



11 August 2022

By Electronic Lodgement

Market Announcements Office
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 31 July 2022.

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)

Key Takeaways

- Despite June CPI coming in at 9.1%, the highest in over 40 years, market inflation expectations have slowly drifted down throughout the month.
- Markets posted strong results throughout July with most global indices finishing materially higher, with growth again outperforming value, building on outperformance in June.
- The Antipodes Global Shares (Quoted Managed Fund) underperformed the benchmark over the month, however remains ahead over the calendar-year-to-date.

Commentary

Global equities were up in July (+5.4%) with Information Technology, Consumer Discretionary and Industrials outperforming whilst Communication Services, Healthcare and Materials underperformed.

US equities outperformed (+7.7%) despite inflation data remaining elevated and more signs of economic slowdown, with equity markets starting to reprice and adjust the chances of a less-hawkish Federal Reserve pivot to being more market supportive, whilst corporate earnings were better than feared. European equities were positive but underperformed the broader market (+3.4%) with the overhang of the Russian gas supply crisis and the collapse of the Italian coalition government forcing early elections. Whilst in the UK, the process of finding a new Prime Minister from the Conservative party commenced after the resignation of Boris Johnson. The ECB made a historic hike while giving more details on their new Transmission Protection Instrument to support weaker sovereign yields.

Asian equities underperformed broader markets over the month (-0.3%). Chinese equities were weak (-9.4%) despite the PBOC announcing further loan stimulus and GDP data surprising on the upside, with zero-COVID restrictions and property sector fears, which included the threat of mortgage strikes, weighing on sentiment. Japanese equities were positive for the month, despite underperforming global markets (+4.2%) whereby the former Prime Minister Shinzo Abe was tragically assassinated.

Elsewhere, Brent Crude (-4.2% in USD) was down, Gold (-2.3%) was lower, whilst the US Dollar (+1.2%) was stronger.

Key contributors included:

- Infrastructure/Property – DM cluster, namely Électricité de France (EDF) which surged upon reports the French government intends to nationalise the energy

company by acquiring the remainder of EDF shares in an effort to keep a handle on rising energy costs and reduce its reliance on energy imports.

- Oil/Natural Gas cluster, including EQT Corp and Coterra which surged higher over the month after a pull-back in June, highlighting the renewed demand for natural gas driven by Europe in filling sufficient reserves ahead of winter.
- Industrials cluster, notably Siemens, whereby results in its core operating businesses have been stronger than anticipated whilst fears of disorderly outcomes on energy supply have reduced.
- Internet/Software – DM cluster, including Amazon and Oracle. Amazon pushed higher over the month reporting second quarter results showing underlying improvements earlier than the market expected, beating revenue projections and highlighting strong growth from its cloud business.

Key detractors included:

- Consumer Cyclical – Asia/EM cluster, notably Chinese property exposures as sentiment turned negative on the sector amid concerns around home buyers threatening to stop servicing mortgages on certain unfinished projects, and lockdown stress. Later in the month, a reported move by Beijing to establish a fund to support developers fuelled optimism within the property sector.
- Similarly, KE holdings within the Internet/Software – Asia EM cluster detracted over the month, with the real estate platform impacted by the weaker sentiment felt in the property sector and lockdown restrictions.
- Internet/Software – Asia/EM, including Alibaba, whereby in early July fines were imposed on technology companies for failing to properly report past deals, with five transactions carried out by Alibaba highlighted by the regulator. Whilst the potential impact of the fines was capped, investor sentiment turned poorer amid concerns that this could signal renewed regulatory concerns for the company.

Fund facts

Characteristics	
Investment manager	Antipodes Partners
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
Unit valuation	Sydney business day
Registry	Automatic Pty Limited
Market Maker	Citigroup Global Markets Australia Pty Limited

Asset value	
Fund AUM	\$344m
Strategy AUM	\$3,921m
Asset Value (NAV)	4.4923

Net performance (%)

	Fund	Benchmark	Difference
1 month	0.7	5.4	-4.8
3 month	-3.2	-0.1	-3.0
Year to date	-9.8	-11.0	1.2
1 year	-6.3	-5.7	-0.6
3 year p.a.	5.4	8.1	-2.7
Inception p.a.	5.8	10.1	-4.3

Past performance is not a reliable indicator of future performance. Returns are calculated net of applicable fees, costs and taxes. All p.a. returns are annualised.

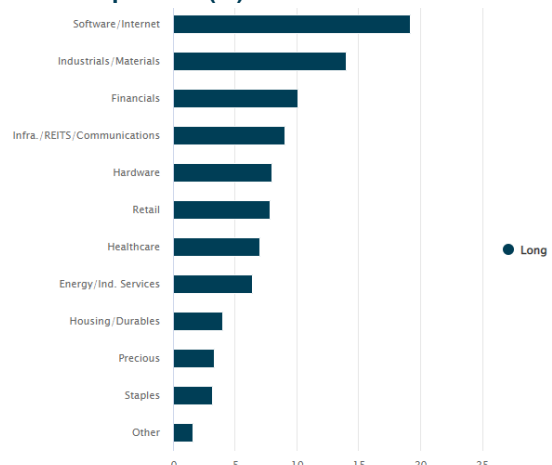
Top 10 equity longs (%)

Name	Country	Weight
Frontier Communications	United States	3.1
Merck	United States	3.1
SAP	Germany	3.1
Siemens	Germany	3.0
Sanofi	France	2.9
EQT	United States	2.8
Oracle	United States	2.7
Taiwan Semiconductor	Taiwan	2.7
Meta Platforms	United States	2.5
Tesco	United Kingdom	2.4

iNAV tickers

	Unit Price	iNAV
Bloomberg	AGX1AU Equity	AGFLIV Index
Thomson Reuters	AGX1AX	AGFLOFV-SOLA
IRESS	AGX1AXW, AGX1CXA	AGXIIV

Sector exposure¹ (%)

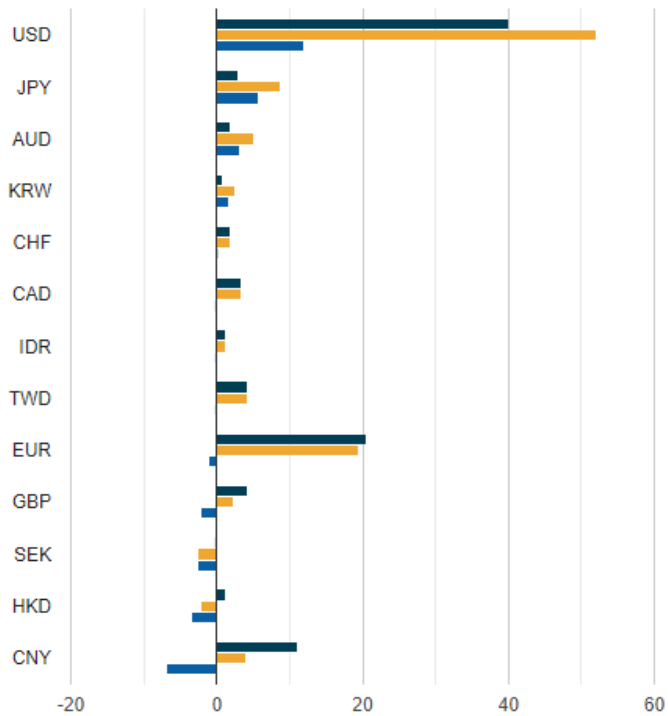


¹ Antipodes classification

Asset allocation³

	Equities - Long	Other - Long
Weight (%)	93.6	-
Count	62	-
Avg. weight (%)	1.5	-
Top 10 (%)	28.4	-
Top 30 (%)	64.6	-

³ Call (put) options represented as the current option value (delta adjusted exposure)

Currency exposure^{2,3} (%)

Long equity Currency Difference

² Where possible, regions, countries and currencies classified on a look through basis.

Regional exposure^{1,2,3} (%)

Region	Long
North America	43.5
Western Europe	26.7
- Eurozone	20.6
- United Kingdom	4.3
- Rest Western Europe	1.8
Developing Asia/EM	13.6
- China/Hong Kong	12.4
- Rest Developing Asia	1.2
Developed Asia	7.9
- Korea/Taiwan	5.0
- Japan	3.0
Australia	1.9
Total Equities	93.6
Cash	6.4
Totals	100.0

Market cap exposure³ (%)

Band	Long
Mega (>\$100b)	32.0
Large (>\$25b <\$100b)	27.8
Medium (>\$5b <\$25b)	29.2
Small (<\$5b)	4.6

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 Ratings



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

Further information

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Link to [Product Disclosure Statement](#)

Link to [Target Market Determination](#)

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email service@pinnacleinvestment.com

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