

## Key Takeaways

- Global equities were negative in September despite inflation data cooling, with markets increasingly pricing in a scenario of higher-for-longer rates.
- Chinese equities outperformed over the month, driven by supportive policy and increasingly positive macroeconomic data.
- The Antipodes Emerging Markets (Managed Fund) underperformed the benchmark over the month, however remains ahead over the calendar-year-to-date and 12 months.

## Commentary\*

Global equities were negative in September (-3.8%) with information technology, consumer discretionary, utilities and industrials sectors weighing on markets whilst energy, financials, healthcare and communication services outperformed. US equities underperformed (-4.4%) despite inflation data cooling, as the market digested a higher-for-longer rates scenario following hawkish messaging from the Federal Open Market Committee. Economic headwinds were further compounded by a stronger US dollar, and an OPEC+ production cut that led to higher oil prices. European equities were similarly lower (-3.6%), however were assisted by a weaker Euro, more supportive policy and economic data from China.

Asian equities outperformed broader global markets over the month (-2.1%). Chinese equities performed in line with the region and outperformed most developed markets (-2.1%), buoyed by more supportive policy and positive inflections in macroeconomic data despite ongoing concerns around the property sector. Japanese equities outperformed both regionally and globally (-1.8%) as the Bank of Japan continued monetary policy easing.

Elsewhere, Brent Crude (+9.7% in USD) was strong from OPEC+ production cuts, Gold (-4.7%) was weak, whilst the US Dollar (+2.5%) strengthened.

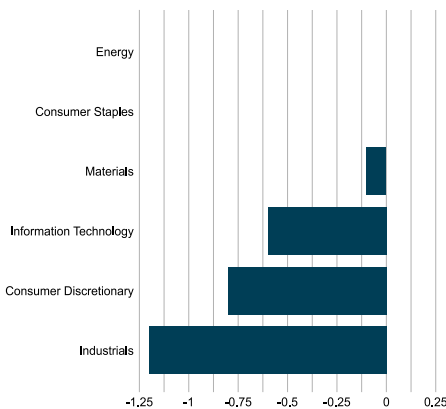
\*Illustrative only and not a recommendation to buy or sell any particular security.

## Net performance (%)

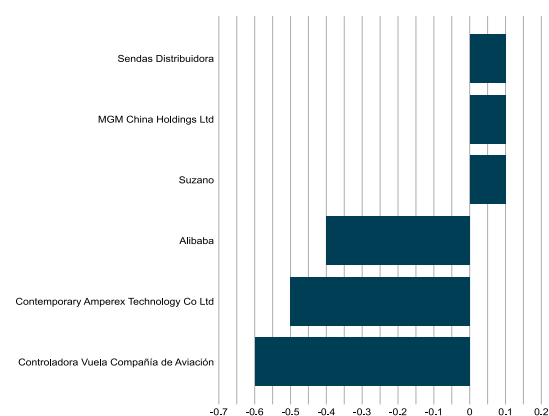
	1 month	3 month	CYTD	1 year	Inception p.a.
Fund	(3.7)	(0.5)	7.6	12.4	12.4
Benchmark	(2.3)	0.1	7.0	11.3	11.3
Difference	(1.4)	(0.6)	0.6	1.1	1.1

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<sup>1,2</sup> (%)



## Top & bottom stock contribution (%)



## Market cap exposure<sup>3</sup> (%)

Band	Weight	Benchmark
Mega (>\$100b)	25.1	24.8
Large (>\$25b <\$100b)	22.5	28.2
Medium (>\$5b <\$25b)	26.3	37.7
Small (<\$5b)	20.7	9.3

## Sector exposure<sup>2</sup> (%)

Sector	Long	Benchmark
Financials	23.9	22.0
Consumer Discretionary	17.8	13.9
Information Technology	14.2	20.4
Consumer Staples	10.5	6.3
Materials	8.9	8.1
Communication Services	6.6	9.5
Industrials	6.6	6.2
Energy	3.1	5.3
Real Estate	3.0	1.8
Health Care	0.0	3.9
Utilities	0.0	2.6

## Regional exposure<sup>3,4,5</sup> (%)

Region	Long	Benchmark
<b>Developing Asia</b>	<b>43.9</b>	<b>50.3</b>
- China/Hong Kong	36.6	28.9
- Indonesia	3.6	2.0
- Philippines	2.4	0.6
- India	1.2	15.5
<b>Developed Asia</b>	<b>14.0</b>	<b>26.9</b>
- Korea	9.2	12.0
- Taiwan	4.8	14.9
<b>LATAM/EEMEA</b>	<b>31.7</b>	<b>21.3</b>
- Brazil	17.2	5.5
- Mexico	13.6	2.7
- Rest LATAM	0.9	0.6
- Rest LATAM/EEMEA	0.0	12.5
<b>Rest of World</b>	<b>4.9</b>	<b>1.5</b>
<b>Total Equities</b>	<b>94.6</b>	<b>100.0</b>
<b>Cash</b>	<b>5.4</b>	<b>0.0</b>
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>

Top 10 equity longs<sup>4</sup> (%)

Name	Country	Weight
Alibaba	China/HK	6.1
Fomento Economico Mexicano	Mexico	6.0
Samsung Electronics	Korea	5.7
Taiwan Semiconductor	Taiwan	4.8
Itaú Unibanco Holding	Brazil	4.6
Galaxy Entertainment Group	China/HK	4.0
PT Bank Mandiri (Persero)	Indonesia	3.6
Sendas Distribuidora	Brazil	3.6
KB Financial Group	Korea	3.5
Baidu	China/HK	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	\$19m
Strategy AUM	\$19m
Unit redemption price	0.9652

Performance & risk summary<sup>1</sup>

	Portfolio	Benchmark
Standard deviation	21.0%	13.4%
Sharpe ratio	0.41	0.48
Information ratio	0.25	-
Beta	1.49	-
Stock count (long)	38	-
Average net exposure	93.5%	-
Upside capture ratio	139	-
Downside capture ratio	151	-

## 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

☎ 1300 010 311  
✉ [invest@antipodespartners.com](mailto:invest@antipodespartners.com)

## Australia head office

Antipodes Partners Limited  
Level 25, Australia Square  
Tower, 264 George Street  
Sydney NSW 2000

## UK Office

Antipodes Partners Limited  
Suite 823  
125 Old Broad Street  
London EC2N 1AR UK

<sup>1</sup> Based on gross returns in AUD

<sup>2</sup> GICS classification

<sup>3</sup> Call (put) options represented as the current option value (delta adjusted exposure)

<sup>4</sup> Antipodes classification

<sup>5</sup> Where possible, regions, countries and currencies classified on a look through basis

<sup>6</sup> 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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