

# Antipodes Global Shares (Quoted Managed Fund) (ASX:AGX1)

ARSN 625 560 269

UPDATE AS AT 31 AUGUST 2019

Antipodes Partners	<ul style="list-style-type: none"> <li>Global pragmatic value manager</li> <li>We take advantage of the market's tendency for <i>irrational extrapolation</i>, identify investments that offer a high <i>margin of safety</i> and build portfolios with a <i>capital preservation</i> focus</li> </ul>
Fund features	<ul style="list-style-type: none"> <li><b>Objective</b> – to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)</li> <li><b>Global diversification</b> – Access to 30+ global companies via a single trade</li> <li><b>Proven track record</b> – Strategy has outperformed 1.6% p.a. since inception on 1 July 2015<sup>1</sup></li> <li><b>Alignment of interests</b> – proportion of each team member's remuneration is invested into Antipodes funds. Antipodes also has a significant investment alongside unitholders</li> <li><b>Simple access</b> – being exchange traded, investors can buy or sell AGX1 like a regular share during the trading day</li> </ul>

## PORTFOLIO COMMENTARY

The Fund was down 1.2% for the month, bringing the YTD performance to 10.3%. The benchmark was down 0.1% for the month.

Key contributors:

- Gold cluster, as the gold price continued to run over the month.
- Healthcare, notably Merck and Roche as the companies reported solid results and defensive parts of the market outperformed with the escalation in US-China trade war over the month.
- Online services Asia, notably Alibaba and LINE. Alibaba reported a strong result in their core e-commerce business, growing market share without sacrificing profitability. LINE announced an online brokerage joint venture in Japan which gives confidence ahead of planned joint venture banking launches next year, as well as the ability for the company to more broadly build strong finance and e-commerce platforms.

Key detractors:

- Consumer Defensive, notably Tapestry as results disappointed with the slower than anticipated turnaround at Kate Spade, which was expected to be the growth driver for the company.
- Industrials, which were impacted by the escalation in the US-China trade war.

## FUND FACTS

Investment manager	Antipodes Partners
Inception date	5 November 2018
Benchmark	MSCI All Country World Net Index in AUD
Management fee	1.10% p.a.
Performance fee	15% of net return in excess of benchmark
Distribution	Annual, 30 June
Asset Value (NAV)	\$5.1619
Unit valuation	Sydney business day
Fund AUM	\$24m
Strategy AUM	\$2,224m

## NET PERFORMANCE (%)

	AGX1	Benchmark	Difference
1 month	-1.2	-0.1	-1.1
3 months	4.7	7.3	-2.6
YTD	10.3	18.9	-8.6
1 year	-	-	-
Inception	4.3	13.4	-9.1

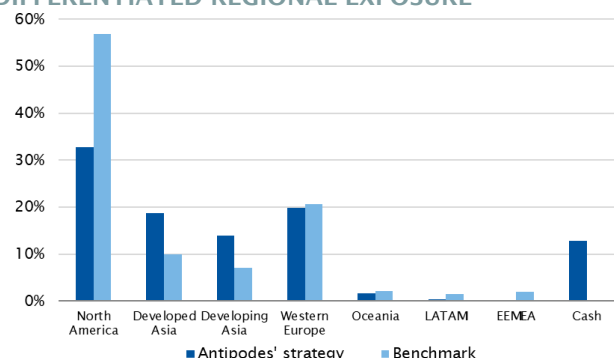
Past performance is not a reliable indicator of future performance  
Returns are quoted in AUD and net of applicable fees, costs and taxes

## PERFORMANCE OF THE INVESTMENT STRATEGY<sup>1</sup>



<sup>1</sup> Growth of \$10,000 invested in the Global Long strategy since inception on 1 July 2015 to 31 August 2019

## DIFFERENTIATED REGIONAL EXPOSURE<sup>2</sup>



<sup>2</sup> Regional exposure of the Strategy vs. the Benchmark as at 31 August 2019. Exposures use iShares MSCI ACWI ETF in AUD as benchmark proxy

## INAV TICKERS

Bloomberg	AGX1.AU Equity	AGFLIV Index
Thomson Reuters	AGX1.AX	AGFLOFV=SOLA
IRESS	AGX1.AXW, AGX1.CXA	AGX1IV

## ASSET ALLOCATION

	Long
Weight (% NAV)	87.3
Count	64
Avg. weight	1.4
Top 10 (% NAV)	26.1
Top 30 (% NAV)	61.4

## TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Microsoft	United States	3.3
Facebook	United States	3.3
Ping An Insurance	China/HK	2.8
Merck	United States	2.7
Siemens	Germany	2.7
Roche	Switzerland	2.3
SAP	Germany	2.3
Alibaba	China/HK	2.3
Samsung Electronics	Korea	2.2
UniCredit	Italy	2.1

## CURRENCY EXPOSURE<sup>3</sup> (%)

ISO	Long equity	Currency	Difference
USD	32.7	40.8	8.1
JPY	10.9	14.6	3.7
AUD	1.6	4.3	2.7
SEK	0.0	2.4	2.4
CHF	3.4	5.6	2.2
NOK	0.0	1.9	1.9
GBP	0.0	1.0	1.0
BRL	0.0	0.7	0.7
MXN	0.3	0.3	0.0
INR	1.8	1.8	0.0
TWD	0.8	0.4	-0.4
HKD	0.6	-0.2	-0.8
EUR	16.4	15.4	-1.0
KRW	6.2	3.8	-2.4
CNY	12.3	7.0	-5.3

<sup>3</sup> Where possible, regions, countries and currencies classified on a look through basis

## FURTHER INFORMATION

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## SECTOR EXPOSURE<sup>4</sup> (%)

Sector	Long
Internet	10.9
Banks	10.2
Healthcare	9.3
Industrial	7.8
Software	7.5
Hardware	7.0
Communications	4.7
Staples	4.2
Retail	3.7
Other	22.0

<sup>4</sup> Antipodes Partners classification

## REGIONAL EXPOSURE<sup>3,4</sup> (%)

Region	Long
North America	32.7
Developed Asia	18.7
Korea/Taiwan	7.0
Japan	11.8
Developing Asia	14.0
China/Hong Kong	12.2
India	1.8
Western Europe	19.9
Eurozone	16.4
Rest Western Europe	3.4
Australia	1.6
Rest of World	0.3
Total Equities	87.3
Cash	12.7
Totals	100.0

## MARKET CAP EXPOSURE (%)

Band	Long
Mega (>\$100b)	30.2
Large (>\$25b <\$100b)	28.4
Medium (>\$5b <\$25b)	25.1
Small (<\$5b)	3.4

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