

INVESTMENT REPORT

OCTOBER 2023

ABOUT MONTAKA

Montaka Global is a specialist global equities manager established in 2015 by Andrew Macken and Christopher Demasi with offices in Sydney, Melbourne and New York.

Montaka's mission is to achieve superior long-term compounding of investor capital, alongside the capital of our principals, team, and owners.

ABOUT THE FUND

The Montaka Global Long Only Fund can play a leading role in achieving Montaka's mission.

Investors in the Fund can benefit from our deep expertise, fundamental research and detailed analysis to identify high-conviction, long-duration opportunities through a concentrated global equities portfolio.

The Fund is highly focussed on investing in long-term winners in attractive transforming markets when they are undervalued and offer outsized return potential.

The Fund aims to outperform the Index, net of fees, over the long-term.

Investors can invest and redeem daily at net asset value plus/minus a small spread by applying and redeeming [directly](#) with the Fund.

TOP 10 HOLDINGS

1	Amazon	11.6%	6	Salesforce	5.8%
2	Microsoft	10.8%	7	Spotify	5.6%
3	Meta	9.6%	8	ServiceNow	5.5%
4	KKR	9.3%	9	S&P	4.7%
5	Blackstone	9.2%	10	Alphabet	4.4%
Total top 10 holdings					76.6%

PERFORMANCE

	FUND	INDEX
1 month	-1.5%	-1.0%
3 month	-3.7%	-3.5%
6 month	10.5%	2.7%
1 year	25.9%	11.6%
3 years (p.a.)	3.2%	11.9%
5 years (p.a.)	4.1%	10.7%
Since inception (p.a.)	6.6%	10.1%
Since inception	70.9%	122.1%

Performance chart of the Fund can be viewed by clicking on 'Performance' button [here](#).

FUND FACTS

Fund name	Montaka Global Long Only Fund
Investment manager	Montaka Global Pty Ltd
Portfolio managers	Andrew Macken, Christopher Demasi
Fund type	Global equities, long only
Fund structure	Open-ended, unlisted unit trust
Inception date	1 st July 2015
Unit price	A\$1.1385
Invest or redeem	Apply/redeem directly with the Fund
Additional investment	\$500/month or \$5,000 lump sum
Pricing	Daily at net asset value +/- 0.25%
Index	MSCI World Net Total Return Index A\$
Currency hedging	Typically unhedged to A\$ (selective hedging permitted)
Website	montaka.com/mglof

TOP MEGA-TRENDS

1	Digital enterprise	30%
2	Alternative asset managers	19%
3	Digital consumer	17%
4	Digital SME	12%
5	Data assets & digital networks	9%
6	Digital Asia	8%

CONTACT DETAILS

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FUND WEBSITE: montaka.com/mglof

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FUND COMMENTARY

Against the backdrop of an increasingly volatile world, our optimism for the future return prospects of Montaka's core investments continues to grow.

We continued to see volatility in global markets over the last month:

- Major equity markets declined for a second month in a row, while US bond markets experienced significant price declines (and, therefore, yield increases) over the same period.
- As a result of (i) the new tragic conflict in the Middle East – in addition to Ukraine and other geopolitical tensions, (ii) significant bond issuance, and (iii) the farcical politics of the US House of Representatives, US Treasury markets are seeing daily volatility in yields to the tune of triple the daily average of the past decade!

The average rate of a new 30 year fixed rate mortgage in the US is now over 8% per annum. We've not seen such a rate for more than two decades. Recent indicators show that US consumption is slowing as a result of monetary tightening – and we're starting to see credit stresses build in lower-income cohorts.

And yet, against this challenging economic backdrop, there is a certain class of business that continues to reliably grow and build value for shareholders. These are businesses with distinct advantages (perhaps relating to scale, distribution, or both) and that are particularly well-positioned amidst structural transformations that are largely GDP-agnostic. These include:

- The cloud hyperscalers (Amazon, Microsoft, and Alphabet) and select enterprise software leaders (for example ServiceNow and Salesforce) that are benefiting from the infusion of AI into existing mission-critical applications;
- The largest consumer platforms (such as Spotify and Meta) which are also layering on new AI-infused, value-adding products to their existing distribution platforms to grow value over time; and
- The world-leading financial services platforms (including Blackstone, KKR and S&P Global) that have highly-reliable sources of what we call 'embedded earnings power growth'.

Reflecting on the new disclosures we've recently received as part of the current Q3 earnings season, we remain very happy with the ongoing performance of Montaka's investee companies against a challenging set of external circumstances.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	76.6%
Total equity holdings	99.0%
Cash weighting	1.0%
A\$ currency exposure ¹	26.8%

POSITION METRICS

Number of positions	22
Position sizes (net, % of NAV)	
Largest	11.6%
Smallest	0.1%
Average	4.5%

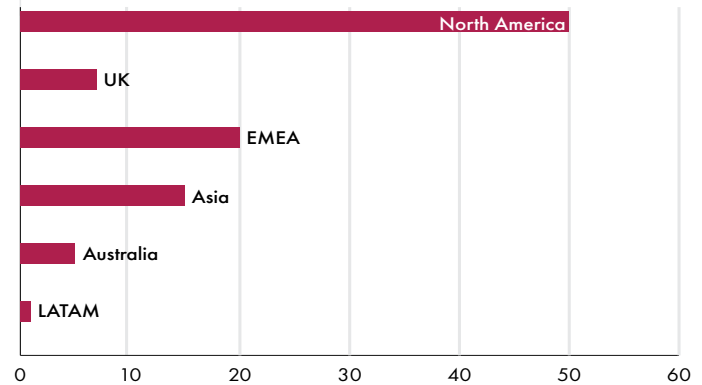
All holdings, performance, exposures and position metrics to 31 October 2023. Top 10 holdings are long positions.

1. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

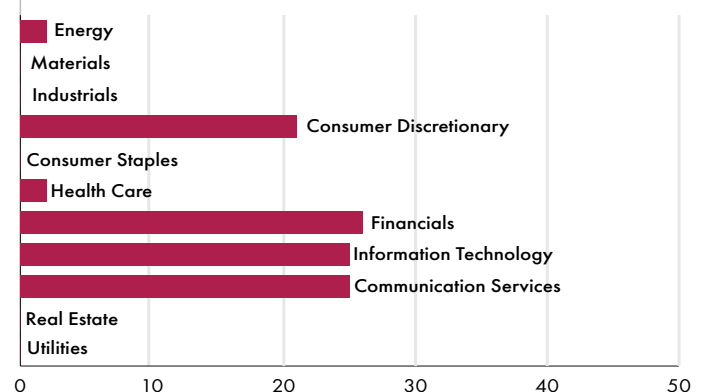
2. Shown on look-through earnings basis.

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 Montaka Global Pty Ltd, (ACN 604 878 533) AFSL 516 942 the investment manager of the Montaka Global Long Only Fund (ARSN: 604 883 418). The responsible entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) (Fundhost). While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montaka makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montaka guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montaka, 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. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. 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. The PDS and TMD are available on this webpage: <https://montaka.com/mglof/>

GEOGRAPHIC EXPOSURE² (net, % of NAV)



INDUSTRY EXPOSURE (net, % of NAV)



MARKET CAPITALISATION EXPOSURE (net, % of NAV)

