

## Commentary

Global equity strength continued in June (+4.1%) led by the Technology and Energy sectors, while Materials and Financials underperformed. US equities (+5.5%) outperformed amidst the continuation of friendly policy from the US Federal Reserve despite the emergence of more hawkish tones. European equities underperformed (+1.1%) as the continent continued to catchup with its vaccination rollout.

Asian equities were stable (+3.0%) with Japan (+1.7%) underperforming, while Chinese equities were positive despite their continued regulation on internet names and commodity prices (+3.4%).

Elsewhere, Brent Crude (+10.8% in USD) continued its rally, while Gold underperformed (-7.2% in USD) and the US Dollar (DXY +2.9%) was stronger driven by the US macroeconomic backdrop.

Key contributors included:

- Software/Internet - Developed Markets cluster, notably Microsoft amidst continued strength in the company's cloud services business, Facebook as a US federal court dismissed the Federal Trade Commission's antitrust lawsuit, and Roku as they announced a record two-week streaming period from the launch of original content.
- Software/Internet - Asia/Emerging Markets cluster, notably Meituan after reporting strong growth in food delivery, supporting its dominant market status. JD.com experienced an increase in sales from the prior year from

the 618 shopping festival in China with over 80% of new users coming from lower tier cities.

- Healthcare cluster, notably Merck following the presentation of impressive data at a medical conference (ASCO), supporting its oncology therapy pipeline, and as major pharmaceutical stocks rebounded after a period of underperformance.
- Exxon, in our Energy cluster, continued its upward trajectory in tandem with rallying crude oil prices and increased investor confidence in de-risking the long term strategy following the successful election of new board directors with specialisations in decarbonisation.

Key detractors included:

- Consumer Cyclical - Asia/EM cluster including Trip.com after a brief resurgence of COVID-19 cases in the Guangdong region in China raised concerns of delays to the establishment of travel bubbles. Financials, including KB Financial, underperformed as the consensus on rising rates was challenged after bonds rallied on concerns that the recovery trade may not be as linear as expected.
- Volkswagen in the Industrials cluster after a sustained period of outperformance over the prior two quarters.
- Newcrest Mining on the weakness in gold.

## Net performance (%)

|                | Fund | Benchmark | Difference |
|----------------|------|-----------|------------|
| 1 month        | 1.0  | 4.5       | -3.4       |
| 3 month        | 3.2  | 9.0       | -5.7       |
| Year to date   | 11.9 | 15.4      | -3.5       |
| 1 year         | 28.7 | 27.7      | 0.9        |
| Inception p.a. | 11.1 | 15.9      | -4.7       |
| Inception      | 32.3 | 47.8      | -15.5      |

Past performance is not a reliable indicator of future performance. Returns are calculated net of applicable fees, costs and taxes.

## Top 10 equity longs (%)

| Name                 | Country       | Weight |
|----------------------|---------------|--------|
| Facebook             | United States | 4.5    |
| Siemens              | Germany       | 3.5    |
| Microsoft            | United States | 3.4    |
| Samsung Electronics  | Korea         | 2.6    |
| Tencent              | China/HK      | 2.5    |
| ING Groep            | Netherlands   | 2.4    |
| Taiwan Semiconductor | Taiwan        | 2.3    |
| Exxon Mobil          | United States | 2.3    |
| Merck                | United States | 2.2    |
| General Electric     | United States | 2.2    |

## iNAV tickers

|                 | Unit Price         | iNAV         |
|-----------------|--------------------|--------------|
| Bloomberg       | AGX1.AU Equity     | AGFLIV Index |
| Thomson Reuters | AGX1.AX            | AGFLOFV=SOLA |
| IRESS           | AGX1.AXW, AGX1.CXA | AGXIIV       |

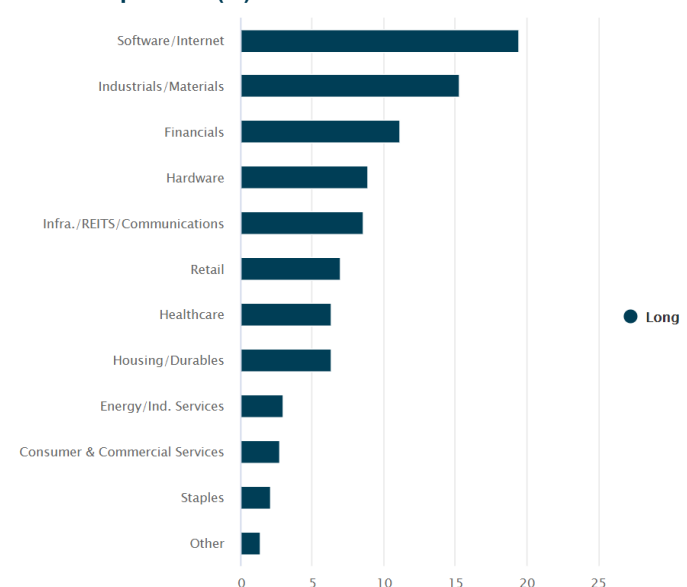
## Fund facts

| Characteristics    |  |
|--------------------|--|
| 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                          |
| Unit valuation     | Sydney business day                      |

## Asset value

|                   |          |
|-------------------|----------|
| Fund AUM          | \$26m    |
| Strategy AUM      | \$3,061m |
| Asset Value (NAV) | 5.7031   |

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



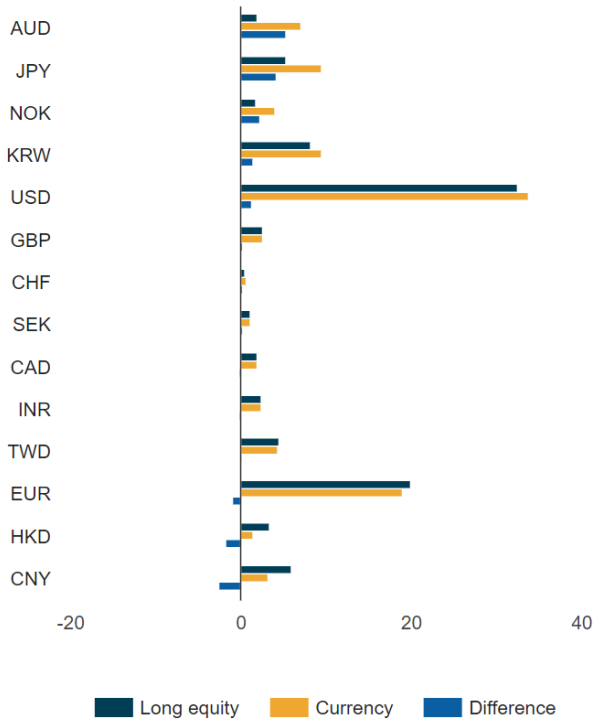
<sup>1</sup> Antipodes classification

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

|                 | Equities - Long | Other - Long |
|-----------------|-----------------|--------------|
| Weight (%)      | 92.3            | -            |
| Count           | 59              | -            |
| Avg. weight (%) | 1.6             | -            |
| Top 10 (%)      | 28.0            | -            |
| Top 30 (%)      | 65.9            | -            |

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

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



**Regional exposure<sup>1,2,3</sup> (%)**

| Region                | Long         |
|-----------------------|--------------|
| North America         | 38.8         |
| Western Europe        | 24.3         |
| - Eurozone            | 18.6         |
| - United Kingdom      | 2.9          |
| - Rest Western Europe | 2.8          |
| Developed Asia        | 15.5         |
| - Korea/Taiwan        | 10.5         |
| - Japan               | 5.0          |
| Developing Asia       | 12.3         |
| - China/Hong Kong     | 10.2         |
| - India               | 2.1          |
| Australia             | 1.4          |
| <b>Total Equities</b> | <b>92.3</b>  |
| Cash                  | 7.7          |
| <b>Totals</b>         | <b>100.0</b> |

**Market cap exposure<sup>3</sup> (%)**

| Band                   | Long |
|------------------------|------|
| Mega (>\$100b)         | 51.0 |
| Large (>\$25b <\$100b) | 19.5 |
| Medium (>\$5b <\$25b)  | 19.9 |
| Small (<\$5b)          | 1.9  |

<sup>2</sup> Where possible, regions, countries and currencies classified on a look through basis.

## 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)
- **Global diversification** – Access to 30+ global companies via a single trade
- **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

## Fund Ratings



## Further information

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