



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.

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RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

\$25,000

INCEPTION DATE

1 JULY 2015

FUND SIZE

\$113.1M

MANAGEMENT FEE

1.29% per annum, inclusive of GST/ITC.

PERFORMANCE FEES

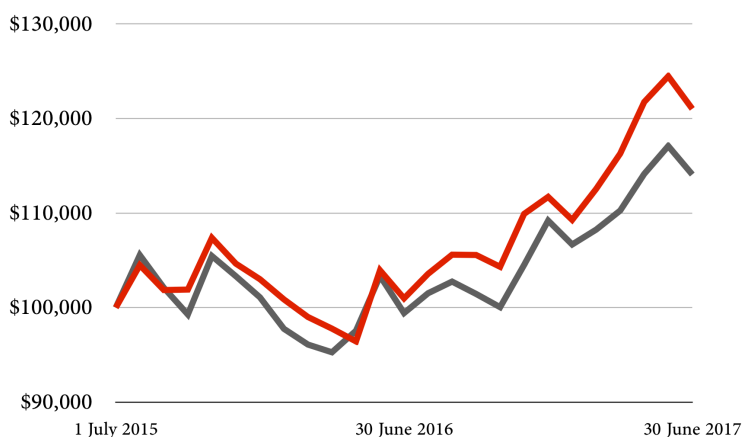
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



\$121,020

\$114,078

CONTACT DETAILS

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PORTFOLIO PERFORMANCE

(to 30 June 2017, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	9.72%	-12.49%	-2.77%	-2.57%	-0.20%
3 months	10.41%	-6.34%	4.07%	3.46%	0.61%
6 months	10.83%	-2.50%	8.33%	4.46%	3.87%
12 months	11.98%	7.86%	19.85%	14.74%	5.11%
2 years (p.a)	12.10%	8.92%	21.02%	14.08%	6.94%
Since inception ²	12.10%	8.92%	21.02%	14.08%	6.94%
Compound annual return (since inception) ²	5.88%	4.13%	10.01%	6.81%	3.20%

1) In Australian dollars

2) Inception: 1 July 2015



FUND COMMENTARY

The Montgomery Global Fund declined by 2.77%, net of fees, in the month of June. This compared to the MSCI Total Return Index in Australian dollar terms (the Benchmark) which declined by 2.57% over the same period. Both declines were primarily driven by a sharp rally in the Australian dollar, relative to the US dollar. That said, at the time of writing this report, most of these movements have reversed. As we have suggested in the past, focusing too closely on month-to-month returns is not a particularly fruitful endeavour.

Over the June quarter, The Fund returned 4.07%, net of fees, versus the Benchmark which returned 3.46%. Over the 2017 financial year, The Fund returned 19.85%, net of fees, versus the Benchmark which returned 14.74%. And since inception two years ago, The Fund has delivered 21.02%, net of fees, versus the Benchmark which returned 14.08% over the same period. Finally, it should be noted that The Fund has averaged around 20 percent in

cash holdings since its inception which, in our view, enhances the quality of the return profile we have achieved for our investors.

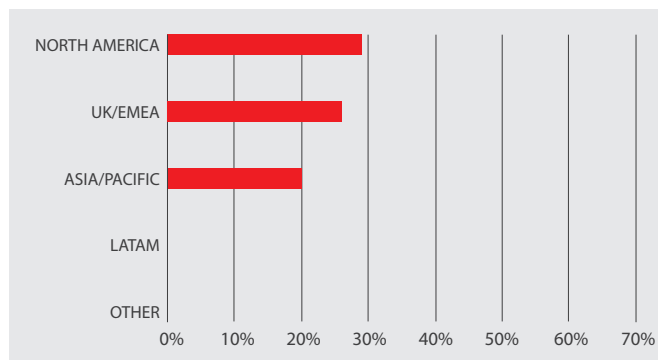
In June, the Federal Reserve (Fed) hiked its policy rate for the third time in the 2017 financial year. Furthermore, for the first time since it began its quantitative easing program in 2009, the Fed announced it would start a gradual unwind of its US\$4.5 trillion balance sheet sometime this year. Should the Fed proceed as planned, this will likely result in higher borrowing costs for corporates and households. As such, we enter the new financial year with a degree of cautiousness as reflected by The Fund's cash holdings of nearly 25 percent. With the conclusion of the financial year The Fund will pay a distribution of 12.0993 cents per unit. As such, after ending FY17 with a unit price of \$1.2102, we commence FY18 with a unit price of \$1.0892. A more comprehensive Annual Letter will be with you shortly.

TOP COMPLETED HOLDINGS* (TCH) (at 30 June 2017, out of 23 holdings)

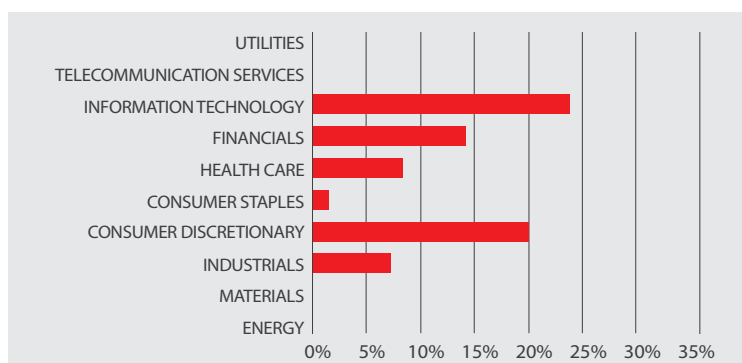
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Playtech	IM	3,931	5.3
REA Group	AU	6,724	4.6
Oracle	US	207,413	4.6
Facebook	US	437,602	4.6
St James's Place	GB	8,139	4.4
Insperty	US	1,496	4.3
China Life	CN	105,772	4.1
Alibaba	CN	360,867	4.0
Foot Locker	US	6,471	3.9
Naspers	ZA	85,449	3.8
PORTFOLIO MEDIAN		50,362	3.4
Total equity weighting			75.4
Total cash weighting			24.6

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

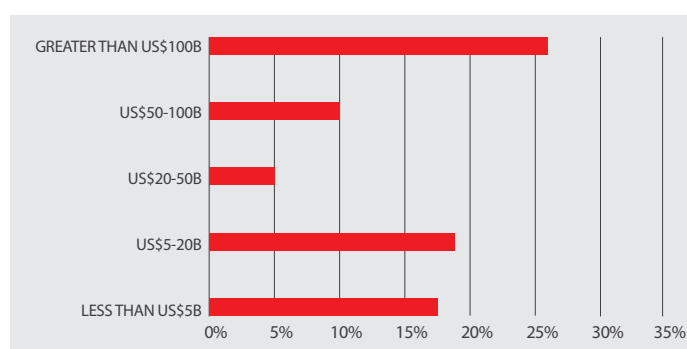
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS Netwealth Super BT Panorama BT Wrap Powerwrap

#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.

