

# MONTHLY INVESTMENT REPORT

JULY 2018

UNIT PRICE<sup>1</sup>

**\$1.0943**

## FUND COMMENTARY

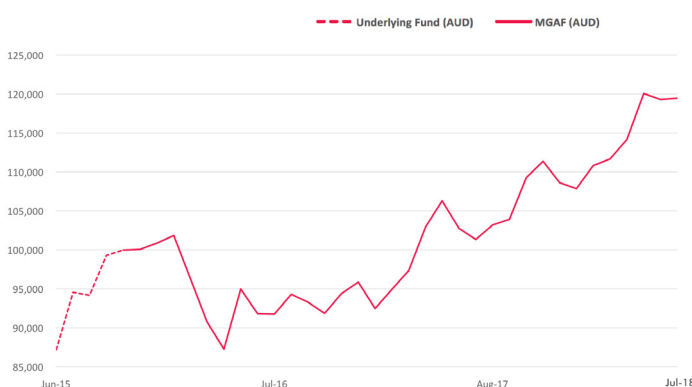
In the month of July, the Montaka Global Access Fund (the Fund) was approximately flat, net of fees. Since inception, the Fund has increased by 19.5 per cent, net of fees, with an average net market exposure of approximately 47 per cent.

July marked the commencement of earnings season for the June quarter. Thus far, the earnings reported by the Fund's holdings relative to expectations have been mixed. On the positive side, Insperty (NYSE: NSP) and Apple (NASDAQ: AAPL) both delivered stellar results which materially exceeded the market's expectations. Their stock prices increased by 10.7 per cent and 5.9 per cent, respectively, on the day following.

On the negative side was Facebook (NASDAQ: FB) which guided to lower profit margins over the coming years – a clear surprise to the market. Facebook's management team have taken the decision to rapidly accelerate future investment. This was a choice made by Facebook management on the basis that it would position the business more strongly for the future. On this basis, the 19 per cent decline in the stock price the following day appears to us like an overreaction.

It is worth highlighting how we handled the sizing of our Facebook position within the Fund's portfolio. In the days prior to the result and following significant stock price appreciation, we reduced the size of the Fund's position in Facebook by about 25 per cent. In the days following the result, we bought back approximately the same amount – at a heavily discounted price.

## FUND PERFORMANCE



PERFORMANCE (%)	1M	3M	12M	2 Yr pa	INCEPTION
<b>Fund (AUD)<sup>2</sup></b>	<b>0.2</b>	<b>4.6</b>	<b>17.9</b>	<b>14.1</b>	<b>19.5</b>
Underlying Fund (AUD) <sup>4</sup>	0.2	4.6	17.9	14.1	37.0
Average Net Market Exposure	39	40	44	47	47
Global Market (AUD) <sup>2,5</sup>	2.5	5.3	20.2	15.3	27.9
Average Net Market Exposure <sup>3</sup>	100	100	100	100	100

At 30 June the Fund paid a distribution of 7.4407 cents per unit, and so after ending FY18 with a unit price of 1.1670, we commenced FY19 with a unit price of \$1.0926.

## PERFORMANCE ATTRIBUTION<sup>1\*</sup> (%)

	July 2018
Long portfolio contribution	1.17
Short portfolio contribution	(0.69)
Change in AUD/USD	(0.32)
Net return	0.16
Since inception <sup>2</sup>	19.48

## EXPOSURES (as at 31 July 2018)

	% of NAV
Long exposure	90.3
Less: short exposure	(51.3)
Net market exposure	39.0

## POSITION METRICS (as at 31 July 2018)

	Long Portfolio	Short Portfolio
Number of positions	19	36
Largest position size	6.4	3.1
Smallest position size	3.2	0.4
Average position size	4.8	1.4

Note: sizes shown as % of NAV

## TOP 10 LONG POSITIONS (as at 31 July 2018)

	% of NAV
1 51job	6.4
2 St James's Place	6.3
3 Insperty	6.0
4 Wells Fargo	5.9
5 Alibaba	5.9
6 Travelers Companies	5.9
7 Facebook	5.1
8 Vivendi	5.1
9 Apple	5.0
10 Swedbank	4.8
Total top 10 long positions	56.4

## FUND SIZE (NAV) (\$M) (as at 31 July 2018)

Montaka Global Fund	190.0
of which: Montaka Global Access Fund	73.2

1) The fund is forward priced; you will receive the price struck subsequent to the receipt of your application/ redemption request.

2) Inception: 1 November 2015

3) Based on average of month-end net market exposures

4) Montaka Global Fund; inception 1 July 2015

5) MSCI World Net Total Return Index in Australian dollar terms

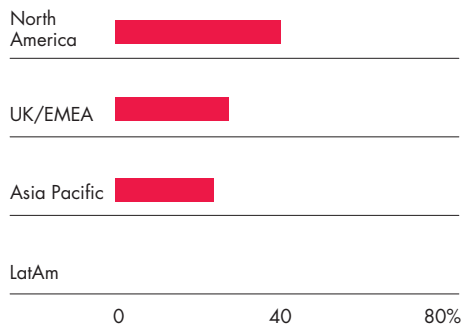
\* all exposures, metrics & positions are derived from the Underlying Fund (Montaka Global Fund)

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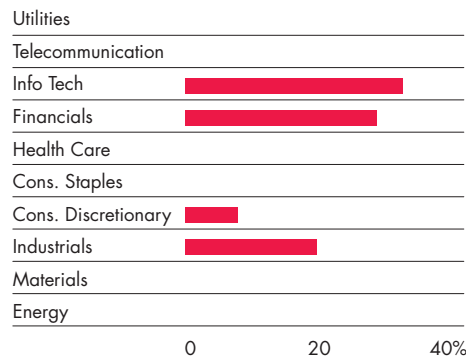
JULY 2018

## LONG PORTFOLIO (as at 31 July 2018)

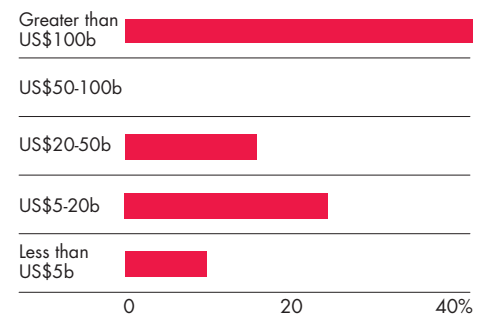
### GEOGRAPHIC EXPOSURE (Country of domicile)



### INDUSTRY EXPOSURE

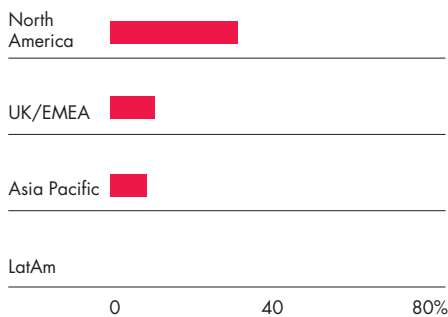


### MARKET CAP EXPOSURE

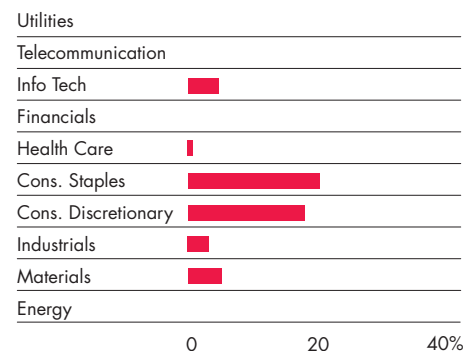


## SHORT PORTFOLIO (as at 31 July 2018)

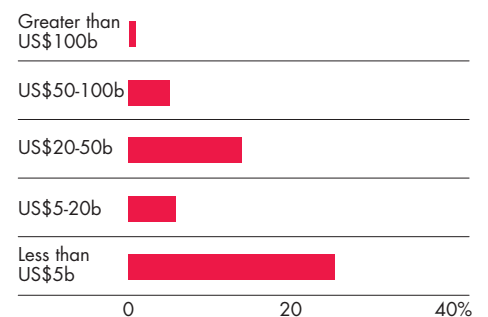
### GEOGRAPHIC EXPOSURE (Country of domicile)



### INDUSTRY EXPOSURE



### MARKET CAP EXPOSURE



Note: exposures shown as % of NAV

## INVESTMENT MANAGER

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## DISCLAIMER

#Fund performance is calculated after fees and costs, including the investment management fee and performance fee. 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 Montaka Global Access Fund (ARSN 607 245 643). 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, of cers 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.