



9 January 2020

***By Electronic Lodgement***

The Manager  
Company Announcements Office  
ASX Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

**Antipodes Global Investment Company Limited (ASX:APL) – Monthly Investment Update**

Please find attached a copy of the investment update for the month ending 31 December 2019.

Yours faithfully,

**Calvin Kwok**  
Company Secretary

### Company commentary

Company performance for the month was -0.2%, while the benchmark returned -0.4% for the month. The key contributors and detractors are detailed under the Portfolio Commentary section below.

The Company continued its on-market buy-back of the Company's shares and has bought back 16.6m shares as at 6th January.

One of the key focus points for the Company is closing the current discount to NTA and the initiatives announced through December continue to be implemented in the New Year.

We would like to wish all of our shareholders a Happy New Year for 2020.

### Market commentary

Global equities advanced in December (-0.4% in AUD, +3.5% in USD), ending 2019 at all-time highs as the US and China agreed to a phase-one trade deal leading to a more optimistic economic backdrop. Cyclical sectors outperformed led by Energy and Materials whilst Industrials and Real Estate underperformed. Investors exhibited a preference for value over momentum.

Asian equities outperformed. The trade sensitive countries, Korea and China led. US equities lagged as the US Federal Reserve indicated that it expects to leave interest rates unchanged in 2020 after three straight cuts.

European equities outperformed as the UK general election resulted in a clear victory for the Conservative party giving clarity about the near-term path of Brexit. New ECB president, Christine Lagarde, reaffirmed the bank's commitment to keep interest rates at very low levels and maintain the pace of quantitative easing until inflation rises.

Elsewhere, global government bond yields advanced for a fourth straight month and the softer US dollar helped commodities advance with Brent Oil +5.0%.

### Portfolio commentary

Key contributors included:

- Connectivity/Compute cluster notably Samsung Electronics as the market increasingly expects a strong uptake in 5G devices in 2020, while inventory has rebalanced.
- Oil/Natural gas cluster, notably Technip which benefited from the rise in oil price over the month as well as rebounding from oversold levels.
- Consumer Cyclical - Asia/Emerging Markets cluster, notably KB Financial as the company announced a share cancellation programme, a rare move among Korean financial holding companies, and a positive signpost toward shareholder return.

Key detractors included:

- Industrials cluster including General Electric, consolidating recent outperformance on an expectation of a stabilisation in economic activity.
- FedEx in Consumer Cyclical - Developed Market cluster, on a mixed result which showed solid volume growth in their domestic ground delivery business despite the lost Amazon volume, but investments in technology and faster delivery turnaround is dragging on profitability. Pricing pressure in the International delivery business also proved a headwind.

### Performance (%)

	Company <sup>1</sup>	Benchmark <sup>2</sup>	Difference
1 month	-0.2	-0.4	0.2
3 months	2.8	4.5	-1.7
CYTD	9.1	26.8	-17.7
1 year	9.1	26.8	-17.7
2 years p.a.	5.3	13.0	-7.7
3 years p.a.	7.4	13.6	-6.1
Inception p.a.	9.4	14.8	-5.5
Inception <sup>3</sup>	33.4	56.1	-22.7

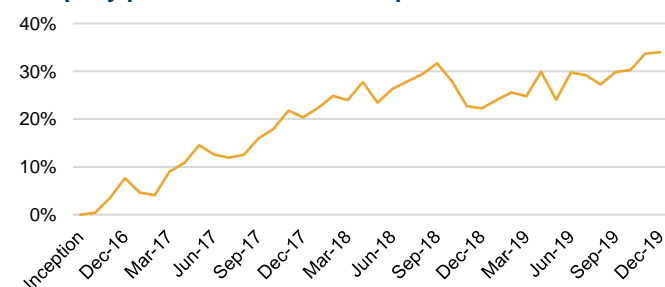
Past performance is not a reliable indicator of future performance.

<sup>1</sup> Movement in NTA before tax for the period, adjusted for dividends and income taxes paid and the dilutionary effect of options granted to shareholders upon the Company's initial listing. This figure incorporates underlying portfolio performance net of portfolio related fees and costs, less administration costs of the Company.

<sup>2</sup> MSCI All Country World Net Index in AUD (portfolio's benchmark).

<sup>3</sup> Inception is 11 October 2016.

### Company performance since inception<sup>1,3</sup>



### Net tangible assets (NTA)<sup>4,7</sup>

Pre-tax NTA <sup>5</sup>	Post-tax NTA <sup>6</sup>
\$1.156	\$1.140

<sup>4</sup> These figures are unaudited and approximate only. <sup>5</sup> Pre-tax NTA includes provision for tax on realised gains/losses and other earnings, but excludes any provision for tax on unrealised gains/losses and any deferred tax assets relating to capitalised issue costs and income tax losses. <sup>6</sup> Post-tax NTA includes tax on both realised and unrealised gains/losses and other earnings, and includes deferred tax assets relating to capitalised issue costs and income tax losses.

<sup>7</sup> NTA before tax was \$1.141. This represents the NTA excluding all income tax related assets and liabilities. Company tax of \$0.004 per share was paid during the month.

### Dividend history

	Dividend per share	Ex date	Record date	Payable	% franked
APL	2.5c	06/09/19	09/09/19	14/10/19	50%
APL	2c	07/03/19	08/03/19	22/03/19	50%
APL	5c	19/10/18	22/10/18	31/10/18	50%

### Top 10 equity longs

Name	Country	Weight (%)
Alibaba	China/HK	3.1
Facebook	United States	3.1
Microsoft	United States	3.0
Samsung Electronics	Korea	2.7
Ping An Insurance	China/HK	2.7
Roche	Switzerland	2.6
Siemens	Germany	2.6
KB Financial	Korea	2.6
ING Groep	Netherlands	2.5
Merck	United States	2.5

## Asset allocation

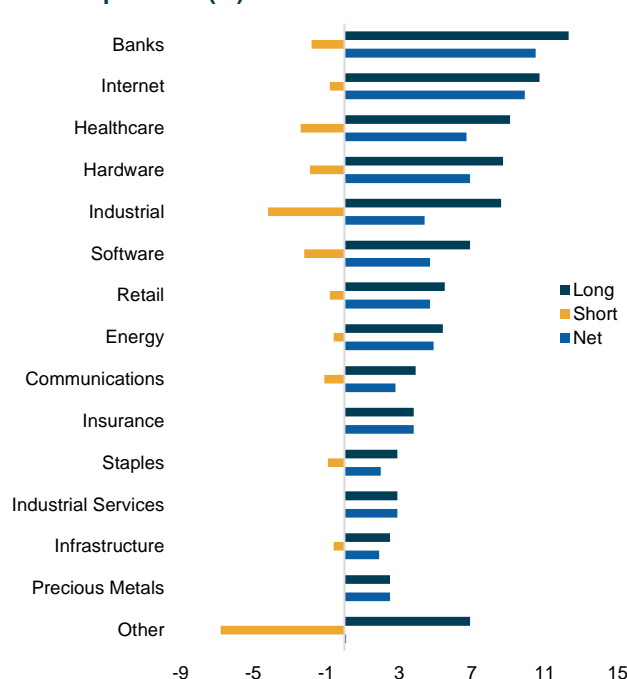
	Long		Short	
	Equities	Other <sup>8</sup>	Equities	Other <sup>8</sup>
Weight (%)	91.9	0.8	-20.8	-3.3
Count	66	1	51	5
Avg. weight (%)	1.4	0.8	-0.4	-0.7
Top 10 (%)	27.4		-6.6	
Top 30 (%)	64.9		-15.1	

<sup>8</sup> Index futures and other non-single stock derivatives.

Regional exposure<sup>9,10</sup> (%)

Region	Long	Short	Net
<b>United States</b>	<b>35.3</b>	<b>-14.4</b>	<b>20.9</b>
<b>Developed Asia</b>	<b>17.5</b>	<b>-3.2</b>	<b>14.3</b>
Korea/Taiwan	8.1	-0.7	7.4
Japan	9.4	-2.5	6.9
<b>Developing Asia</b>	<b>14.7</b>	<b>-0.6</b>	<b>14.1</b>
China/Hong Kong	12.9	-0.6	12.3
India	1.8	-	1.8
<b>Western Europe</b>	<b>22.7</b>	<b>-3.1</b>	<b>19.6</b>
Eurozone	17.7	-1.6	16.1
United Kingdom	0.4	-0.5	-0.2
Rest Western Europe	4.6	-1.0	3.6
<b>Australia</b>	<b>1.3</b>	<b>-</b>	<b>1.3</b>
<b>Rest of World</b>	<b>0.3</b>	<b>-</b>	<b>0.3</b>
<b>Total Equities</b>	<b>91.9</b>	<b>-21.4</b>	<b>70.5</b>
<b>Other</b>	<b>0.8</b>	<b>-2.7</b>	<b>-1.9</b>
<b>Cash</b>	<b>7.3</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>100.0</b>	<b>-24.1</b>	<b>68.6</b>

<sup>9</sup> Where possible, regions, countries and currencies classified on a look through basis. <sup>10</sup> Antipodes classification.

Sector exposure<sup>10</sup> (%)

## Characteristics

<b>Investment manager</b>	Antipodes Partners Limited
<b>ASX code</b>	APL
<b>Inception date</b>	11 October 2016
<b>Listing date</b>	18 October 2016
<b>Benchmark</b>	MSCI All Country World Net Index in AUD
<b>Management fee</b>	1.10% p.a. <sup>11</sup>
<b>Performance fee</b>	15% of net return in excess of benchmark
<b>Market capitalisation</b>	\$562m

<sup>11</sup> Inclusive of the net impact of GST and RITC.

## Company features

- Aims to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years).
- In the absence of finding individual securities that meet minimum risk-return criteria, cash may be held.
- Equity shorts and currency positions used to take advantage of attractive risk-return opportunities, offset specific long portfolio risks and provide some protection from negative tail risk. Derivatives may also be used to amplify high conviction ideas.
- Typical net equity exposure of 50% to 100%; maximum allowable gross exposure limit of 150% of NAV.

## About Antipodes



**Jacob Mitchell**  
Chief Investment Officer  
Lead Portfolio Manager

Antipodes is an award-winning global asset manager offering a fundamental, value-focused investment approach founded in 2015 by Jacob Mitchell, formerly Deputy Chief Investment Officer of Platinum Asset Management, together with a number of former colleagues and like-minded value investors.

Antipodes is majority owned by its 26 person investment team and its performance culture is underpinned by sensible incentives, a focused offering and the outsourcing of non-investment functions to minority partner Pinnacle Investment Management Limited to maximise its focus on investing.



## Further information

☎ 1300 010 311  
✉ [invest@antipodespartners.com](mailto:invest@antipodespartners.com)

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Sydney NSW 2000 Australia

## Disclaimer

Antipodes Partners Limited (ABN 29 602 042 035, AFSL 481 580) ('Antipodes Partners', 'Antipodes') is the investment manager of Antipodes Global Investment Company Limited ABN 38 612 843 517 ('APL' or the 'Company').

Antipodes Global Investment Company (ACN 612 843 517) is the issuer of the shares in the Company under the Offer Document. Any offer or sale of securities are made pursuant to definitive documentation, which describes the terms of the offer ('Offer Document') available at [www.antipodespartners.com/antipodes-lic/](http://www.antipodespartners.com/antipodes-lic/).

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