

Key Takeaways

- Global equities were negative in May in USD terms, however higher in AUD/NZD due to exchange rate impacts, with markets being led by an extremely narrow subset of stocks.
- Asian equities outperformed globally despite Chinese equities underperforming, weighed down by slower than expected macroeconomic data.
- The Antipodes Emerging Markets (Managed Fund) underperformed the benchmark over the month.

Commentary*

Global equities were down in USD over the month, however higher in AUD/NZD due to exchange rate impacts (+1.0%) with information technology, communication services and consumer discretionary outperforming whilst energy, materials and consumer staples underperformed. US equities were up (+2.7%) driven by a narrow subset of technology stocks. National politics dominated the headlines, highlighted by the US budget debt ceiling negotiations, with a deal finalised in early June. Whilst the focus on US regional banks subsided, the Fed hiked interest rates as expected, though signalled an increased chance of a pause in June. European equities underperformed (-3.9%) largely led by the UK. In addition, commodity prices and China exposed sectors also saw dampened sentiment. The European Central Bank and the Bank of England both hiked rates as expected with the inflation combatting narrative remaining.

Asian equities outperformed broader markets over the month (+1.6%). Chinese equities were weak (-6.0%) with macroeconomic data disappointing and the property market continuing to weigh on sentiment. Japanese equities outperformed globally and regionally (+4.0%) with strong macroeconomic data and continued easing from the Bank of Japan.

Elsewhere, Brent Crude (-8.7% in USD) was weak, Gold (-1.4%) was down, whilst the US Dollar (+2.6%) was up.

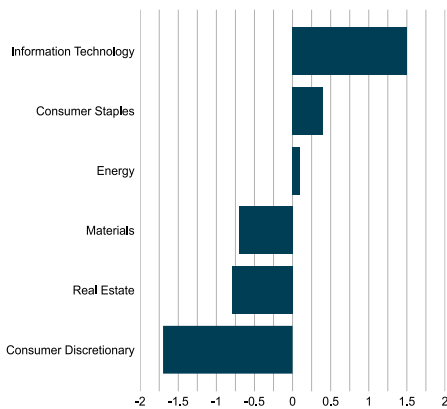
* Illustrative only and not a recommendation to buy or sell any particular security.

Net performance (%)

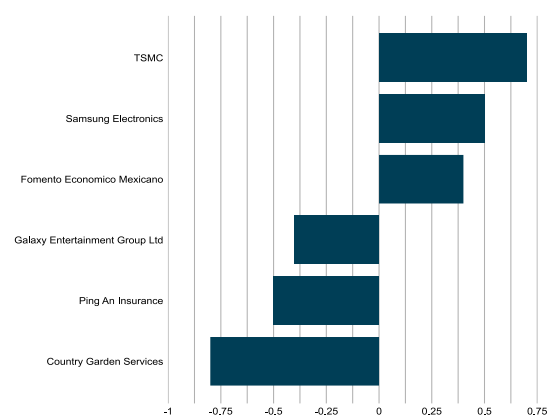
	1 month	3 month	CYTD	Inception
Fund	(2.2)	0.3	5.1	9.7
Benchmark	0.4	4.4	5.9	10.1
Difference	(2.6)	(4.0)	(0.8)	(0.4)

Past performance is not a reliable indicator of future performance. Returns are quoted in AUD and net of applicable fees, costs and taxes. All p.a. returns are annualised.

Top & bottom sector contribution^{1,2} (%)



Top & bottom stock contribution (%)



Market cap exposure³ (%)

Band	Weight	Benchmark
Mega (>\$100b)	27.5	24.9
Large (>\$25b <\$100b)	18.8	28.2
Medium (>\$5b <\$25b)	34.5	37.8
Small (<\$5b)	13.0	9.1

Sector exposure² (%)

Sector	Long	Benchmark
Consumer Discretionary	23.6	12.5
Financials	20.3	22.1
Information Technology	12.6	21.6
Materials	8.2	8.4
Communication Services	7.8	9.6
Industrials	7.8	6.1
Consumer Staples	5.5	6.5
Energy	4.0	5.0
Real Estate	4.0	1.7
Health Care	0.0	3.8
Utilities	0.0	2.7

Regional exposure^{3,4,5} (%)

Region	Long	Benchmark
Developing Asia	50.7	49.1
- China/Hong Kong	36.5	28.6
- Indonesia	6.8	2.0
- India	4.7	14.4
- Philippines	2.0	0.7
- Rest EM Asia	0.6	2.0
LATAM/EEMEA	23.5	20.7
- Mexico	11.5	2.7
- Brazil	11.1	5.2
- Rest LATAM	0.9	0.7
- Rest LATAM/EEMEA	0.0	12.1
Developed Asia	14.0	29.0
- Korea	8.0	12.8
- Taiwan	6.0	16.1
Rest of World	5.6	1.3
Total Equities	93.8	100.0
Cash	6.2	0.0
Totals	100.0	100.0

Top 10 equity longs³ (%)

Name	Country	Weight
Taiwan Semiconductor	Taiwan	6.0
Fomento Economico Mexicano	Mexico	5.5
Samsung Electronics	Korea	5.1
Alibaba	China/HK	5.1
Ping An Insurance	China/HK	4.7
PT Astra International	Indonesia	4.3
PRIO	Brazil	4.0
Galaxy Entertainment Group	China/HK	3.9
Itaú Unibanco Holding	Brazil	3.6
PagSeguro Digital	Brazil	3.5

Fund facts

Characteristics	
Investment manager	Antipodes Partners Limited
Inception date	1 October 2022
Benchmark	MSCI Emerging Markets Index
Management Fee	1.20% p.a.
Performance Fee	15% of net return in excess of benchmark
Risk/Return profile	High
Buy/Sell spread	±0.30%
Minimum investment	\$25,000
Distributions	Annual, 30 June
Asset value	
Fund AUM	\$22m
Strategy AUM	\$22m
Unit redemption price	0.9571

Performance & risk summary⁶

	Portfolio	Benchmark
Standard deviation	24.1%	14.8%
Sharpe ratio	0.47	0.73
Information ratio	0.05	-
Beta	1.56	-
Stock count (long)	41	-
Average net exposure	93.3%	-
Upside capture ratio	133	-
Downside capture ratio	162	-

Fund features

- Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)
- The Fund invests in companies that are exposed to emerging markets or listed on emerging market stock exchanges.
- In the absence of finding individual securities that meet minimum risk-return criteria, cash may be held to maximum 25%
- Flexibility to hedge for risk management purposes:
 - Currency exposure of the underlying stock position (net short currency position not permitted)
 - Equity market exposure via exchange traded derivatives (limited to 10% of NAV)
 - Leverage not permitted
- This product is likely to be appropriate for a consumer seeking capital growth to be used as a small allocation within a portfolio where the consumer has a minimum investment timeframe of 5 years, and a high risk/return profile.

Fund ratings



Further information

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¹ Based on gross returns in AUD

² GICS classification

³ Call (put) options represented as the current option value (delta adjusted exposure)

⁴ Antipodes classification

⁵ Where possible, regions, countries and currencies classified on a look through basis

⁶ All metrics are based on gross of fee returns in AUD terms since inception. The upside/downside capture ratio is the percentage of benchmark performance captured by the fund during months that the benchmark is up/down. Standard deviation is a measure of risk with a smaller figure indicating lower return volatility. The Sharpe ratio measures returns on a risk adjusted basis with a figure > 1 indicating a higher return than the benchmark for the respective levels of return volatility

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Link to [Product Disclosure Statement](#)

Link to [Target Market Determination](#)

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