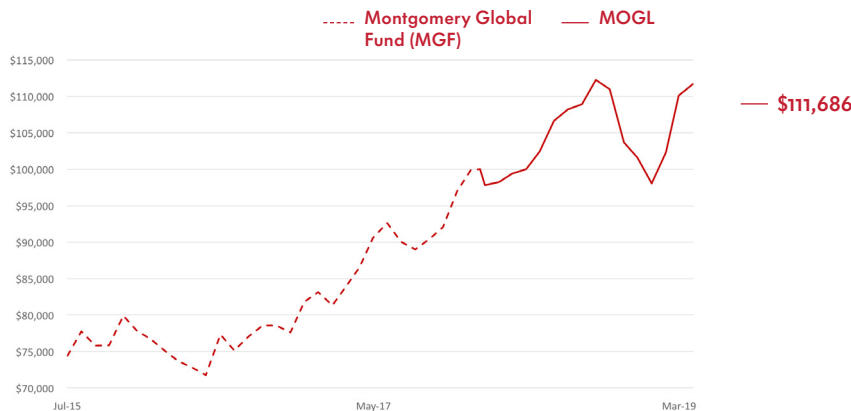
### PERFORMANCE FEES

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

### INVESTORS

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## PORTFOLIO PERFORMANCE (to 31 March 2019, after all fees)

	INCOME	CAPITAL GROWTH	FUND RETURN	MSCI WORLD NET TOTAL RETURN INDEX <sup>1</sup>	OUT/UNDER PERFORMANCE
1 month	0.00%	1.41%	<b>1.41%</b>	1.47%	-0.06%
3 months	0.00%	13.89%	<b>13.89%</b>	11.47%	2.42%
6 months	1.98%	-0.54%	<b>1.44%</b>	-0.80%	2.24%
12 months	4.70%	6.97%	<b>11.67%</b>	12.39%	-0.72%
MOGL (since inception) <sup>2</sup>	4.70%	6.99%	<b>11.69%</b>	10.99%	0.70%
MGF (since inception) <sup>3</sup>	19.62%	31.13%	50.75%	39.91%	10.84%

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

Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.

**FUND COMMENTARY**

In the month of March, the Montgomery Global Equities Fund (Managed Fund) (the Fund) returned 1.41 per cent, net of fees. This was in line with the MSCI World Total Return Index in Australian dollar terms (the Benchmark), which returned 1.47 per cent over the same period.

This brings the Fund’s return for the first calendar quarter to 13.89 per cent, net of fees, despite holding an average of 10.9 per cent of the Fund in cash which acts as a drag in a strong equity market. By comparison, the Benchmark delivered 11.47 per cent in the first calendar quarter.

Since inception, the Fund has delivered 11.69 per cent, net of fees, despite holding an average of 17.5 per cent of the Fund in cash. By comparison, the Benchmark – which carries zero cash – delivered 10.99 per cent over the same period.

Strong performances were delivered by a number of our high-quality global technology platform businesses, in the month of March. Businesses like Apple (NASDAQ: AAPL), Tencent (HKEx: 700) and Microsoft (NASDAQ: MSFT) performed particularly well.

Global leader in seating and electric systems for autos, Lear (NYSE: LEA), underperformed in March. We believe this high-quality business remains materially undervalued and, therefore, took the opportunity to add to our position.

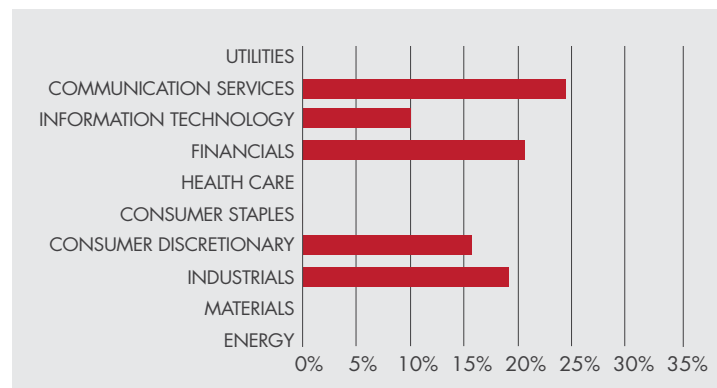
We continue to remain significantly less bearish than many of our peers in the marketplace today. And we could not be more excited by the opportunities we currently hold in the Fund’s portfolio.

**TOP COMPLETED HOLDINGS\* (TCH) (at 31 March 2019, out of 20 holdings)**

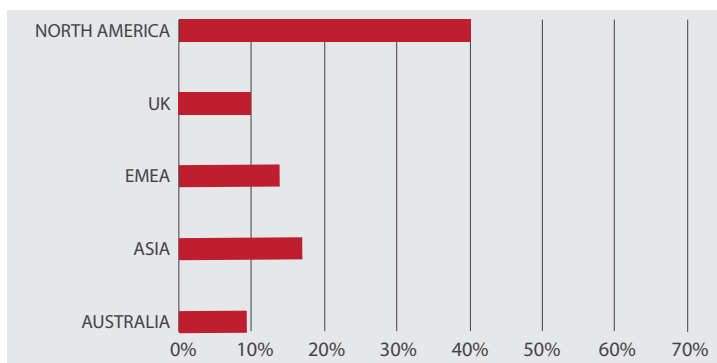
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	37,944	6.9
Prudential	GB	52,097	6.1
Challenger	AU	3,587	6.0
Alphabet	US	816,824	5.6
Lear Corp	US	8,470	5.4
Facebook	US	475,732	5.4
Inspireity	US	5,062	5.1
Ping An	CN	207,827	5.0
Microsoft Corp	US	904,861	4.9
Apple	US	895,667	4.8
<b>PORTFOLIO MEDIAN</b>		<b>45,021</b>	<b>4.5</b>
<b>Total equity weighting</b>			<b>90.0</b>
<b>Total cash weighting</b>			<b>10.0</b>

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

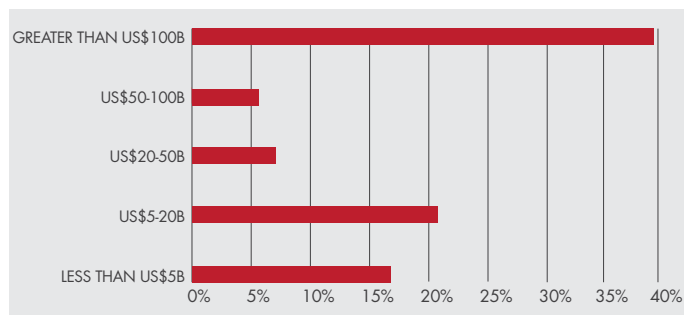
**GICS SECTOR INDUSTRY EXPOSURE**



**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 MGIM 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.