



# MONTGOMERY ALPHA PLUS FUND

## INVESTMENT REPORT & FACT SHEET

### FUND OVERVIEW

The Montgomery Alpha Plus Fund offers investors a global equity market neutral strategy that harnesses the benefits of a distinctive investment process while seeking to produce risk-adjusted returns that are uncorrelated with equity markets.

The Fund invests in securities listed on Australian and international stock exchanges. Typically The Fund will hold 80-180 long positions and 80-180 short positions.

### FUND FACTS

#### INVESTMENT MANAGER

Montgomery Quantitative Management Pty Limited

#### OBJECTIVE

The Montgomery Alpha Plus Fund seeks to generate higher risk-adjusted returns than are available in the market place over the medium term

#### BENCHMARK

RBA Cash Rate

#### APIR

FHT0041AU

#### RECOMMENDED INVESTMENT TIMEFRAME

5 years

#### MINIMUM INITIAL INVESTMENT

\$50,000

#### FUND SIZE

\$15.6M

#### INCEPTION DATE

1 AUGUST 2016

#### MANAGEMENT FEE

Up to 1.58% per annum, (inclusive of GST/RITC.)

#### PERFORMANCE FEES

17.5% of the amount by which The Fund outperforms its Benchmark. No performance fee is payable until any previous periods of underperformance have been made up.

#### APPLICATION & REDEMPTION PRICES\*

[montinvest.com/map](http://montinvest.com/map)

#### UNIT PRICE - BUY

0.7991

#### UNIT PRICE - MID

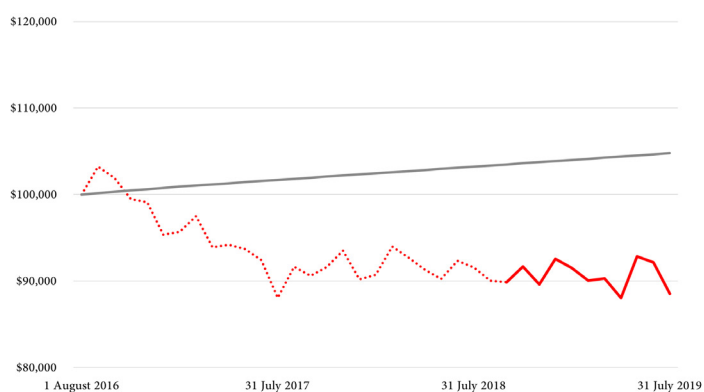
0.7971

#### UNIT PRICE - SELL

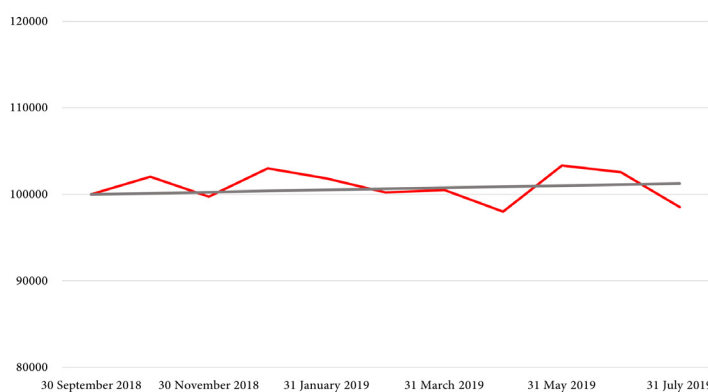
0.7951

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

### PERFORMANCE GRAPH SINCE INCEPTION



### PERFORMANCE GRAPH REVISED STRATEGY



..... Montgomery Alpha Plus Fund

— RBA Cash Rate

— Montgomery Alpha Plus Fund Revised Strategy

### PORTFOLIO PERFORMANCE

(to 31 July 2019, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY ALPHA PLUS FUND	RBA CASH RATE	OUT/UNDER PERFORMANCE
1 month	0.00%	-3.92%	<b>-3.92%</b>	0.12%	-4.04%
3 months	3.31%	-2.77%	<b>0.54%</b>	0.37%	0.17%
6 months	3.19%	-6.45%	<b>-3.26%</b>	0.74%	-4.00%
1 year	3.18%	-6.50%	<b>-3.32%</b>	1.50%	-4.82%
2 years (p.a)	3.93%	-3.65%	<b>0.28%</b>	1.51%	-1.23%
Since Inception	9.19%	-20.66%	<b>-11.47%</b>	4.78%	-16.25%
Compound annual return (since inception)*	2.98%	-6.96%	<b>-3.98%</b>	1.57%	-5.55%

\*Inception: 1 August 2016 \*\* Refers to global version of the fund launched 01/10/2018

PLATFORMS WE ARE ON: None at present



## FUND COMMENTARY

The month of July saw a negative return of 3.9 per cent for the Montgomery Alpha Plus Fund (The Fund), driven by an uncomfortable streak of ten days in a row of negative daily returns over the last ten trading days of the month - the equivalent of tossing a coin and having it come up tails ten times in a row. Thankfully, this streak ended on 31 July, and August has started on a positive note.

As noted in The Fund's annual letter, with the move to a global investment strategy at the end of September 2018, we focus our commentary and analysis on the period since the launch of the new strategy, and this is

shown in the second performance chart in this report (and subsequent monthly reports). Data for the full period since inception (August 2016) will continue to be set out in the accompanying tables.

### GEOGRAPHIC EXPOSURE (LONG) (%)

Australia	38.04
Canada	28.61
Hong Kong	36.59
Other	0.00
USA	38.85
Western Europe	37.85

### GEOGRAPHIC EXPOSURE (SHORT) (%)

Australia	33.92
Canada	25.54
Hong Kong	32.87
Other	0.00
USA	34.99
Western Europe	36.74

### MARKET CAP EXPOSURE (LONG) (%)

Less than \$5b	38.01
\$5-20b	79.56
\$20-50b	28.63
\$50-100b	9.21
Greater than \$100b	23.94

### MARKET CAP EXPOSURE (SHORT) (%)

Less than \$5b	71.17
\$5-20b	68.53
\$20-50b	19.08
\$50-100b	3.13
Greater than \$100b	2.15

### NUMBER OF HOLDINGS

Number of Long Positions	147
Number of Short Positions	133

### PORTFOLIO EXPOSURES (%)

Gross Long	179.94
Gross Short	164.06
Net Long	15.88

### SECTOR INDUSTRY EXPOSURE

SECTOR NAME	LONG PORTFOLIO (%)	SHORT PORTFOLIO (%)	NET (%)
Communication Services	11.96%	-12.57%	-0.60%
Consumer Discretionary	21.10%	-19.92%	1.18%
Consumer Staples	10.46%	-6.31%	4.14%
Energy	8.75%	-20.96%	-12.21%
Financials	24.06%	-13.38%	10.68%
Health Care	14.33%	-27.62%	-13.29%
Industrials	27.59%	-17.79%	9.80%
Information Technology	27.37%	-15.60%	11.77%
Materials	20.52%	-23.00%	-2.48%
Real Estate	12.98%	-6.91%	6.07%
Utilities	0.83%	0.00%	0.83%

### CONTACT DETAILS

#### INVESTORS

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### FUND PERFORMANCE (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	-1.14	-1.59	0.25	-2.48	5.43	-0.75	-3.92						-4.36
2018	0.56	3.63	-1.41	-1.45	-1.19	2.32	-0.83	-1.67	-0.20	2.01	-2.25	3.31	2.63
2017	0.38	1.87	-3.68	0.31	-0.52	-1.38	-4.72	4.08	-1.14	1.13	2.07	-3.53	-5.38
2016								3.24	-1.25	-2.42	-0.36	-3.82	-4.66

# 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 Quantitative Management Pty Limited, CAR #001267155 of AFSL 354564 ('Montgomery') the investment manager of the Montgomery Alpha Plus Fund ('MAPF'). 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 into account your particular objectives, financial circumstances or needs. You should obtain and consider a copy of the Product Disclosure Document ('PDS') relating to the Fund before making a decision to invest. Available here: <http://fundhost.com.au/investor/map>. While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montgomery Quantitative makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montgomery Quantitative guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montgomery Quantitative, 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 report. Past performance is not indicative of future performance.

