



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

MGIM 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

\$212.6M

MANAGEMENT FEE

1.32% per annum, inclusive of GST/RITC.

PERFORMANCE FEES

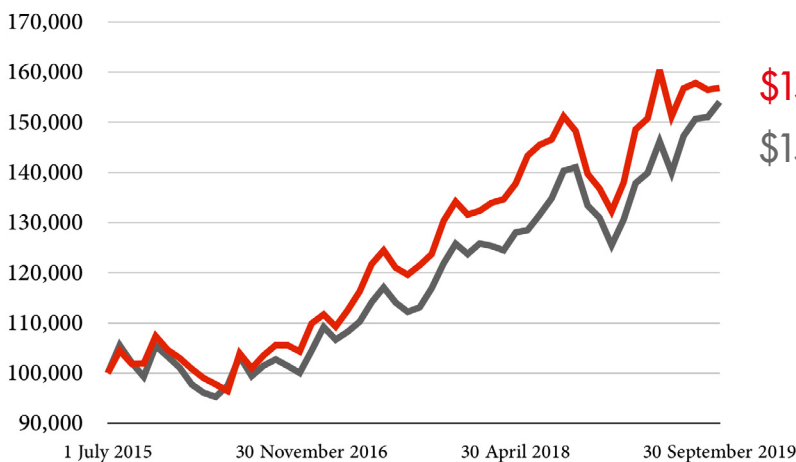
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



CONTACT DETAILS

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PORTFOLIO PERFORMANCE

(to 30 September 2019, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	0.24%	0.24%	2.02%	-1.78%
3 months	0.00%	0.06%	0.06%	4.60%	-4.54%
6 months	12.17%	-8.12%	4.05%	10.12%	-6.07%
12 months	12.37%	-6.57%	5.80%	9.24%	-3.44%
2 years (p.a)	9.88%	2.72%	12.60%	14.79%	-2.19%
3 years (p.a)	10.06%	4.05%	14.11%	14.94%	-0.83%
Since inception ²	35.18%	21.68%	56.86%	54.07%	2.79%
Compound annual return (since inception) ²	7.35%	3.83%	11.18%	10.71%	0.47%

1) In Australian dollars 2) Inception: 1 July 2015



FUND COMMENTARY

In the month of September, the Montgomery Global Fund (the Fund) returned 0.24 per cent, net of fees. By comparison, the MSCI World Total Return Index in Australian dollar terms (the Benchmark) returned 2.02 per cent. Since inception, the Fund has increased by 56.86 per cent, net of fees. This return was delivered with an average portfolio cash holding of 18 per cent. By comparison, the Benchmark – which naturally carries zero cash – has returned 54.07 per cent over the same period.

In the quarter that transpired, we observed a continuation of many of the same dynamics that we have analysed in prior reports. From uncertainty surrounding Brexit, to the US/China trade dispute, and the risks around a potential crack-down on the protestors in Hong Kong. We continue to monitor these risks closely while acknowledging that not much has changed with respect to the shapes of the probability distributions of possible outcomes. We reiterate our goal to compound the wealth of our investors,

alongside our own wealth, over the long term. Many of the near-term twists and turns in the market are interesting, but not overly significant to our long-term objective.

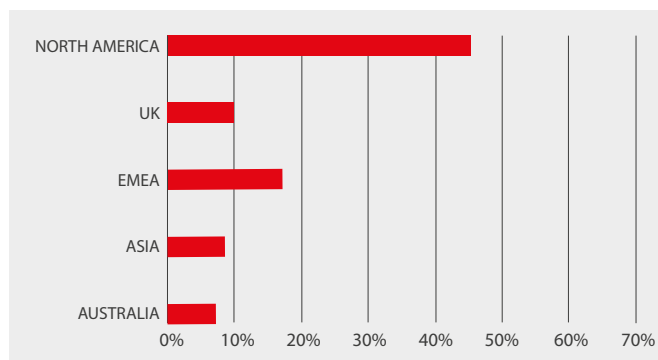
From a global economic perspective, it is true that the Chinese and European economies have weakened in recent months. Indeed, even the US economy has started to experience some pockets of weakness related to its trade dispute with China, but generally remains healthy. Against this backdrop, global monetary policies have moved to an easing bias and are supporting leading indicators which are pointing to global stabilisation over the coming months. While we observe a high degree of bearishness in the market today, we believe the outlook for global equities over the coming year is reasonably supportive.

TOP COMPLETED HOLDINGS* (TCH) (at 30 September 2019, out of 18 holdings)

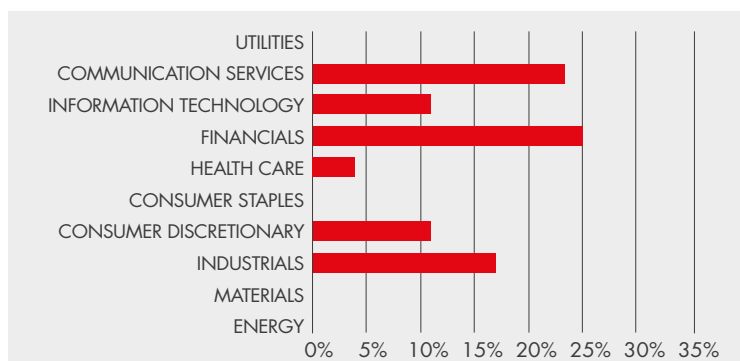
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	33,493	7.3
Insperty	US	4,062	6.7
Prudential	GB	47,140	5.9
Alphabet	US	845,943	5.7
Floor & Decor	US	5,095	5.7
Microsoft	US	1,061,551	5.6
Apple	US	1,012,161	5.5
Facebook	US	508,053	5.2
Airbus	FR	101,078	5.1
Alibaba	CN	435,395	5.0
PORTFOLIO MEDIAN		59,352	5.1
Total equity weighting			90.5
Total cash weighting			9.5

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

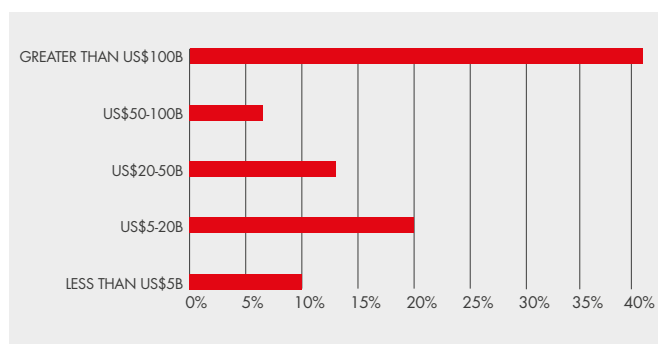
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS ⇌ Netwealth Super ⇌ BT Panorama ⇌ BT Wrap ⇌ Powerwrap ⇌ Macquarie Wrap ⇌ HUB24 ⇌ Asgard
Colonial FirstWrap ⇌ Ausmaq ⇌ uXchange

#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 MGIM Pty Ltd, (ACN 604 878 533) (CAR) #001 007 050 (Montgomery) the investment manager of the Montgomery Global Fund (ARSN: 604 883 418). 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. Available here: <https://fundhost.com.au/fund/montgomery-global-fund/>. 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.

