

## INVESTMENT REPORT & FACT SHEET

### FUND OVERVIEW

The Montgomery Global Equities Fund (Managed Fund) (the Fund) employs a highly disciplined, bottom-up, value style and typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges. The focus of the Fund is on investing in what Montgomery Global regards as high quality businesses with attractive prospects trading at a discount to their estimated intrinsic value.

The Fund has the flexibility to retain a reasonable level of cash, with a “soft” 30 per cent limit. The Fund will generally be currency

unhedged but we can put in place strategies aimed at protecting investor capital against currency fluctuations if we predict material upside to the Australian dollar.

The Fund aims to deliver superior positive returns when suitable investment opportunities are abundant, and to preserve capital through cash allocations when an insufficient number of company names are appealing. The Fund also aims to target a minimum 4.5% annual distribution yield, paid semi-annually.

### FUND FACTS

#### INVESTMENT MANAGER

MGIM Pty Ltd

#### OBJECTIVE

The Montgomery Global Equities Fund (Managed Fund) aims to outperform the index over a rolling 5-year period.

#### BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

#### ASRN

621941508

#### RECOMMENDED INVESTMENT TIMEFRAME

5 years

#### INCEPTION DATE

20 December 2017

#### FUND SIZE (AUD)

\$84.9M

#### MANAGEMENT COST

1.32% per annum, inclusive of GST/RITC.

#### PERFORMANCE FEES

15.38% of the total return of the Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

#### APPLICATION & REDEMPTION PRICES

montinvest.com/mogl

### PERFORMANCE GRAPH



Performance Graph Monthly Index: \$100,000 = MOGL inception date<sup>2</sup>

### CONTACT DETAILS

#### INVESTORS

TOBY ROBERTS  
t: 02 8046 5017  
e: troberts@montinvest.com

#### ADVISERS, RESEARCHERS AND PLATFORMS

SCOTT PHILLIPS (NSW)  
e: sphillips@montinvest.com

DEAN CURNOW (NSW, ACT, WA)  
e: dcurnow@montinvest.com

DAVID DENBY (VIC, SA)  
e: ddenby@montinvest.com

MICHAEL GOLLAGHER (QLD)  
e: mgollagher@montinvest.com

### PORTFOLIO PERFORMANCE (to 31 August 2020, after all fees)

	INCOME	CAPITAL GROWTH	FUND RETURN	MSCI WORLD NET TOTAL RETURN INDEX <sup>1</sup>	OUT/UNDER PERFORMANCE
1 month	0.00%	4.34%	<b>4.34%</b>	3.45%	0.89%
3 months	2.33%	7.20%	<b>9.53%</b>	2.99%	6.54%
6 months	2.05%	-5.47%	<b>-3.42%</b>	0.93%	-4.35%
12 months	4.48%	-3.32%	<b>1.16%</b>	6.40%	-5.24%
2 years (p.a.)	5.29%	-3.20%	<b>2.09%</b>	7.01%	-4.92%
MOGL (since inception) <sup>2</sup>	14.48%	2.54%	<b>17.02%</b>	27.47%	-10.45%
MGF (since inception) <sup>3</sup>	37.50%	20.54%	58.04%	60.67%	-2.63%

<sup>1</sup> In Australian dollars <sup>2</sup> Inception: 20 December 2017 <sup>3</sup> Inception: 1 July 2015

Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.

# Montgomery Global Equities Fund (MANAGED FUND)

## FUND COMMENTARY

In the month of August, the Montgomery Global Equities Fund (the Fund) increased by 4.34 per cent, net of fees. Over the same period, the MSCI World Total Return Index in Australian dollar terms (the Benchmark) increased by 3.45 per cent. Since inception, the Fund has increased by 17.02 per cent, net of fees, delivered with an average cash holding of 15.9 per cent. Over the same period, the Benchmark has increased by 27.47 per cent.

We continue to collect further evidence that the digital transformation of the enterprise is a structural trend that has sharply accelerated post COVID-19. During the month, one of our relatively new portfolio holdings, Salesforce.com (NYSE: CRM) delivered a very strong Q2 result – citing a new urgency by enterprise customers to accelerate their build out of mission-critical digital infrastructure.

It was truly extraordinary that, in the midst of a 10 per cent decline in US GDP, Salesforce experienced an uptick in seven-figure deals by more than 60 per cent! As Chief Revenue Officer, Gavin Patterson, explained: “We saw companies begin to realise that their digital transformation was an imperative which they couldn’t afford to put off any longer.”

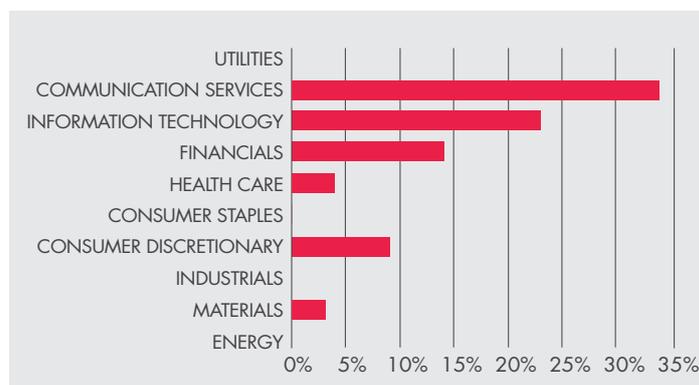
The month also included an important speech by Fed Chair Jerome Powell at the annual Jackson Hole Economic Symposium. Powell announced the Fed would move from “inflation targeting” to “average inflation targeting” – meaning the Fed would keep rates lower (and continue its asset purchases) for a period extending beyond its 2 per cent inflation target was met. This announcement confirmed something we have believed since last year: that we will be living in a zero interest rate world for the foreseeable future.

## TOP COMPLETED HOLDINGS\* (TCH) (at 31 August 2020, out of 23 holdings)

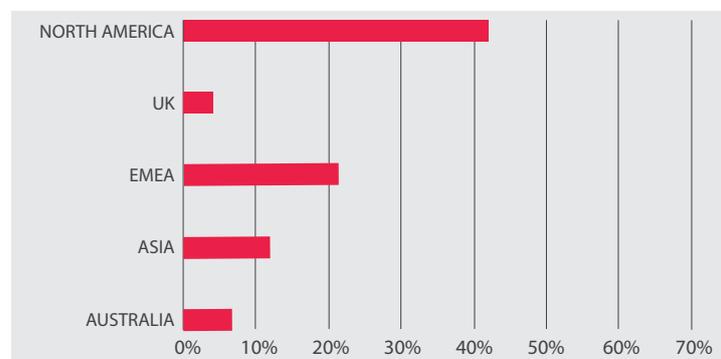
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	33,614	7.6
Facebook	US	835,273	7.5
Spotify	SE	52,418	7.5
Microsoft	US	1,706,733	5.9
Alibaba Group	CN	789,806	5.8
Salesforce.com	US	248,112	4.6
Alphabet	US	1,110,006	4.5
ServiceNow	US	92,451	4.4
Berkshire Hathaway	US	521,055	4.3
REA Group	AU	11,084	4.2
<b>PORTFOLIO MEDIAN</b>		<b>248,112</b>	<b>3.9</b>
<b>Total equity weighting</b>			<b>85.4</b>
<b>Total cash weighting</b>			<b>14.6</b>

\*Top Completed Holdings are businesses we own but are not actively buying or selling at the time of writing.

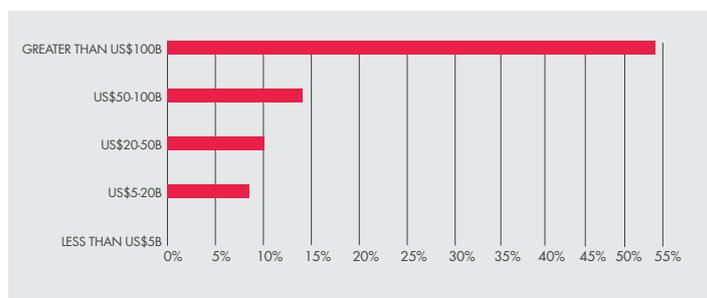
## GICS SECTOR INDUSTRY EXPOSURE



## GEOGRAPHIC - COUNTRY OF DOMICILE



## MARKET CAPITALISATION EXPOSURE



#Portfolio Performance is calculated after fees and costs, including the investment management fee and performance fee, but excludes the buy/sell spread. All returns are on a pre-tax basis. This report was prepared by MGIM Pty Ltd, (ACN 604 878 533) AFSL 516 942 the investment manager of the Montgomery Global Equities Fund (Managed Fund). The issuer of units in Montgomery Global Equities Fund (Managed Fund) is the Fund's responsible entity Perpetual Trust Services Limited ACN 000 142 049 (AFSL 236648). Copies of the PDS are available from Montgomery Global Investment Management (02) 8046 5000 or online at [www.montinvest.com/mogl](http://www.montinvest.com/mogl). Before making any decision to make or hold any investment in the Fund you should consider the PDS in full. The information provided is general information only and does not take into account your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor or stockbroker if necessary. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.