



11 March 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 for the month ending 29 February 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 equities fell (-4.6%) in what was a volatile month in markets. The realisation toward the end of February that coronavirus had spread from its Asian epicentre to a global pandemic resulted in the S&P 500 correcting in record time, falling 9.9% (-12.4% USD) in six days as the market became concerned about the broader implications for economic growth. Economically sensitive sectors such as Energy, Transport, Industrial and Consumer Services were the worst-performing sectors in developed markets, while Health Services (defensive) & Internet (secular growth) outperformed.

US equities underperformed (-4.7%), while Emerging Markets fared relatively better (-1.6%) as they had already begun to price in the impact of coronavirus in January.

Expectations for economic growth were lowered as reports of the virus spreading escalated, and this was reflected across asset classes. The yield on US 10-year bonds hit record lows of 1%, credit spreads widened, oil fell 13% to under \$45/barrel and the AUD fell almost 3%, briefly trading below 65 cents versus the USD.

We will remain tactical with our exposure as central banks and policy makers inevitably respond and thus trigger relief rallies. Against this backdrop the fund returned -2.3%, outperforming the benchmark return of -4.6%.

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

	Fund	Benchmark <sup>2</sup>	Difference
1 month	(2.3)	(4.6)	2.2
3 months	(0.3)	(1.3)	0.9
Year to date	(0.8)	(0.9)	0.1
1 year	9.5	14.6	(5.1)
Inception p.a. <sup>3</sup>	7.6	14.7	(7.1)
Inception <sup>3</sup>	10.2	19.9	(9.7)

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	3.0
Facebook	United States	3.0
Electricite de France	France	2.9
General Electric	United States	2.6
Alibaba	China/HK	2.6
Siemens	Germany	2.5
Merck	United States	2.4
Ping An Insurance	China/HK	2.4
Roche	Switzerland	2.3
Honda Motor	Japan	2.3

## iNAV tickers

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

Key contributors to performance included:

- Infrastructure Developed Markets, notably Electricite de France. The company's latest results beat the market's expectations, reporting a greater exposure to the market power price.
- Consumer Defensive Asia/Emerging Markets, notably Yum China. Channel checks suggest store expansion in lower tier cities is progressing, and KFC continues to build on its already strong online presence.
- Currency

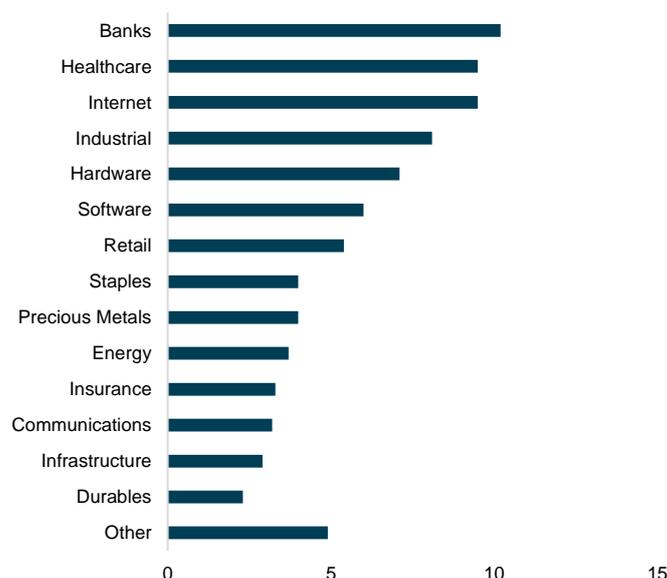
Key detractors from performance included:

- Industrials, including Siemens and General Electric, as the market became increasingly concerned about the spread of coronavirus and implications for global economic activity.
- Consumer Cyclical clusters in Developed and Emerging Markets, including ING and KB Financial which similarly fell on the spread of coronavirus as the market sold economically sensitive exposures.
- Oil/Natural Gas cluster including Eni and TechnipFMC, as the oil price declined on concerns of a slowdown in economic activity and the impact this will have on oil demand.

## Fund facts

Characteristics	
Investment manager	Antipodes Partners Limited
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
Distributions	Annual, 30 June
Asset Value (NAV)	\$5.4497
Unit valuation	Each Sydney business day
Fund AUM	\$27m
Strategy AUM	\$2,309m

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

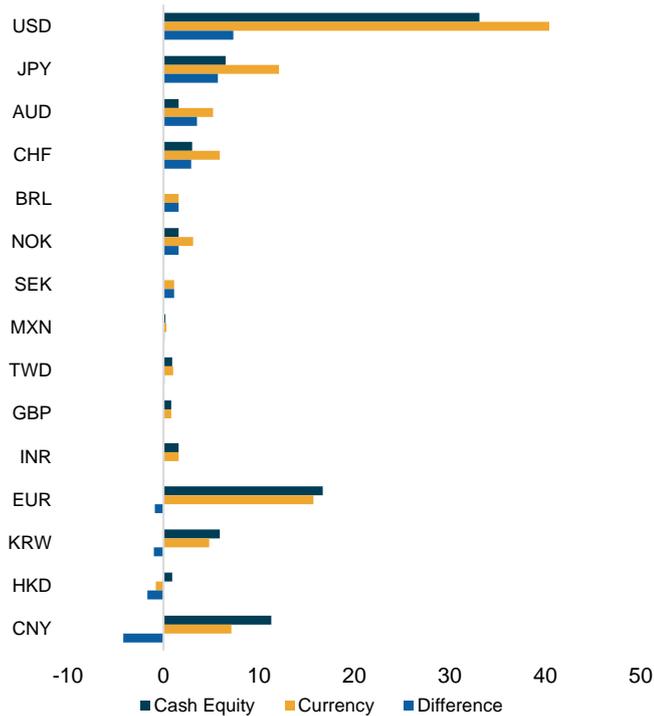


<sup>4</sup> Antipodes classification

**Asset allocation**

	Equities
Weight (% NAV)	84.1
Count	63
Avg. weight	1.3
Top 10 (% NAV)	26.1
Top 30 (% NAV)	60.0

**Currency exposure<sup>5</sup> (%)**



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

Region	
<b>North America</b>	<b>33.1</b>
<b>Developed Asia</b>	<b>13.3</b>
Korea/Taiwan	6.8
Japan	6.5
<b>Developing Asia</b>	<b>13.8</b>
China/Hong Kong	12.2
India	1.6
<b>Western Europe</b>	<b>22.0</b>
Eurozone	16.7
United Kingdom	0.8
Rest Western Europe	4.5
<b>Australia</b>	<b>1.6</b>
<b>Rest of World</b>	<b>0.2</b>
<b>Total equities</b>	<b>84.1</b>
<b>Cash</b>	<b>15.9</b>
<b>Totals</b>	<b>100.0</b>

**Market cap exposure (%)**

Band	
Mega (>\$100b)	31.4
Large (>\$25b <\$100b)	32.1
Medium (>\$5b <\$25b)	17.4
Small (<\$5b)	3.2

<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

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

### Australia Head Office

Antipodes Partners Limited  
Level 35, 60 Margaret St  
Sydney NSW 2000  
Australia

### UK Office

Antipodes Partners Limited  
6th Floor, Nova North  
11 Bressenden Place  
London SW1E 5BY UK

### Disclaimer

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned October 2019) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>

The Lonsec Ratings (assigned March 2019) presented in this document are published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421445. The Ratings are limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial products. Past performance information is for illustrative purposes only and is not indicative of future performance. They are not a recommendation to purchase, sell or hold Antipodes products, and you should seek independent financial advice before investing in these products. The Ratings are subject to change without notice and Lonsec assumes no obligation to update the relevant documents following publication. Lonsec receives a fee from the Fund Manager for researching the products using comprehensive and objective criteria. For further information regarding Lonsec's Ratings methodology, please refer to our website at: <http://www.beyond.lonsec.com.au/research-solutions/our-ratings>.

Interests in the Antipodes Global Shares (Quoted Managed Fund) ARSN 625 560 269 ('Fund') are issued by Pinnacle Fund Services Limited, ABN 29 082 494 362, AFSL 238371. Antipodes Partners Limited ABN 29 602 042 035 AFSL 481580 ('Antipodes') is the investment manager of the Fund. The Product Disclosure Statement (PDS) for the Fund is available at [www.antipodespartners.com](http://www.antipodespartners.com).

Pinnacle Fund Services Limited is not licensed to provide financial product advice. Any potential investor should consider the current PDS in its entirety and consult their financial adviser before making an investment decision in relation to the Fund. Antipodes and Pinnacle Fund Services Limited believe the information contained in this communication is reliable, however no warranty is given as to its accuracy and persons relying on this information do so at their own risk. Any opinions or forecasts reflect the judgment and assumptions of Antipodes and its representatives on the basis of information at the date of publication and may later change without notice. The information is not intended as a securities recommendation or statement of opinion intended to influence a person or persons in making a decision in relation to investment. This communication is for general information only. It has been prepared without taking account of any person's objectives, financial situation or needs. Any persons relying on this information should obtain professional advice before doing so. Past performance is not a reliable indicator of future performance.

To the extent permitted by law, Antipodes and Pinnacle Fund Services Limited disclaim all liability to any person relying on the information in respect of any loss or damage (including consequential loss or damage) however caused, which may be suffered or arise directly or indirectly in respect of such information contained in this communication.