

Antipodes Global Shares (Quoted Managed Fund) (ASX:AGX1)

ARSN 625 560 269

UPDATE AS AT 31 JANUARY 2019

Antipodes Partners	<ul style="list-style-type: none"> Global pragmatic value manager We take advantage of the market's tendency for <i>irrational extrapolation</i>, identify investments that offer a high <i>margin of safety</i> and build portfolios with a <i>capital preservation</i> focus
Fund features	<ul style="list-style-type: none"> 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 Proven track record – Strategy has outperformed 2.7% p.a. since inception on 1 July 2015¹ 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

PORTFOLIO COMMENTARY

- Global equity markets rebounded 4.2% (AUD) in January as fears around global growth abated. Global cyclicals and technology stocks outperformed, with investors showing a stylistic preference for both “value” and “growth”. Supported by dovish sentiment from the US Federal Reserve (Fed), volatility receded and credit spreads narrowed.
- US equities outperformed, reversing most of December's decline. Amidst continued signs of a maturing US economy, the Fed signalled a willingness to remain flexible on its path for monetary policy, easing fears of a policy induced error. Against this backdrop, the dollar weakened, buoying sentiment in Emerging Markets.
- Positive signals from ongoing US-Sino trade talks alleviated growing concerns over the knock-on effects to Asian supply chains. Chinese equities outperformed as the central government indicated that they would continue to stimulate the local economy, whilst Korean equities benefitted from an improved global growth/trade outlook. Oil pushed higher as OPEC production fell against an improved demand outlook.
- The portfolio underperformed its benchmark. Major contributors to performance included our Global Cyclicals, Online Services, Consumer Incumbent, Low Cost Oil, Natural Gas, Software Incumbent and Healthcare exposures, whilst our Connectivity, Telecommunication Incumbent exposures detracted.

FUND FACTS

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
Net Asset Value (NAV)	\$4.8879
Unit valuation	Sydney business day
Fund AUM	\$20m
Strategy AUM	\$1,940m

NET PERFORMANCE (%)

	AGX1	Benchmark	Difference
1 month	3.4	4.2	-0.8
3 months	-	-	-
YTD	3.4	4.2	-0.8
1 year	-	-	-
Inception	-2.2	-0.6	-1.6

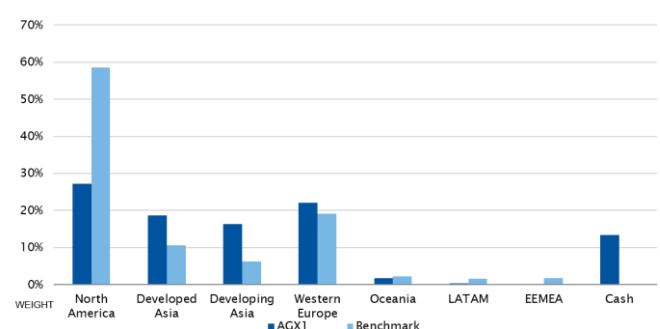
Past performance is not a reliable indicator of future performance
 Returns are quoted in AUD and net of applicable fees, costs and taxes

PERFORMANCE OF THE INVESTMENT STRATEGY¹



¹ Growth of \$10,000 invested in the Global Long strategy since inception on 1 July 2015 to 31 January 2019

DIFFERENTIATED REGIONAL EXPOSURE²



² Regional exposure of the Antipodes Global Shares (Quoted Managed Fund) vs. the Benchmark as at 31 January 2019. Exposures use iShares MSCI ACWI ETF in AUD as benchmark proxy

ASSET ALLOCATION

	Long
Weight (% NAV)	86.6
Count	61
Avg. weight	1.4
Top 10 (% NAV)	24.6
Top 30 (% NAV)	60.0

TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Electricite de France	France	2.6
KB Financial Group	Korea	2.6
Cisco Systems	United States	2.5
Baidu	China/HK	2.5
Ping An Insurance	China/HK	2.5
Tapestry	United States	2.5
Samsung Electronics	Korea	2.4
KT Corporaton	Korea	2.4
China Mobile	China/HK	2.3
General Electric	United States	2.3

CURRENCY EXPOSURE³ (%)

ISO	Long equity	Currency	Difference
JPY	9.2	15.2	5.9
USD	27.2	32.0	4.8
CHF	3.3	8.0	4.6
SEK	0.0	2.3	2.3
AUD	1.8	4.0	2.2
NOK	0.0	2.0	2.0
HKD	0.0	1.3	1.3
GBP	0.0	1.0	1.0
BRL	0.0	0.7	0.7
MXN	0.4	0.4	0.0
INR	0.6	0.6	0.0
EUR	18.8	16.2	-2.6
KRW	9.5	6.4	-3.1
CNY	15.8	9.9	-5.9

³ Where possible, regions, countries and currencies classified on a look through basis

SECTOR EXPOSURE⁴ (%)

Sector	Long
Banks	11.2
Software	8.0
Communications	7.9
Internet	7.7
Industrial	7.5
Hardware	7.1
Healthcare	5.8
Energy	5.3
Precious Metals	4.5
Other	21.6

⁴ Antipodes Partners classification

REGIONAL EXPOSURE^{3,4} (%)

Region	Long
North America	27.2
Developed Asia	18.7
<i>Korea</i>	9.5
<i>Japan</i>	9.2
Developing Asia	16.4
<i>China/Hong Kong</i>	15.8
<i>India</i>	0.6
Western Europe	22.1
<i>Eurozone</i>	18.8
<i>Rest Western Europe</i>	3.3
Australia	1.8
Rest of World	0.4
Total Equities	86.6
Cash	13.4
Totals	100.0

MARKET CAP EXPOSURE (%)

Band	Long
Mega (>\$100b)	23.9
Large (>\$25b <\$100b)	30.5
Medium (>\$5b <\$25b)	24.6
Small (<\$5b)	7.5

FURTHER INFORMATION

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