

INVESTMENT REPORT

SEPTEMBER 2022

ABOUT MONTAKA

Montaka Global is a specialist global equities manager established in 2015 by Andrew Macken and Christopher Demasi with offices in Sydney, Melbourne and New York.

Montaka's mission is to achieve superior long-term compounding of investor capital, alongside the capital of our principals, team, and owners.

ABOUT THE FUND

The Montaka Global Long Only Equities Fund (Managed Fund) can play a leading role in achieving Montaka's mission.

Investors in the Fund benefit from our deep expertise, fundamental research and detailed analysis to identify high-conviction, long-duration opportunities through a concentrated global equities portfolio.

The Fund is highly focussed on investing in long-term winners in attractive transforming markets when they are undervalued and offer outsized return potential.

Investors benefit from an easily accessible listed structure with 'live' pricing and sufficient liquidity around 'fair value'. Investors can buy and sell units on ASX (ticker: MOGL) in the same way as other listed securities, through a broker or trading account or choose to invest [directly](#) with the Fund.

The Fund aims to outperform the Index, net of fees, over the long term and targets distributions of 4.5% p.a. which can be automatically reinvested.

TOP 10 HOLDINGS

1	Amazon	10.8%	6	Salesforce	6.5%
2	Microsoft	8.6%	7	Meta Platforms	5.7%
3	Alphabet	8.6%	8	Tencent	5.1%
4	Blackstone	8.5%	9	REA	4.8%
5	ServiceNow	7.0%	10	Alibaba	4.8%

Total top 10 holdings 70.4%

PERFORMANCE

	FUND	INDEX
1 month	-7.7%	-3.3%
3 month	-4.2%	0.3%
6 month	-18.5%	-8.2%
1 year	-29.4%	-9.7%
3 years (p.a.)	-4.9%	6.2%
Since inception ¹ (p.a.)	-0.1%	8.3%
Since inception ¹	-0.4%	46.6%
Strategy ² :		
5 years (p.a.)	1.8%	9.6%
Since inception (p.a.)	4.3%	8.8%
Since inception	35.2%	84.7%

The performance chart of the Fund can be viewed [here](#).

All holdings, performance, exposures and position metrics to 30th September 2022. Top 10 holdings are long positions. Performance is after all fees and costs. Past performance is not indicative of future performance.
1. Inception 20th December 2017.
2. Performance for Montaka Global Long Only Fund, previously known as Montgomery Global Fund, the unlisted fund that invests with the same underlying strategy as the Fund. Inception 1st July 2015.

FUND FACTS

Fund name	Montaka Global Long Only Equities Fund (Managed Fund)
ASX ticker	MOGL
Fund type	Global equities, long only
Fund structure	Exchange-traded managed fund; open-ended, ASX-listed
Investment manager	Montaka Global Pty Ltd
Portfolio managers	Andrew Macken, Christopher Demasi
Listing date	20 th December 2017
Unit price	A\$2.6435
Invest or redeem	Buy/sell units on the ASX or apply/redeem directly with the Fund On-market: close to iNAV, updated every second with sufficient liquidity provided by the market maker Off-market: NAV +/-0.25%, daily
Pricing	
Distributions	Target 4.5% p.a. paid semi-annually
Index	MSCI World Net Total Return Index A\$
Currency hedging	Typically unhedged to A\$ (selective hedging permitted)
Website	www.montaka.com/mogl

TOP MEGA-TRENDS

1	Digital enterprise	32%
2	Alternative asset managers	17%
3	Digital consumer	15%
4	Digital Asia	12%
5	Data assets & digital networks	12%
6	Digital SME	10%

CONTACT DETAILS

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FUND WEBSITE: www.montaka.com/mogl

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FUND COMMENTARY

Global equity markets continue to be dominated by the unusual mix of economic parameters that have characterized much of 2022. This is creating a rather unpleasant short-run journey for investors. In the September quarter, for example, the S&P 500 increased by 14 percent in the first six weeks, then proceeded to decline by nearly 17% in the subsequent 6 weeks.

As is well-known by now, central banks around the world are hiking rates in an attempt to slow spending and lower stubbornly persistent inflation. Today, it is very likely the case that all three major global economic blocs – the US, the EU and China – are in a recession. At the same time, geopolitical tensions – which have the potential to become very serious for the world – only add to uncertainty felt by investors.

But here is some good news: we have reasons to believe that we may well be approaching an inflection point in the outlook for important economic parameters, such as inflation ([link to article](#)). We note that in 2021, it was around October when US inflation started to accelerate significantly – creating a higher ‘base effect’ that should see this year’s inflation start to moderate. We are also observing early signs of weakness in the US housing sector, driven by a doubling of mortgage rates. Finally, the interest expense of the US government, a particularly large borrower with US\$31 trillion in debt outstanding, has started to increase rapidly. All of these effects are strongly disinflationary and we believe these will ultimately limit the extent of interest rate hikes.

In the midst of the pain that 2022 has delivered investors, we see significant investment opportunity. Many advantaged businesses are being valued at relatively low multiples of temporarily depressed earnings. As economic headwinds recede, as we believe they will, valuations will likely re-rate upwards.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	70.4%
Total equity holdings	99.4%
Cash weighting	0.6%
A\$ currency exposure ³	28.7%

POSITION METRICS

Number of positions	23
Position sizes (net, % of NAV)	
Largest	10.8%
Smallest	0.4%
Average	4.3%

DISCLAIMER: This fund is appropriate for investors with ‘High’ and ‘Very High’ risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

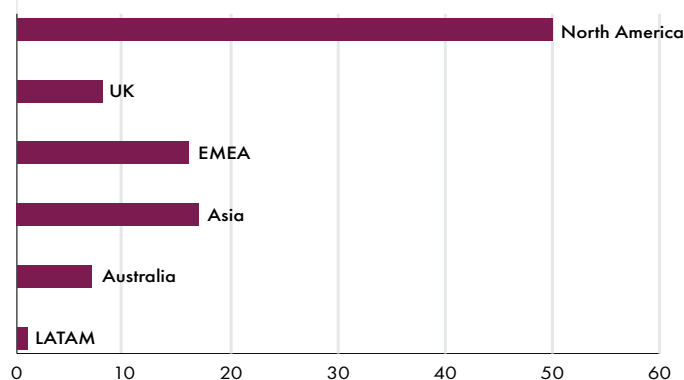
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3. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

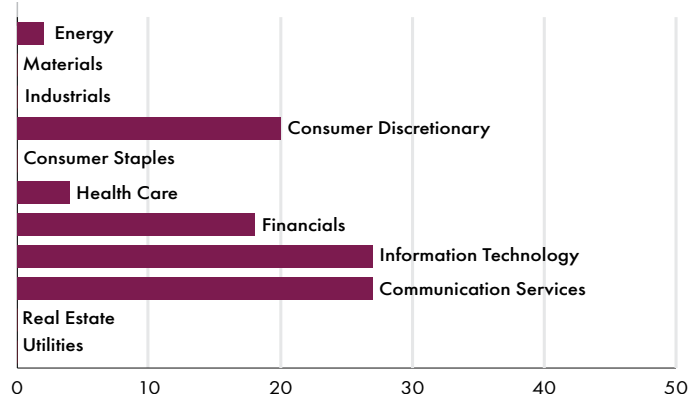
4. Shown on look-through earnings basis.

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 Montaka Global Pty Ltd, (ACN 604 878 533) AFSL 516 942, the investment manager of the Montaka Global Long Only Equities Fund and is authorised for release by the responsible entity Perpetual Trust Services Limited ACN 000 142 049 (AFSL 236648), the issuer of units of the Montaka Global Long Only Equities Fund. Copies of the PDS and TMD are available on this webpage: <https://montaka.com/tmd/>. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full and any ASX announcements. 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. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

GEOGRAPHIC EXPOSURE⁴ (net, % of NAV)



INDUSTRY EXPOSURE (net, % of NAV)



MARKET CAPITALISATION EXPOSURE

