



14 February 2020

***By Electronic Lodgement***

The Manager  
ASX Market Announcements  
Australian Securities Exchange Limited  
Sydney NSW 2000

Dear Sir/Madam,

**Antipodes Global Shares (Quoted Managed Fund) (ASX:AGX1) – Monthly Investment Update**

Please find attached a copy of the investment update the month ending 31 January 2020.

For further information, please contact 1300 010 311.

Yours faithfully,

Calvin Kwok  
Company Secretary

**Pinnacle Fund Services Limited as responsible entity of Antipodes Global Shares (Quoted Managed Fund)**

## Commentary

Global equity markets started the year on a soft footing as the spread of a newly identified virus in China sparked a global health emergency (-1.1% in USD, +3.8% in AUD). Defensive sectors outperformed led by Utilities and Information Technology whilst cyclical sectors such as Energy and Materials underperformed. Investors exhibited a preference for momentum and growth over value.

Chinese equities lagged post the Wuhan virus outbreak as wide-ranging quarantine procedures were implemented, raising concerns over domestic and global growth. This fed through to economic sensitive regions, such as Europe and Emerging Markets. Commodities such as Brent Oil and Copper suffered, whilst safe-haven assets such as Gold, the US dollar and government bonds (US10yr yield -41bps) were in demand.

US equities outperformed on inflows into large-cap technology stocks. The US and China signed the much-anticipated phase one trade deal on the 15th January. US-Iran tensions temporarily spooked market following the killing of an important Iranian leader.

Against this backdrop the Antipodes Global Shares (Quoted Managed Fund) returned 1.6% underperforming the benchmark of 3.8%.

Key contributors included:

- Online Services - Developed Markets cluster, notably Uber which rebounded 22% in January, supported by the announced sale of Uber Eats in India to local competitor, Zomato, which was aimed at reducing exposure to loss making segments.
- Software cluster, with Microsoft's results beating market expectations as revenue growth accelerated across their cloud, personal computing and Windows OEM offerings.
- Infrastructure/Property - Developed Markets cluster, notably Electricite de France (EDF) on signs of progress with the re-regulation of its nuclear fleet in France.

Key detractors included:

- Consumer Cyclical - Asia/Emerging Markets cluster as fears surrounding the impact of coronavirus on global growth broadly impacted markets with our Oil/Natural Gas cluster retreating under uncertainty surrounding global oil demand.
- Consumer Cyclical - Developed Markets cluster, including Capri with ongoing uncertainty around the health of the Michael Kors business and ING Groep which faced profitability pressures from potential lower global growth hitting interest rates.

## Net performance (%)<sup>1</sup>

	Fund	Benchmark <sup>2</sup>	Difference
1 month	1.6	3.8	(2.3)
3 months	5.4	7.9	(2.5)
YTD	1.6	3.8	(2.3)
1 year	15.4	26.4	(11.0)
Inception p.a. <sup>3</sup>	10.2	20.2	(10.0)
Inception <sup>3</sup>	12.8	25.6	(12.8)

Past performance is not a reliable indicator of future performance. <sup>1</sup> Returns are calculated using the net asset value per unit at the start and end of the relevant period in AUD, with distributions reinvested, and net of applicable fees, costs and taxes (other than tax paid as an investor in the Fund). The returns also do not reflect the transaction costs imposed on the creation and redemptions of Units, brokerage or spreads incurred by investors when buying or selling units on the ASX. <sup>2</sup> Benchmark is MSCI All Country World Net Index in AUD. <sup>3</sup> Inception is 5 November 2018.

## Top 10 equity longs (%)

Name	Country	Weight
Microsoft	United States	3.1
Facebook	United States	2.9
General Electric	United States	2.8
Ping An Insurance	China/HK	2.7
Electricite de France	France	2.6
Alibaba	China/HK	2.6
Siemens	Germany	2.5
Merck	United States	2.5
Uber	United States	2.4
Samsung Electronics	Korea	2.4

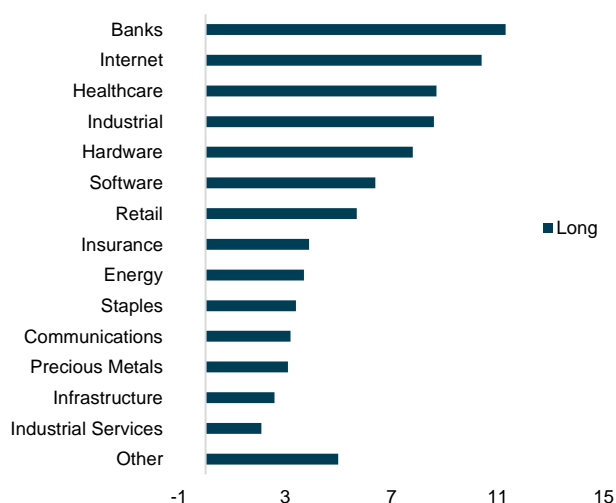
## INAV tickers

	Unit Price	iNAV
Bloomberg	AGX1.AU Equity	AGFLIV Index
Thomson Reuters	AGX1.AX	AGFLOFV-SOLA
IRESS	AGX1.AXW, AGX1.CXA	AGX1IV

## Fund Facts

Characteristics	
Investment manager	Antipodes
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)	\$5.5791
Unit valuation	Sydney business day
Fund AUM	\$28m
Strategy AUM	\$2,376m

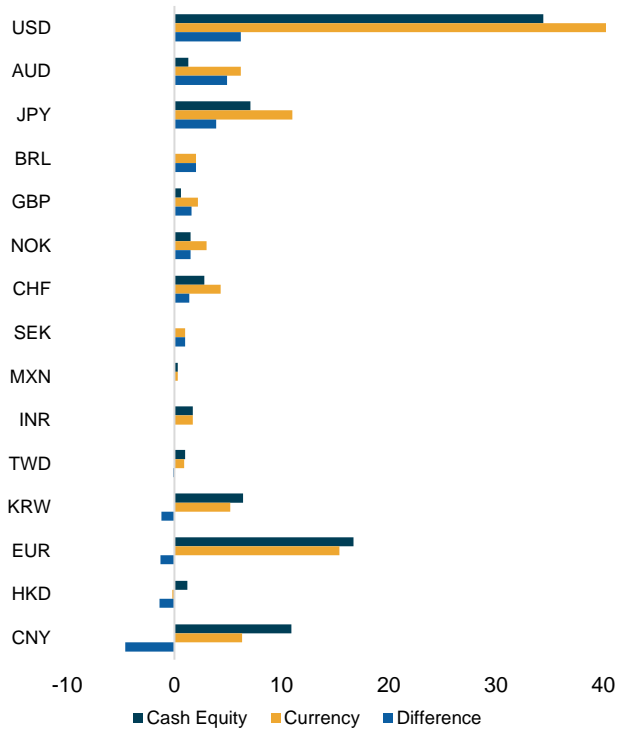
## Sector exposure<sup>4</sup> (%)



<sup>4</sup> Antipodes classification

## Asset allocation

	Long
	Equities
Weight (% NAV)	85.9
Count	65
Avg. weight	1.3
Top 10 (% NAV)	26.7
Top 30 (% NAV)	61.0

Currency exposure<sup>5</sup> (%)Regional exposure<sup>4,5</sup> (%)

Region	Long
<b>North America</b>	<b>34.4</b>
<b>Developed Asia</b>	<b>14.5</b>
Korea/Taiwan	7.3
Japan	7.1
<b>Developing Asia</b>	<b>13.8</b>
China/Hong Kong	12.1
India	1.7
<b>Western Europe</b>	<b>21.6</b>
Eurozone	16.7
United Kingdom	0.6
Rest Western Europe	4.3
<b>Australia</b>	<b>1.3</b>
<b>Rest of World</b>	<b>0.3</b>
<b>Total equities</b>	<b>85.9</b>
<b>Cash</b>	<b>14.1</b>
<b>Totals</b>	<b>100.0</b>

## Market cap exposure (%)

Band	Long
Mega (>\$100b)	36.5
Large (>\$25b <\$100b)	28.4
Medium (>\$5b <\$25b)	17.5
Small (<\$5b)	3.5

<sup>5</sup> Where possible, regions, countries and currencies classified on a look through basis.

### Investment Manager

- Global pragmatic value manager, long only and long-short
- Structured to reinforce alignment between investors and the investment team
- We attempt to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build portfolios with a capital preservation focus

### Fund features

- **Objective** – to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)
- **Global diversification** – Access to 30+ global companies via a single trade
- **Alignment of interests** – proportion of each team member's remuneration is invested into Antipodes funds. Antipodes also has a significant investment alongside unitholders
- **Simple access** – being exchange traded, investors can buy or sell AGX1 like a regular share during the trading day

### Fund Ratings



### Further information

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