

INVESTMENT REPORT

OCTOBER 2023

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	11.6%	6	Salesforce	5.7%
2	Microsoft	10.7%	7	Spotify	5.5%
3	Meta	9.6%	8	ServiceNow	5.4%
4	KKR	9.3%	9	S&P	4.7%
5	Blackstone	9.2%	10	Alphabet	4.3%

Total top 10 holdings 76.0%

PERFORMANCE

	FUND	INDEX
1 month	-1.6%	-1.0%
3 month	-3.5%	-3.5%
6 month	10.7%	2.7%
1 year	27.4%	11.6%
3 years (p.a.)	3.6%	11.9%
5 years (p.a.)	4.3%	10.7%
Since inception ¹ (p.a.)	4.3%	10.1%
Since inception ¹	27.7%	76.2%
Strategy ² :		
Since inception (p.a.)	6.6%	10.1%
Since inception	70.9%	122.1%

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

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\$3.2334
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	30%
2	Alternative asset managers	18%
3	Digital consumer	17%
4	Digital SME	12%
5	Data assets & digital networks	9%
6	Digital Asia	8%

CONTACT DETAILS

PRIVATE CLIENTS & INTERMEDIARIES

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FUND WEBSITE: www.montaka.com/mogl

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FUND COMMENTARY

Against the backdrop of an increasingly volatile world, our optimism for the future return prospects of Montaka's core investments continues to grow.

We continued to see volatility in global markets over the last month:

- Major equity markets declined for a second month in a row, while US bond markets experienced significant price declines (and, therefore, yield increases) over the same period.
- As a result of (i) the new tragic conflict in the Middle East – in addition to Ukraine and other geopolitical tensions, (ii) significant bond issuance, and (iii) the farcical politics of the US House of Representatives, US Treasury markets are seeing daily volatility in yields to the tune of triple the daily average of the past decade!

The average rate of a new 30 year fixed rate mortgage in the US is now over 8% per annum. We've not seen such a rate for more than two decades. Recent indicators show that US consumption is slowing as a result of monetary tightening – and we're starting to see credit stresses build in lower-income cohorts.

And yet, against this challenging economic backdrop, there is a certain class of business that continues to reliably grow and build value for shareholders. These are businesses with distinct advantages (perhaps relating to scale, distribution, or both) and that are particularly well-positioned amidst structural transformations that are largely GDP-agnostic. These include:

- The cloud hyperscalers (Amazon, Microsoft, and Alphabet) and select enterprise software leaders (for example ServiceNow and Salesforce) that are benefiting from the infusion of AI into existing mission-critical applications;
- The largest consumer platforms (such as Spotify and Meta) which are also layering on new AI-infused, value-adding products to their existing distribution platforms to grow value over time; and
- The world-leading financial services platforms (including Blackstone, KKR and S&P Global) that have highly-reliable sources of what we call 'embedded earnings power growth'.

Reflecting on the new disclosures we've recently received as part of the current Q3 earnings season, we remain very happy with the ongoing performance of Montaka's investee companies against a challenging set of external circumstances.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	76.0%
Total equity holdings	97.4%
Cash weighting	2.6%
A\$ currency exposure ³	25.0%

POSITION METRICS

Number of positions	22
Position sizes (net, % of NAV)	
Largest	11.6%
Smallest	0.1%
Average	4.4%

DISCLAIMER: This fund is appropriate for investors with '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.

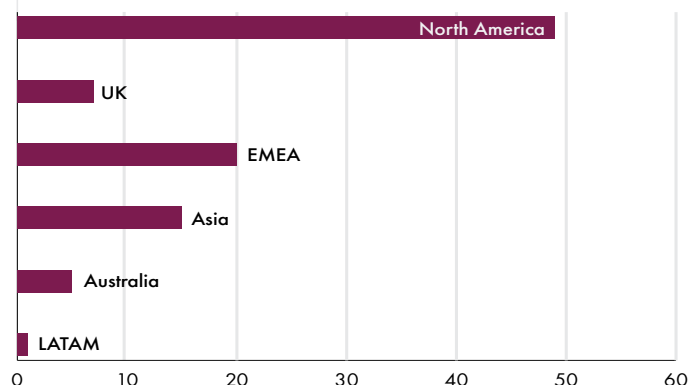
All holdings, performance, exposures and position metrics to 31 Oct 2023. Top 10 holdings are long positions. Performance is after all fees and costs. Past performance is not indicative of future performance.

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

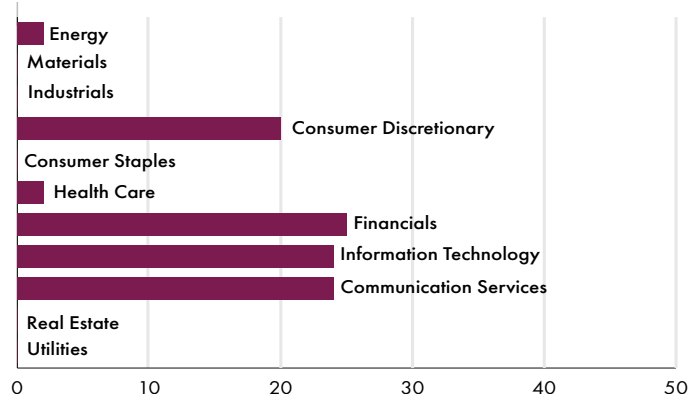
4. Shown on look-through earnings basis.

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

(net, % of NAV)

