

MONTHLY INVESTMENT REPORT

MAY 2019

UNIT PRICE¹ **\$1.1054**

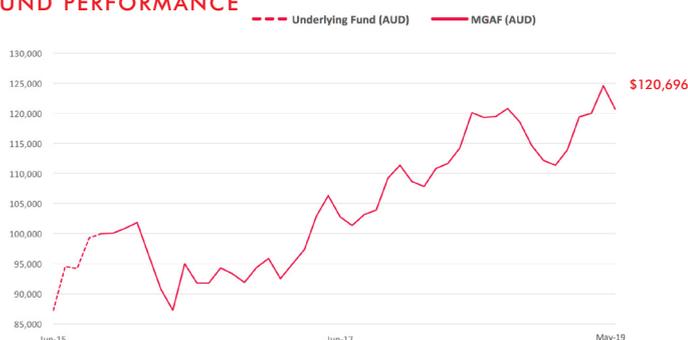
FUND COMMENTARY

In the month of May, the Montaka Global Access Fund (the Fund) declined by 3.10 per cent, net of fees. Since inception, the Fund has increased by 20.70 per cent, net of fees, with an average net market exposure of 47 per cent. By comparison, the MSCI World Total Return Index in Australian dollar terms – which carries 100 per cent net market exposure – has increased by 32.71 per cent, over the same period.

We observed another significant turning point in the global risk environment in May, specifically with respect to the ongoing US/China trade dispute. On May 3rd, it was reported that Chinese negotiators backtracked significantly on previously agreed terms and principles. This then led to President Trump increasing tariffs on US\$200 billion of Chinese imports from 10 percent to 25 percent. Then on May 15th, President Trump signed an Executive Order that, in effect, could restrict US companies from transacting with Chinese telecommunications equipment provider, Huawei. Over in China, we have seen increasing press in recent days that argues that the demands being placed on them by the US infringe on China's sovereignty and its economic development.

Given this new information, it is difficult to see either side backing down in the near-term; and, if anything, the situation could well escalate from here. To us, this means that the probability of more negative outcomes from this dispute has increased; and the probability of more favourable outcomes has reduced. At the same time, global stock prices – which are still up double-digits YTD – do not appear to be reflecting this deterioration in prospects. As such, we have significantly reduced our portfolio exposures and exit the month with 33 per cent net market exposure.

FUND PERFORMANCE



PERFORMANCE (%)	1M	3M	12M	2 Yr pa	3 Yr pa	COMPOUNDED ANNUAL RETURN SINCE INCEPTION	SINCE INCEPTION
Fund (AUD)²	(3.1)	1.1	0.5	6.5	8.3	5.4	20.7
Underlying Fund (AUD) ⁴	(3.1)	1.1	0.5	6.6	8.3	8.7	38.4
Average Net Market Exposure	33	44	45	45	47	47	47
Global Market (AUD)^{2,5}	(4.3)	1.5	8.9	9.3	10.6	8.2	32.7
Average Net Market Exposure³	100	100	100	100	100	100	100

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; Ex-distribution of 1.9994 cents 30/06/2016 and 7.4407 cents 30/06/2018

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)

PERFORMANCE ATTRIBUTION^{1*} (%)

	May 2019
Long portfolio contribution	(6.74)
Short portfolio contribution	2.07
Change in AUD/USD	1.57
Net return	(3.10)
Since inception ²	20.70

EXPOSURES (as at 31 May 2019)

	% of NAV
Long exposure	77.8
Less: short exposure	(45.0)
Net market exposure	32.8

POSITION METRICS (as at 31 May 2019)

	Long Portfolio	Short Portfolio
Number of positions	18	27
Largest position size	7.4	2.6
Smallest position size	2.2	0.7
Average position size	4.3	1.7

Note: sizes shown as % of NAV

TOP 10 LONG POSITIONS (as at 31 May 2019)

	% of NAV		% of NAV
1 Vivendi	7.4	6 Alphabet	4.9
2 Prudential	6.2	7 Facebook	4.9
3 Challenger	6.2	8 Airbus	4.4
4 Insperty	5.7	9 Microsoft	4.4
5 REA Group	5.3	10 UnitedHealth	4.4
Total top 10 long positions			53.8

FUND SIZE (NAV) (\$M) (as at 31 May 2019)

Montaka Global Fund	182.4
of which: Montaka Global Access Fund	73.9

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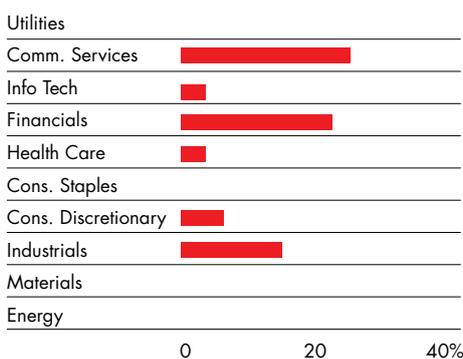
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LONG PORTFOLIO (as at 31 May 2019)

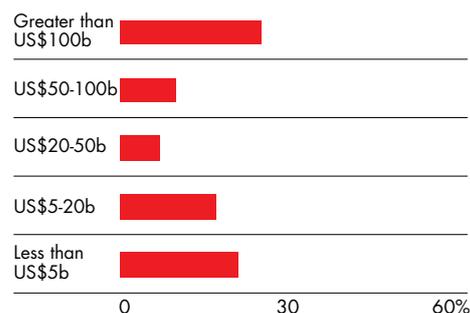
GEOGRAPHIC EXPOSURE (Country of domicile)



INDUSTRY EXPOSURE

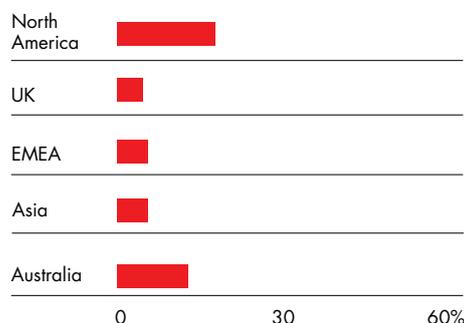


MARKET CAP EXPOSURE

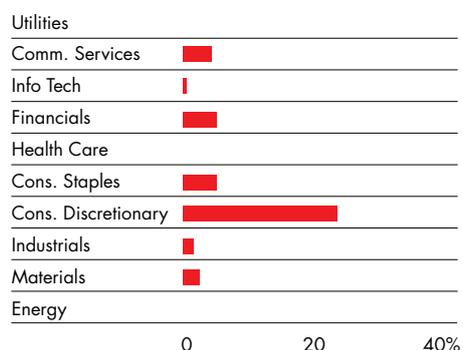


SHORT PORTFOLIO (as at 31 May 2019)

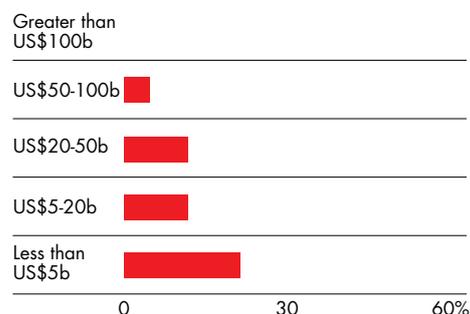
GEOGRAPHIC EXPOSURE (Country of domicile)



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 MGIM 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.