

Investors should refer to the quarterly Fund Update which is available at [www.iisolutions.co.nz](http://www.iisolutions.co.nz) and [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose)

### Commentary

Global equities retreated (-1.0%, -3.2% in USD), breaking a five-month winning streak on COVID-19 fears and US political uncertainty. Cyclical sectors were mixed as Industrials and Materials outperformed whilst Energy and Financials lagged. Defensive sectors such as Utilities and Consumer Staples were also strong.

US equities underperformed (-1.6%) as Democratic Presidential candidate Joe Biden maintained a lead in the polls, a Democratic majority in the Senate became more likely, and negotiations on a new COVID-19 fiscal relief bill stalled. New COVID-19 restrictions and concerns over stalling economic recovery ahead of the next Brexit negotiations weighed on Europe (-1.2%).

Asia broadly outperformed (+1.7%) led by Japan as Yoshihide Suga was appointed Prime Minister and existing economic policies are expected to be maintained. China lagged (-1.3%) on elevated US-China tech tensions.

Elsewhere, Brent Crude fell on demand concerns. The US dollar rallied (DXY +1.9%) on safe-haven demand however Gold fell for a second month.

Key contributors to performance included:

- Connectivity/compute cluster, including Samsung Electronics and TSMC, as Samsung benefited from a rebound in handset sales while demand for TSMC's leading edge solutions is stronger than expected. Additionally, both leading incumbent semiconductor companies are

expected to benefit from the US restricting China's access to chips designed/manufactured using US tools, curtailing China's tech independence and necessitating dependence on the Koreans/Taiwanese.

- Capital One Financial, Consumer Cyclical - Developed Markets (DM), as recent metrics showed ongoing resilience in credit quality, and credit cards (industry-wide) showed the first inflection in loan growth since March 2020.

Key detractors to performance included:

- Oil/Natural Gas cluster, notably TechnipFMC and CNOOC which weakened with the oil price, while the market overlooks Technip's c. \$3b in contract wins over the September quarter.
- Online Services DM notably Facebook, after a sustained period of outperformance.
- Consumer Cyclical DM cluster, notably ING Groep, which, along with other banks, was affected by potential money laundering concerns over 2000 - 2017 with the bulk of these cases backward looking. Importantly, ING has invested heavily in compliance and given excess capital, any incremental fines should not threaten dividends.

### Net performance (%)

	Fund	Benchmark	Difference
1 month	-1.4	-1.0	-0.4
3 month	2.4	5.3	-2.9
Year to date	-1.7	3.5	-5.2
1 year	-2.0	4.8	-6.8
Inception p.a.	-1.3	7.1	-8.4
Inception	-2.8	16.2	-19.0

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

### Total exposure<sup>1</sup> (%)

Composition	Weight
Direct cash	0.2
Underlying holdings	99.8
Total	100

<sup>1</sup> All exposures contained within this report are with respect to the weight of the underlying holdings

### Top 10 equity longs (%)

Name	Country	Weight
Ping An Insurance	China/HK	3.1
Facebook	United States	3.0
Microsoft	United States	2.9
Électricité de France	France	2.9
Alibaba	China/HK	2.8
Tencent	China/HK	2.8
Roche	Switzerland	2.7
Capital One Financial	United States	2.7
Samsung Electronics	Korea	2.6
Siemens	Germany	2.6

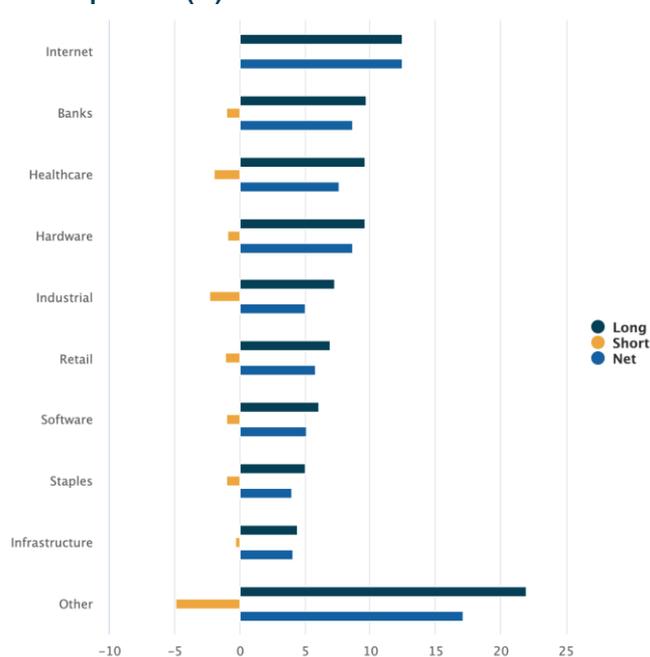
### Fund facts

Characteristics	
Inception date	25 July 2018
Benchmark	MSCI All Country World Net Index (NZD)
Base Currency	NZD
Domicile	New Zealand
Legal Structure	A New Zealand unit trust which has elected to be a Portfolio Investment Entity (PIE)
Dealing Frequency	Daily each NZ business day (T settlement)
Dealing deadline	11:00am (NZST) on T

### Asset value

Fund AUM	\$19m
Strategy AUM	\$6,004m
Unit redemption price	0.9713

### Sector exposure<sup>2</sup> (%)



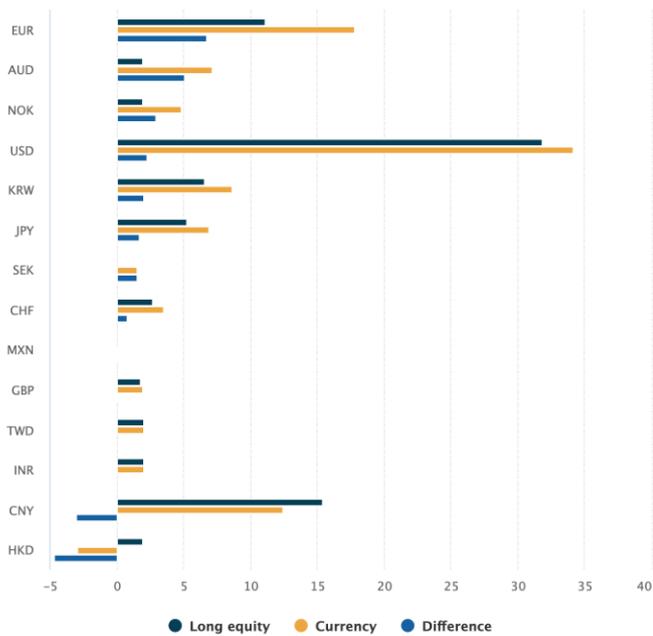
<sup>2</sup> Antipodes classification

**Asset allocation<sup>3</sup>**

	Equities - Long	Other - Long	Equities - Short	Other - Short
Weight (% NAV)	93.1	-	-14.4	-4.8
Count	66	1	31	6
Avg. weight	1.4	-	-0.5	-0.8
Top 10 (% NAV)	28.1	-	-6.6	-
Top 30 (% NAV)	65.8	-	-14.2	-

<sup>3</sup> Call (put) options represented as the current option value (delta adjusted exposure)

**Currency exposure<sup>3,4</sup> (%)**



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

**Regional exposure<sup>2,3,4</sup> (%)**

Region	Long	Short	Net
North America	34.8	-9.5	25.3
Western Europe	23.3	-2.1	21.2
- Eurozone	16.8	-1.1	15.8
- Rest Western Europe	4.6	-	4.6
- United Kingdom	1.8	-1.1	0.7
Developing Asia	19.2	-0.3	19.0
- China/Hong Kong	17.2	-0.3	17.0
- India	2.0	-	2.0
Developed Asia	13.9	-2.5	11.4
- Korea/Taiwan	8.7	-0.8	7.8
- Japan	5.2	-1.7	3.6
Australia	1.9	-	1.9
<b>Total Equities</b>	<b>93.1</b>	<b>-14.4</b>	<b>78.8</b>
Other	-	-4.8	-
Cash	6.9	-	-
<b>Totals</b>	<b>100.0</b>	<b>-19.2</b>	<b>-</b>

**Market cap exposure<sup>4</sup> (%)**

Band	Long	Short	Net
Mega (>\$100b)	41.5	-5.3	36.2
Large (>\$25b <\$100b)	28.5	-3.8	24.7
Medium (>\$5b <\$25b)	18.0	-4.4	13.6
Small (<\$5b)	5.1	-0.8	4.3

**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 features**

- Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)
- The Fund may use FDIs typically for netting and hedging arrangements. FDIs cannot be used to leverage portfolio exposure
- Total exposure limited to 100% of Net Asset Value to remain net long

**Fund overview**

Unit Class	Units NZD (Accumulating)
Bloomberg ticker	ANTGNZU:NZ
Currency	NZD
Dealing frequency	Daily each NZ business day (T settlement)
Dealing deadline	11:00am (NZST) on T
Minimum initial amount	\$25,000
Minimum subsequent investments	\$5,000
Investment management fee <sup>5</sup>	1.25%
Performance fee <sup>6</sup>	15%
Buy / sell spreads <sup>7</sup>	0.075%
Distribution policy	Accumulating
Status	Open
Inception Date	25 July 2018
Registered in	New Zealand

<sup>5</sup> As a percentage of the net asset value of the Fund per annum (Fee rate **includes GST**). <sup>6</sup> The Performance Fee will be calculated daily in respect of a semi-annual performance period ending on 30 June and 31 December each year (or the immediately preceding Business Day if not a Business Day) (each a **Performance Period**). The performance fee above has a 'high water mark'. This means it is calculated on a cumulative basis relative to the Benchmark Index so that any performance under the Benchmark Index in a particular period must first be recovered in following periods before performance fees are paid. <sup>7</sup> When you enter or leave a Fund, any buy or sell spreads applicable at that time will be a cost to you. The buy spread is added to the Unit price on entry to the Fund, and the sell spread is deducted from the Unit price on exit from the Fund. The buy/sell spreads belong to the Fund and the purpose of buy/sell spreads is to make sure that any transaction costs incurred as a result of an investor entering or leaving the Fund are borne by that investor, and not by other investors in the Fund. There is no GST charged on buy/sell spreads.

For further information regarding the Antipodes Global Fund (PIE), please refer to the Product Disclosure Statement (PDS). The PDS is available from [www.iisolutions.co.nz/library](http://www.iisolutions.co.nz/library) or [www.antipodespartners.com](http://www.antipodespartners.com).

**Further information**

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**Disclaimer**

THIS FUND FACT SHEET PERTAINS TO THE FOLLOWING:

Antipodes Global Fund (PIE) (the "Fund")

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