



MONTGOMERY GLOBAL FUND

INVESTMENT REPORT & FACT SHEET

FUND OVERVIEW

The Montgomery Global Fund employs a highly disciplined, bottom-up, value style and typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges. The focus of The Fund is on investing in what Montgomery Global regards as high quality businesses with attractive prospects trading at a discount to their estimated intrinsic value.

The Fund has the flexibility to retain a reasonable level of cash, with a "soft" 30 per cent limit. The Fund will generally be currency unhedged but we can put in place strategies aimed at protecting investor capital against currency fluctuations if we predict material upside to the Australian dollar.

The Fund aims to deliver superior positive returns when suitable investment opportunities are abundant, and to preserve capital through cash allocations when an insufficient number of company names are appealing.

FUND FACTS

INVESTMENT MANAGER

Montgomery Global Investment Management Pty Ltd

OBJECTIVE

The Montgomery Global Fund aims to outperform the index over a rolling 5-year period.

BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

FUND CONSTRUCTION

The Fund will typically invest in a portfolio of 15-30 high-conviction stocks listed on the major global stock exchanges. Cash typically ranges from 0%-30%, but can be exceeded in certain situations.

APIR

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RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

\$25,000

INCEPTION DATE

1 JULY 2015

FUND SIZE

\$88.8M

MANAGEMENT FEE

The 1.29% per annum, inclusive of GST/ITC.

PERFORMANCE FEES

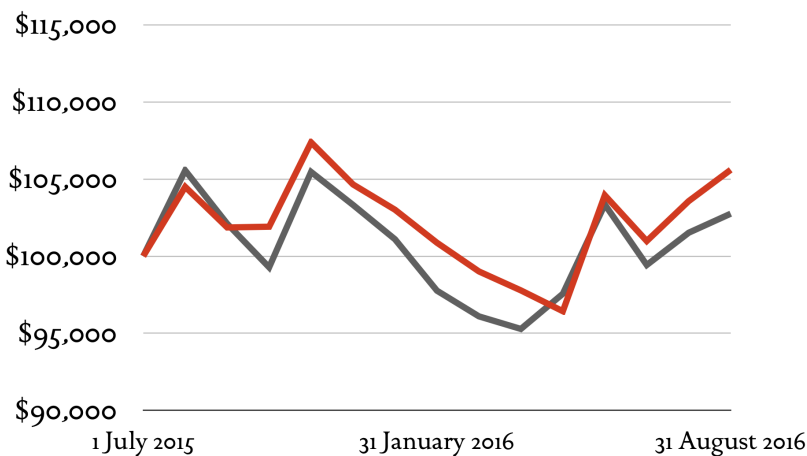
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



CONTACT DETAILS

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PORTFOLIO PERFORMANCE

(to 31 August 2016, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	1.96%	1.96%	1.22%	0.74%
3 months	0.00%	1.59%	1.59%	-0.58%	2.17%
6 months	0.00%	6.66%	6.66%	6.93%	-0.27%
12 months	0.00%	3.67%	3.67%	0.64%	3.03%
Since inception ²	0.00%	5.60%	5.60%	2.75%	2.85%

1) In Australian dollars

2) Inception: 1 July 2015



FUND COMMENTARY

In the month of August, the Montgomery Global Fund increased by 1.96%. This compared to the MSCI World Total Return Index (the Benchmark) which returned 1.22%, in Australian dollar terms. Since inception, the Fund was up 5.60%, net of fees, versus the Benchmark which was up 2.75%, in Australian dollar terms. Mid-year earnings continued in the month of August with a strong showing from many of the Fund's portfolio companies.

On the retail side, Foot Locker (NYSE: FL) and Ross Stores (NASDAQ: ROST) delivered very strong quarters, well ahead of market expectations. Foot Locker delivered nearly 5% same-store-sales growth, driven by strong traffic and higher average pricing; and delivered expanded profit margins as well. Similarly, Ross Stores also delivered 4% same-store-sales growth and expanded profit margins.

On the technology side, Playtech (LSE: PTEC) delivered exceptional top line organic growth to the tune of 17% in constant-currency terms, well above market-implied expectations. Strong sales growth also resulted in expanded profit margins; and the company announced a special dividend to improve its balance sheet efficiency.

On the healthcare side, CVS Health (NYSE: CVS) also delivered better results than the market was expecting. In particular, CVS' performance in the recent pharmacy benefits selling season was much stronger than many expected; and full year free cash flow guidance was raised materially.

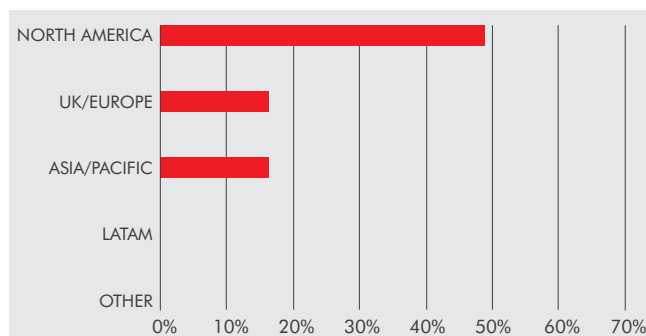
In addition to the highly attractive businesses that we own, we exit the month with 19.5% of the portfolio held in cash. This provides us with ample firepower to capture new opportunities as and when they present themselves.

TOP COMPLETED HOLDINGS* (TCH) (at 31 August 2016, out of 25 holdings)

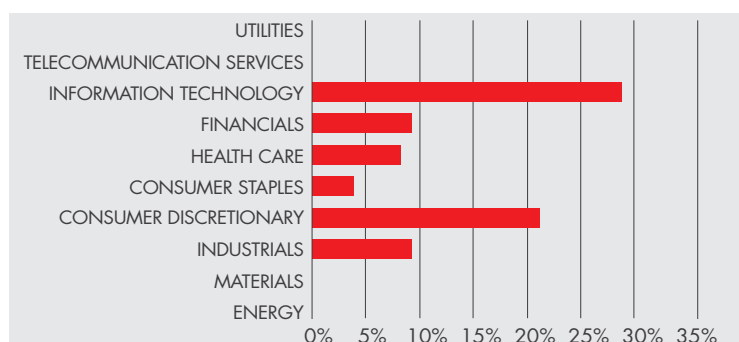
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Playtech	IM	3,862	5.8
Apple	US	571,714	4.6
CVS Health	US	99,584	4.4
Foot Locker	US	8,882	4.4
Essilor	FR	27,666	4.2
Take-Two Interactive	US	3,739	4.1
Insperty	US	1,402	4.0
REA Group	AU	5,801	3.9
Ross Stores	US	24,865	3.9
St James's Place	GB	6,804	3.8
PORTFOLIO MEDIAN		34,222	3.1
Total equity weighting			80.5
Total cash weighting			19.5

*Top Completed Holdings are businesses we own but are not actively buying or selling at the time of writing.

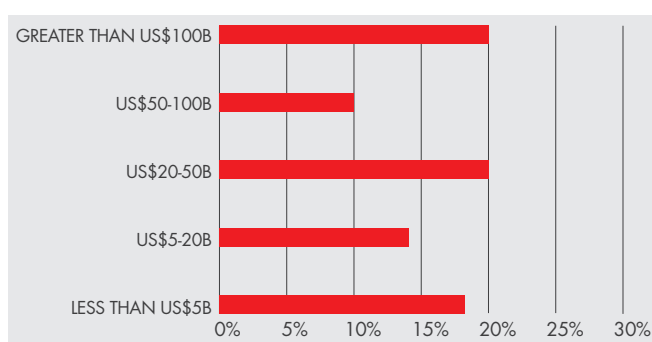
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS

#Portfolio 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 Montgomery Global Investment Management Pty Ltd, (ACN 604 878 533) (CAR) #001 007 050 (Montgomery) the investment manager of the Montgomery Global Fund. The responsible entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) (Fundhost). This document has been prepared for the purpose of providing general information, without taking account your particular objectives, financial circumstances or needs. You should obtain and consider a copy of the Product Disclosure Statement (PDS) relating to the Fund before making a decision to invest. While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montgomery makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montgomery guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montgomery, including their employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Past performance is not indicative of future performance.

