



12 May 2021

***By Electronic Lodgement***

Market 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 30 April 2021.

For further information, please contact 1300 010 311.

Authorised by:

Calvin Kwok  
Company Secretary

## Company commentary

Company performance for the month was 0.3%, underperforming the benchmark which returned 2.9%. The key contributors and detractors are detailed under the Portfolio Commentary section below.

As approved at the Company's AGM on 30 November 2020, the Company will implement an off-market share buy-back for up to 25% of its shares in issue if the average daily pre-tax NTA discount is wider than 7.5% for the 12 month period ending 18 October 2021 (Discount Condition). If triggered, this will enable shareholders to sell shares to the Company via the buy-back at a price based on the average post-tax NTA per share less 2%. As at 3 May 2021, a little over halfway through the Discount Condition assessment period, the average daily pre-tax NTA discount has been 12.17%.

The Company's phone-based shareholder outreach campaign is nearing completion. If you have received a call over the last few weeks, we thank you for the time you have taken to share your views with us.

The Manager, Antipodes Partners, is now writing a fortnightly newsletter called "The Good Value Briefing" which captures how the investment team is thinking about the latest news and market events impacting APL's portfolio. These are a quick three minute read and arrive via email every couple of weeks (if you've chosen electronic communication as your preferred method). You can also find the [latest newsletter](#) on the Company website or contact us if you would like to subscribe. Shareholder feedback on this initiative has been overwhelmingly positive.

## Market commentary

Global equity strength continued in April as a further supportive US fiscal backdrop boosted sentiment (+2.9%). Investors exhibited a preference for momentum and growth over low multiple - or value - stocks with Communication Services and Information Technology outperforming. Cyclical sectors such as Materials, Financials and Consumer Discretionary were also strong while Energy was the major laggard.

US equities (+3.9%) outperformed as US technology giants resumed leadership, helped by stabilising yields. President Biden's speech to congress signalled further fiscal spending plans funded by new tax proposals. Europe (+3.1% in AUD) marginally outperformed as the trajectory for COVID-19 vaccinations improved.

Asia (-0.4) underperformed as Japan (-2.9) weighed due to rising COVID-19 infections, a slow vaccine rollout, and a new state of emergency. China (+0.9%) lagged as regulators cracked down on the abuse of market dominance by internet companies. Also, concerns of a policy tightening from the People's Bank of China (PBOC) weighed on sentiment.

Elsewhere, Brent Crude resumed its rally (+6.4% in USD) and Gold (+4.5% in USD) rebounded with the weaker USD (DXY -2.1%).

## Portfolio commentary

Key contributors included:

- Consumer Cyclical - Developed Markets, notably Capital One Financial and Wells Fargo as the prospect of a steepening yield curve amidst fiscal stimulus, vaccine rollouts and higher inflation expectations provide a positive outlook for net interest margins. Q1 results also highlighted excess provisions for credit losses in 2020 which will support future earnings upon release.
- Hardware, notably MediaTek which reported strong first quarter growth in revenues, primarily in 5G handset chip sales, while also lifting near term guidance.
- Software/Internet - Developed Markets including Facebook and Amazon with both reporting strong first quarter revenue beats on strength in their advertising businesses.
- Microsoft, continuing its recent strong results with further revenue growth across cloud, gaming and business solutions while also signalling an expansion in to the healthcare sector through the acquisition of AI/machine learning business, Nuance.

Key detractors included:

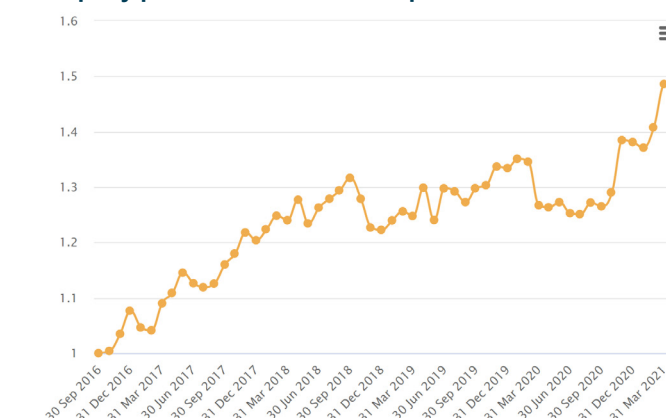
- Industrials, notably VW after a sustained period of outperformance over the prior two quarters.
- Consumer Cyclical - Asia/EM notably HDFC Bank as resurgent COVID-19 caseloads in India dampened the near term outlook for cyclical parts of the market.
- Software/Internet - Asia/EM notably JD.com amidst uncertainty around regulation of Chinese technology platforms, despite strong longer term growth prospects.
- Shorts, which can act as a headwind in upward moving markets.

## Performance (%)<sup>1,2,3</sup>

	Company	Benchmark	Difference
1 month	0.3	2.9	-2.6
3 month	8.8	8.9	-0.1
Year to date	8.0	9.0	-1.1
1 year	18.0	23.5	-5.5
3 year p.a.	5.3	12.5	-7.2
Inception p.a.	9.2	13.8	-4.6

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 share capital transactions. 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>5,6</sup>)<sup>4,7</sup>

Pre-tax NTA	Post-tax NTA
\$1.228	\$1.189

<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 \$1.227. This represents the NTA excluding all income tax related assets and liabilities. No company tax was paid during the month.

## Dividend history

	Dividend per share	Ex date	Record date	Payable	% franked
APL	2c	09/03/21	10/03/21	31/03/21	50%
APL	2.5c	08/09/20	09/09/20	30/09/20	50%
APL	2c	05/03/20	06/03/20	27/03/20	50%
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

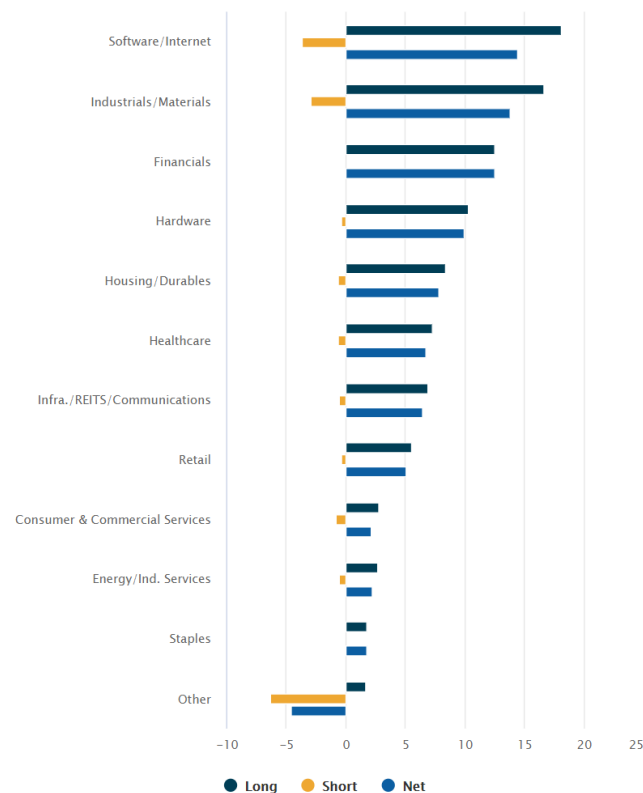
Name	Country	Weight (%)
Facebook	United States	4.4
Siemens	Germany	3.8
Microsoft	United States	3.5
Volkswagen	Germany	3.5
Samsung Electronics	Korea	2.8
Tencent	China/HK	2.7
Taiwan Semiconductor	Taiwan	2.7
Sanofi	France	2.4
ING Groep	Netherlands	2.3
Medtronic	United States	2.3

Asset allocation<sup>8</sup>

	Equities - Long	Other - Long	Equities - Short	Other - Short
Weight (%)	94.7	0.4	-16.7	-8.7
Count	60	1	30	4
Avg. weight (%)	1.6	0.4	-0.6	-2.2
Top 10 (%)	30.4	-	-10.1	-
Top 30 (%)	66.8	-	-16.7	-

<sup>8</sup> Non-equity derivatives.Regional exposure<sup>9,10</sup> (%)

Region	Long	Short	Net
North America	36.4	-12.6	23.7
Western Europe	24.7	-0.9	23.8
- Eurozone	19.3	-0.6	18.7
- Rest Western Europe	3.1	-0.3	2.8
- United Kingdom	2.3	-	2.3
Developed Asia	19.1	-1.7	17.4
- Korea/Taiwan	13.5	-	13.5
- Japan	5.6	-1.7	3.9
Developing Asia	12.8	-1.5	11.3
- China/Hong Kong	10.3	-1.5	8.8
- India	2.6	-	2.6
Australia	1.7	-	1.7
Total Equities	94.7	-16.7	77.9
Other	0.4	-8.7	-
Cash	4.9	-	-
Totals	100.0	-25.4	-

<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

Investment manager	Antipodes Partners Limited
ASX code	APL
Inception date	11 October 2016
Listing date	18 October 2016
Benchmark	MSCI All Country World Net Index in AUD
Management fee	1.10% p.a. <sup>12</sup>
Performance fee	15% of net return in excess of benchmark

## Asset value

Company net tangible assets	\$568m
Market capitalisation	\$520m
Strategy AUM	\$6,161m

<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 the Manager



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

Antipodes Partners Limited 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 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.



## Further information

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

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Sydney NSW 2000 Australia

[antipodespartners.com/apl](https://antipodespartners.com/apl)

## Disclaimer

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