

# Antipodes Global Fund

ARSN 087 719 515 APIR IOF0045AU

## FUND UPDATE AS AT 31 DECEMBER 2017

Antipodes Partners	<ul style="list-style-type: none"> <li>Global pragmatic value manager, long only and long-short</li> <li>Structured to reinforce alignment between investors and the investment team</li> <li>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</li> </ul>
Fund features	<ul style="list-style-type: none"> <li>Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)</li> <li>In the absence of finding individual securities that meet minimum risk-return criteria, cash may be held</li> <li>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</li> <li>Typical net equity exposure of 50% to 100%; maximum allowable gross exposure limit of 150% of NAV</li> </ul>

### FUND FACTS

Investment manager	Antipodes Partners
Inception <sup>1</sup> date	1 July 2015
Benchmark	MSCI All Country World Net Index in AUD
Management fee	1.20% p.a.
Performance fee	15% of net return in excess of benchmark
Buy/Sell spread	±0.30%
Minimum investment	AUD \$25,000
Distribution	Annual, 30 June
Net Asset Value (NAV)	\$2,911m
Strategy AUM	\$4,817m
Unit redemption price	\$1.7194
Changes to key service providers	Nil
Risk profile	High (refer to PDS)

<sup>1</sup>Investment strategy adopted 1 July 2015

### NET PERFORMANCE (%)

	Fund	Benchmark	Difference
1 month	-0.7	-1.4	0.7
3 months	3.8	6.1	-2.3
YTD	13.1	14.8	-1.7
1 year	13.1	14.8	-1.7
Inception <sup>1</sup>	38.5	25.0	13.5
Inception <sup>1</sup> p.a.	13.9	9.3	4.6
Up-market capture	95	-	-
Down-market capture	46	-	-

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

### PERFORMANCE CONTRIBUTION<sup>2</sup> (%)

	1 month
Long	-0.70
Short	0.22
Currency/Liquidity	-0.14

<sup>2</sup>Based on gross returns in AUD

### SECTOR CONTRIBUTION<sup>2,5</sup> (%)

Top 5	1 month
Staples	0.26
Industrial Services	0.22
Retail	0.22
Energy	0.14
REITS/Development	0.07

Bottom 5	1 month
Infrastructure	-0.38
Healthcare	-0.23
Software	-0.22
Banks	-0.21
Hardware	-0.20

### USD TOTAL RETURNS

	MSCI USA	MSCI Europe	MSCI Japan	MSCI AC Asia ex JP	MSCI China A+B+H	MSCI EM ex Asia	Brent Crude (\$/bbl)	Gold (\$/ozt)	BofAML Global Govt.	BofAML Global HY.	AUD	EUR	JPY	CNY
1M	1.0%	1.5%	0.7%	2.7%	1.8%	5.8%	6.8%	0.8%	0.1%	0.3%	3.0%	0.7%	(0.7%)	1.5%
1Y	21.2%	25.5%	24.0%	41.7%	22.2%	24.2%	17.7%	12.7%	6.5%	10.2%	8.0%	13.8%	3.5%	6.7%

## ASSET ALLOCATION

	Long		Short	
	Equities	Other <sup>3</sup>	Equities	Other <sup>3</sup>
Weight (% NAV)	92.5	3.1	-23.4	-5.1
Count	62	4	36	5
Avg. weight	1.5	0.8	-0.6	-1.0
Top 10 (% NAV)	27.5	-	-11.0	-
Top 30 (% NAV)	63.0	-	-21.6	-

<sup>3</sup> Index futures and other non-single stock derivatives

## TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Cisco Systems	United States	3.2
Ping An Insurance	China/HK	2.8
KT Corporation	Korea	2.8
INPEX	Japan	2.7
Microsoft	United States	2.7
Gilead Sciences	United States	2.7
Baidu	China/HK	2.7
KB Financial	Korea	2.6
Hyundai Motor	Korea	2.6
Electricite de France	France	2.6

## CURRENCY EXPOSURE<sup>4</sup> (%)

ISO	Cash equity	Currency	Difference
NOK	1.0	7.7	6.7
AUD	1.9	7.9	6.0
JPY	11.1	13.3	2.2
GBP	1.5	3.7	2.1
USD	25.8	26.9	1.2
SEK	0.0	0.9	0.9
MXN	0.5	0.6	0.0
BRL	0.6	0.6	0.0
CNY	19.9	19.9	0.0
EUR	13.8	13.5	-0.3
KRW	10.2	9.5	-0.7
HKD	0.0	-1.8	-1.8
SGD	0.0	-2.7	-2.7

<sup>4</sup> Where possible, regions, countries and currencies classified on a look through basis

## FURTHER INFORMATION

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## SECTOR EXPOSURE<sup>5</sup> (%)

Sector	Long	Short	Net
Banks	11.7	-2.4	9.3
Software	9.9	-1.4	8.5
Energy	8.5	-1.2	7.2
Retail	7.6	-0.8	6.9
Communications	7.1	-0.2	6.9
Staples	6.7	-0.5	6.2
Hardware	6.0	-2.6	3.3
Insurance	5.9	0.0	5.9
Internet	5.5	-0.8	4.7
Other	26.7	-18.7	8.0

<sup>5</sup> Antipodes Partners classification

## REGIONAL EXPOSURE<sup>4,5</sup> (%)

Region	Long	Short	Net
<b>North America</b>	<b>25.8</b>	<b>-16.2</b>	<b>9.6</b>
<b>Developed Asia</b>	<b>24.1</b>	<b>-2.9</b>	<b>21.2</b>
<i>Korea</i>	10.2	0.0	10.2
<i>Japan</i>	13.9	-1.8	12.1
<b>Developing Asia</b>	<b>20.4</b>	<b>-2.7</b>	<b>17.6</b>
<i>China/Hong Kong</i>	20.4	-1.7	18.7
<i>India</i>	0.0	-1.0	-1.0
<b>Western Europe</b>	<b>19.2</b>	<b>-4.2</b>	<b>15.0</b>
<i>Eurozone</i>	16.7	-2.3	14.4
<i>United Kingdom</i>	1.5	0.0	1.5
<i>Rest Western Europe</i>	1.0	-1.9	-0.9
<b>Australia</b>	<b>1.9</b>	<b>-2.6</b>	<b>-0.7</b>
<b>Rest of World</b>	<b>1.2</b>	<b>0.0</b>	<b>1.2</b>
<b>Total Equities</b>	<b>92.5</b>	<b>-28.5</b>	<b>64.0</b>
<b>Other</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
<b>Cash</b>	<b>4.5</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>100.0</b>	<b>-28.5</b>	<b>67.0</b>

## MARKET CAP EXPOSURE (%)

Band	Long	Short	Net
Mega (>\$100b)	16.8	-7.3	9.5
Large (>\$25 <\$100b)	30.1	-8.3	21.7
Medium (>\$5 <\$25b)	36.4	-10.4	26.1
Small (<\$5b)	12.2	-2.5	9.7

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