

13 May 2019

Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

MONTHLY NTA STATEMENT - April 2019

Ellerston Global Investments Limited (**ASX: EGI**) advises the unaudited Net Tangible Asset backing (**NTA**) per share of the Company as at 30 April 2019 is:

NTA per Share	30 April 2019
NTA before tax	\$1.1300
NTA after realised tax *	\$1.1300
NTA after tax ^	\$1.1109

These figures are unaudited and indicative only
The NTA is based on fully paid share capital of 109,990,491.

* NTA after realised tax - Includes a provision for tax on realised gains from the Company's Investment Portfolio.
^ NTA after tax - Includes any tax on unrealised gains and deferred tax.

On 27 March 2019, EGI announced a new on-market buy-back of up to 10% of its shares, commencing 16 April 2019 and continuing for twelve months. Since 16 April 2019 a total of 190,795 shares had been bought back.

The company's net performance before tax for the month was 5.55%.



Ian Kelly
Company Secretary

Contact Details

Should investors have any questions or queries regarding the company, please contact our Investor Relations team on 02 9021 7797. All holding enquiries should be directed to our share registrar, Link Market Services on 1300 551 627 or EGI@linkmarketservices.com.au.

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Ellerston Global Investments (ASX: EGI)

Investment Update | April 19

PERFORMANCE (%)

	1 Month	3 Months	6 Months	1 Year	3 Years p.a.	1 November 2014	Annualised Return*
Fund Net[^]	5.55%	8.30%	6.50%	3.94%	8.25%	45.98%	8.77%
Fund Gross	5.64%	8.59%	7.07%	5.06%	9.38%	54.46%	10.14%
Benchmark	3.77%	8.96%	8.90%	8.57%	12.23%	45.63%	8.71%

[^]Net Return (before tax) and excluding option dilution. *1 November 2014

PORTFOLIO UPDATE

The EGI portfolio increased 5.55% net during the month of April. The NTA (before tax) at the end of April was \$1.1300.

EGI invests with a mid-small cap bias, defined as companies with a market cap of sub US\$10 billion. The month of April continued to benefit from favourable market conditions and a US reporting season that, to date, has delivered results which have come in generally better than expectations. Accordingly, the MSCI World Index (Local) finished up 3.77% during the month.

Contributors to performance this month included **WillScot Corp**, **Teradyne** and **TKH Group**. Detractors from performance included **Premier**, **IGas** and **Equity Commonwealth**.

EGI had six portfolio companies reporting results or trading updates during the month. We had earnings updates from two US regional banks held in the portfolio with both confirming mid to high single digit loan growth at continuing high levels of credit quality, a yield curve which is limiting any net interest margin expansion and low single digit expense growth – basically status quo. Other significant results included:

Entertainment One which is one of the leading global independent producers of quality Family, TV and Film content provided its FY19 trading update in early April. It highlighted strong underlying EBITDA performance for the year, underpinned by over 25% growth in its Family division which is mainly comprised of Peppa Pig and PJ Masks. ETO's TV division has 60 new projects in various stages of development while its Music business also generated very strong earnings growth. Management continues to reduce its exposure to third party film distribution which we view favourably as Family and TV provide a much higher quality earnings and valuation profile to the Group.

Teradyne operates in a global duopoly (#1 with >40% market share) in testing high performance System on Chips (SoC) found in today's smartphones, cameras, automotive and many other industrial applications. It is also the #1 global provider of collaborative robots (cobots) with an estimated 50-60% market share in this fast-growing space. TER reported first quarter 2019 results which were ahead of expectations on all metrics with particular emphasis on its cobot division which is now benefiting from large enterprise deployments and an expanding addressable market providing 35-40% growth this year.

Graphic Packaging operates in a US centric duopoly in providing paper-based packaging for some of the world's largest food, beverage and foodservice companies. It has approximately 40% market share in the US and over the past couple of years commodity inflation has outpaced price increases which are lagged due to contracts in place. GPK is now benefiting from a positive price/commodity cost relationship which should continue for several quarters as past price increases feed through its customer base. The business is also benefiting from the plastic to paper shift and is developing innovative paper-based products which are more environmentally friendly and replacing existing plastic applications.

Key Facts

Listing Date	October 2014
NTA (before tax)**	\$1.1300
NTA (after realised tax)	\$1.1300
NTA (after tax)	\$1.1109
Share Price at 30/04/19	\$0.95
EGI Market Capitalisation	104.5m
Management Fee	0.75%
Performance Fee***	15%
Annualised Fully Franked Dividend FY19^^	3.0cps
Benchmark	MSCI World Index (Local)

** NTA (before tax) - Includes taxes that have been paid. NTA after realised tax - Includes a provision for tax on realised gains from the Company's Investment Portfolio. NTA after tax- Includes any tax on unrealised gains and deferred tax.

^^ Annualised dividend is a financial term of analysis based on the total shares on issue at 31/12/18 and on the 1.5cps dividend paid on FY18 interim results (excluding special dividend). Any actual dividend declared by the Company is subject to Board discretion and may vary. Past performance is not an indicator of future performance.

*** 15% of the investment return over the Benchmark return (MSCI World Index Local), after recovering any underperformance in past period.

MARKET COMMENTARY

Global equity markets climbed again in April and ended the month close to the all-time highs reached in January 2018. The developed market that stood out was Germany's DAX (+7.1%) and April also saw continued strength in the US markets. Gains were driven mostly by an expansion in the Price to Earnings (P/E) multiples of the markets. Strength in global PMI data, accommodative central banks, renewed talk of a resolution to the US-China trade dispute, and expectations of a recovery in Chinese growth all buoyed markets.

The **S&P 500 Index** and the Dow Jones Industrial Average Index recorded very strong gains with returns of +4.1% and +2.7% respectively. The NASDAQ had an even stronger month, up 4.8%. The US market was driven by a much higher than expected Q1 GDP growth print of 3.2% annualised. While the US economy is expected to slow from its above-trend pace of growth, an accommodative monetary policy and better manufacturing data spurred investor optimism. Also, last month's fears of an imminent recession from a temporarily inverted yield curve were allayed.

European equity markets also continued to deliver positive returns despite manufacturing being a weak spot. Manufacturing PMI only improved slightly to 47.8 in April but the Euro STOXX 50 Index was up strongly, rising 5.3%. The ECB left rates unchanged and expects them to remain at current levels at least through 2019. Markets were encouraged by a new series of targeted longer-term refinancing options announced by the ECB to safeguard bank lending conditions. Growth in Italy and Spain surprised on the upside, lifting Eurozone Q1 GDP to 1.5% annualised. Despite the political uncertainty, UK economic data was also a positive surprise. Accordingly, the key European indices continued their upward trend. As previously mentioned, Germany's DAX was the standout performer, while France's CAC 40 and the FTSE 100 were also up strongly with returns of +4.9% and +2.3% respectively.

Asian equities caught the global rally. Japan's Nikkei 225 was up almost 5%, Korea's KOSPI Composite Index up 2.9% while the Hang Seng Index rallied 2.3%. In China, GDP grew 6.4% year-on-year in 1Q19 – this was above market expectations. Not too surprisingly, Chinese equities lost some momentum in April after a strong rally in Q1. The SSE Total Market Index was up 0.8%.

The **S&P/ASX 200 Accumulation Index** ended the month up 2.4% - trading to a 12-year high of 6,388 into month end. In Australia, the budget occupied the headlines at the start of the month with a forecast return to surplus in 2019/20. Both the Coalition government and the Labor opposition then promised significant spending if elected to power when the Federal election is held on 18 May. A weak Q1 CPI reading and concerns over slowing growth have the markets expecting a rate cut from the RBA either in May or June. The AUD fell 0.9% through April, dropping to a low of USD 0.6988 but ended the month at USD 0.7048.

If you have any questions regarding any aspect of EGI or the portfolio, please feel free to contact us at investorrelations@ellerstoncapital.com.

Regards,

Bill Pridham and Arik Star

EGI Co-Portfolio Managers

ELLERSTON CORPORATE UPDATE

In other Ellerston news, Chris Hall has been appointed to the position of Chief Investment Officer of Ellerston Capital Limited, reporting directly to Executive Chairman, Ashok Jacob. Chris joined Ellerston in September 2018 as Senior Investment Officer. Over his 28 years in investment management, Chris has built a wealth of experience in risk oversight, investment process improvement and business expansion – including Asia – alongside producing an impressive track record of investing in equity markets.

Prior to joining Ellerston, Chris was Managing Director and Senior Portfolio Manager and Co-Head of Research for BlackRock's Alpha strategies Group in Hong Kong, where he was the lead Co-PM on the BlackRock Asia Pacific Equity Income fund, BGF Pacific Equity fund and BGF Asean Leaders fund, as well as being a member of the Management Committee overseeing the Asian Fundamental Equities Team with A\$35 billion in assets.

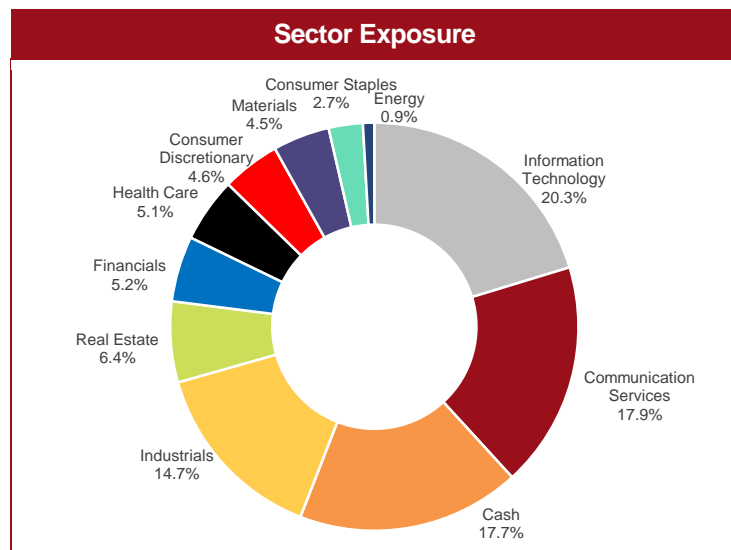
Ashok Jacob remains the Executive Chairman of Ellerston Global Investments and Ellerston Capital Limited and continues to provide guidance and investment insight to the Ellerston Global Investments team.

TOP HOLDINGS

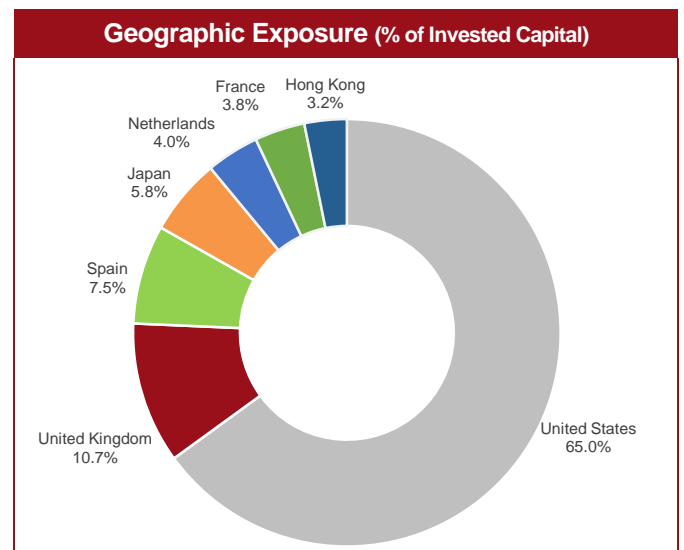
Top 10 Holdings as at 30 April 2019	Sector	%
Cellnex Telecom SA	Communication Services	6.16
Entertainment One Ltd.	Communication Services	5.59
Premier Inc.	Health Care	5.09
Graphic Packaging Holding Company	Materials	4.53
WillScot Corporation	Industrials	3.81
PVH Corp	Consumer Discretionary	3.48
Nuance Communications, Inc.	Information Technology	3.35
TKH Group N.V. Cert	Industrials	3.27
Keysight Technologies Inc	Information Technology	3.22
JC Decaux SA	Communication Services	3.11

Source: Ellerston Capital

SECTOR & GEOGRAPHIC ALLOCATIONS



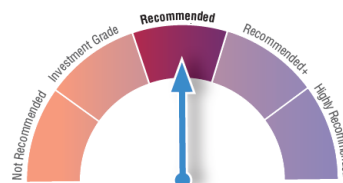
Source: Ellerston Capital



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RESEARCH RATINGS

Independent Investment Research (IIR) is an independent investment research house based in Australia and the United States. IIR conducted research in December 2017 and has assigned Ellerston Global Investments Limited (ASX code: EGI) a **Recommended** rating.



DIVIDENDS

If you would like to have dividends re-invested under the Company's Reinvestment Plan, click [here](#)

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