



13 May 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 30 April 2020.

For further information, please contact 1300 010 311.

Authorised by:

Calvin Kwok  
Company Secretary

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

## Commentary

Global equities staged a strong rebound in April (+3.5%) thanks to unprecedented fiscal and monetary support to reduce the economic damage caused by the COVID-19 shutdown. Low multiple - or value - stocks underperformed high growth stocks. Software and Internet outperformed over the month, while Financials were a key underperformer.

US equities (+5.7%) outperformed. The benchmark index had its best month since January 1987. US technology mega-caps led the rally as consumers and businesses in lockdown make even greater use of their services. In addition to the significant fiscal stimulus announced (equivalent to around 10% of GDP), the US Federal Reserve broadened its asset purchase programme to include investment grade corporate credit and provide support to the junk bond market. All other major developed markets lagged. European leaders struggled to finalise plans to launch a coordinated recovery fund (European equities -1.0%).

Elsewhere, oil futures traded negative for the first time ever on demand and storage issues, and gold continued to strengthen (+5.8%).

Key contributors to performance included:

- Gold cluster including Barrick Gold and Newcrest. Both companies retained full year production guidance and are priced at attractive valuations given the resilience in the gold price.
- Consumer Cyclical Developed Markets (DM), notably Capital One Financial and Lowe's. Capital One has substantial capital buffer post provisioning and consumer stimulus measures provide some backstop offsetting concerns around credit costs, while Lowe's (home improvement) has proven resilient during lockdown.
- Online Services DM, notably Facebook which reported its largest additional subscribers at 106m over 1Q, and 3 billion users across the family of apps. Pleasingly the company indicated April revenue has stabilised (flat year-on-year).

Key detractors to performance included:

- General Electric (Industrials cluster), as the market remains concerned about the potential of a more protracted downturn in air travel, and the subsequent impact on the earnings and balance sheets of companies in the aerospace sector.
- Currency, notably the holding in USD which reversed some of the strength experienced in the 1Q.

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

	Fund	Benchmark <sup>2</sup>	Difference
1 month	2.4	3.5	(1.1)
3 months	(10.2)	(10.0)	(0.2)
Year to date	(8.8)	(6.5)	(2.3)
1 year	(4.1)	2.2	(6.3)
Inception p.a. <sup>3</sup>	0.9	8.6	(7.7)
Inception <sup>3</sup>	1.3	13.0	(11.8)

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
Facebook	United States	3.2
Microsoft	United States	3.1
Siemens	Germany	3.0
Electricite de France	France	2.6
Alibaba	China/HK	2.6
Samsung Electronics	Korea	2.6
Merck	United States	2.6
Ping An Insurance	China/HK	2.5
Yum China	China/HK	2.3
Capital One Financial	United States	2.3

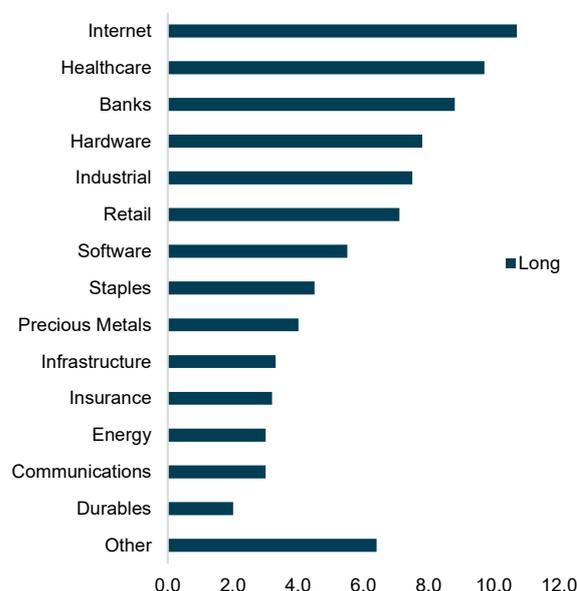
## iNAV tickers

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

## 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)	\$5.0107
Unit valuation	Each Sydney business day
Fund AUM	\$23m
Strategy AUM	\$2,099m

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

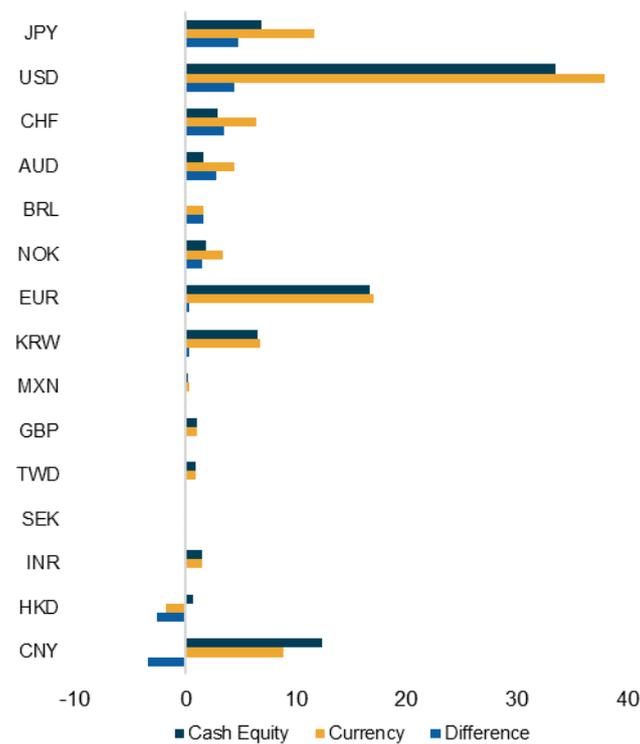


<sup>4</sup> Antipodes classification

## Asset allocation

	Equities	Other <sup>5</sup>
Weight (% NAV)	86.3	0.3
Count	63	1
Avg. weight	1.4	0.3
Top 10 (% NAV)	26.5	-
Top 30 (% NAV)	59.8	-

<sup>5</sup>Index futures and other non-single stock derivatives

Currency exposure<sup>6</sup> (%)

<sup>6</sup> Where possible, regions, countries and currencies classified on a look through basis.

Regional exposure<sup>4,6</sup> (%)

Region	
<b>North America</b>	<b>33.5</b>
<b>Developed Asia</b>	<b>14.2</b>
Korea/Taiwan	7.3
Japan	6.8
<b>Developing Asia</b>	<b>14.6</b>
China/Hong Kong	13.1
India	1.5
<b>Western Europe</b>	<b>22.5</b>
Eurozone	16.7
United Kingdom	1.0
Rest Western Europe	4.8
<b>Australia</b>	<b>1.7</b>
<b>Rest of World</b>	<b>0.2</b>
<b>Total equities</b>	<b>86.6</b>
<b>Cash</b>	<b>13.4</b>
<b>Totals</b>	<b>100.0</b>

## Market cap exposure (%)

Band	
Mega (>\$100b)	35.0
Large (>\$25b <\$100b)	22.7
Medium (>\$5b <\$25b)	24.1
Small (<\$5b)	4.8

## 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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