



# 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.

#### APIR

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#### RECOMMENDED INVESTMENT TIMEFRAME

5 years

#### MINIMUM INITIAL INVESTMENT

\$25,000

#### INCEPTION DATE

1 JULY 2015

#### FUND SIZE

\$160.7M

#### MANAGEMENT FEE

1.32% per annum, inclusive of GST/RITC.

#### PERFORMANCE FEES

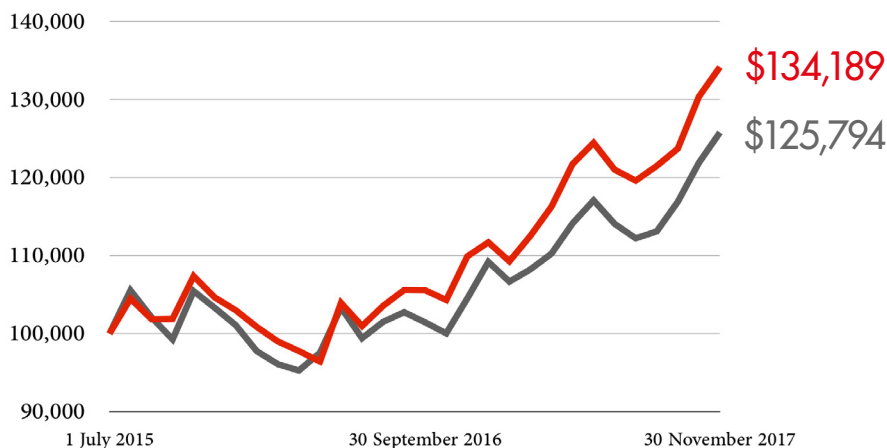
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

#### APPLICATION & REDEMPTION PRICES

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

### PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



### CONTACT DETAILS

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### PORTFOLIO PERFORMANCE

(to 30 November 2017, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX <sup>1</sup>	OUT/UNDER PERFORMANCE
1 month	0.00%	2.92%	<b>2.92%</b>	3.19%	-0.27%
3 months	0.00%	10.44%	<b>10.44%</b>	11.20%	-0.76%
6 months	9.72%	-1.91%	<b>7.81%</b>	7.43%	0.38%
12 months	11.01%	11.08%	<b>22.09%</b>	20.35%	1.74%
2 years (p.a)	5.62%	7.61%	<b>13.24%</b>	10.34%	2.90%
Since inception <sup>2</sup>	12.10%	22.09%	<b>34.19%</b>	25.79%	8.39%
Compound annual return (since inception) <sup>2</sup>	4.84%	8.10%	<b>12.94%</b>	9.96%	2.98%

1) In Australian dollars

2) Inception: 1 July 2015



## FUND COMMENTARY

In the month of November, the Montgomery Global Fund delivered a return of 2.92 per cent, net of fees. Over the same period, the MSCI World Total Return Index in Australian dollars (the Benchmark) returned 3.19 per cent. Since inception, the Fund has returned 34.19 per cent, net of fees; versus the Benchmark which returned 25.79 per cent over the same period.

Recent weeks have been characterised by a number of globally-significant political events that are worth monitoring into 2018. In China, President Xi has now established himself as the most powerful domestic leader since Mao. In Saudi Arabia, Crown Prince MBS effected the surprise arrest of a large number of royal, political and business figures for "corruption". In the US, the Senate has now passed the largest set of changes to the US tax code in more than three decades. While on the same day, President

Trump's former National Security Advisor, Michael Flynn, pleaded guilty to lying to the FBI. Finally, North Korea launched a missile that demonstrates a new capability to reach the east coast of the US.

We are very excited by the businesses we own and believe they remain materially undervalued. That said, the world remains an unpredictable place. As such, we continue to operate with a healthy dose of conservatism built in to the Fund's portfolio. The Fund entered December with 24.3 per cent of the portfolio held in cash.

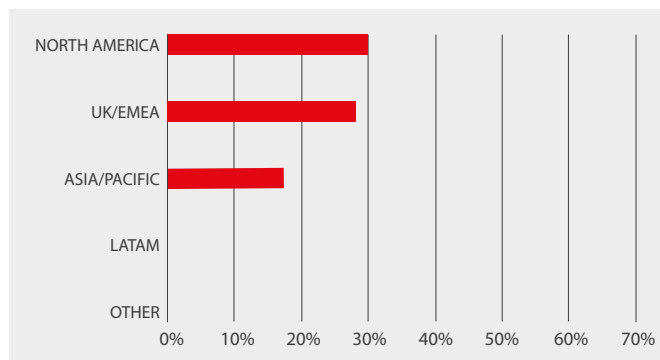
Finally, December will mark the initial quotation of the Montgomery Global Equities Fund on the ASX under the ticker: MOGL. This new fund will substantially mirror the total return profile of the Montgomery Global Fund.

## TOP COMPLETED HOLDINGS\* (TCH) (at 30 November 2017, out of 22 holdings)

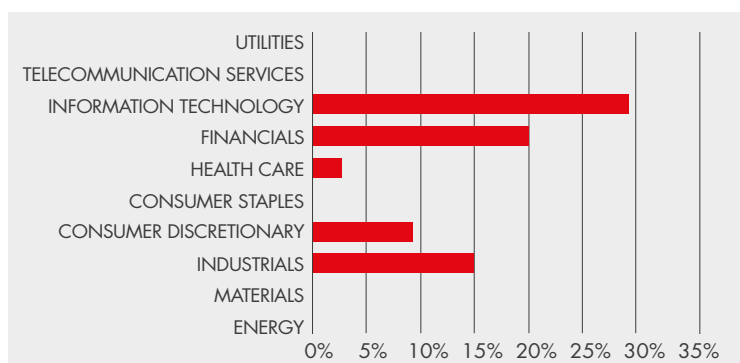
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
St James's Place	GB	8,683	5.8
Rea Group	AU	7,841	4.6
Facebook	US	517,087	4.5
Insperty	US	2,457	4.5
Union Pacific	US	99,577	4.5
NetEnt	SE	1,700	4.4
Apple	US	882,332	4.1
Alibaba	CN	453,529	3.9
Jupiter Fund	GB	3,703	3.8
China Life	CN	121,828	3.7
<b>PORTFOLIO MEDIAN</b>		<b>61,291</b>	<b>3.5</b>
<b>Total equity weighting</b>			<b>75.7</b>
<b>Total cash weighting</b>			<b>24.3</b>

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

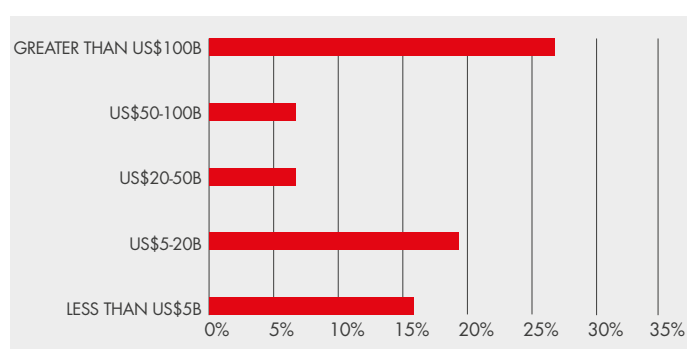
## GEOGRAPHIC - COUNTRY OF DOMICILE



## GICS SECTOR INDUSTRY EXPOSURE



## MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS ⇌ Netwealth Super ⇌ BT Panorama ⇌ BT Wrap ⇌ Powerwrap ⇌ Macquarie Wrap ⇌ HUB24

#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.

