

## Key Takeaways

- Global equities were higher over the month, led by the US and Europe, with the Fed pausing rate hikes for the first time in 15 months.
- Despite policy support, Chinese equities lagged over the month, with data failing to ease concerns around a slower than expected recovery.
- The Antipodes Global Fund underperformed the benchmark over the month.

## Commentary\*

Global equities were higher in June (+2.9%) with consumer discretionary, industrials and materials sectors outperforming whilst utilities, healthcare and communication services underperformed.

US equities outperformed (+3.7%) with the Fed pausing hiking for the first time in 15 months, however not without hawkish messaging indicating the potential for further hikes in 2023. Subsequently the yield curve repriced, removing some previously predicted rate cuts. Overall US Economic data has been weakening, however key sectors including services and non-residential construction continue to remain resilient.

European equities were higher (+1.9%) though were impacted by China's economic reopening data failing to meet expectations. The European Central Bank hiked as expected, whilst the Bank of England and Norges Bank surprised markets with 50bp hikes rather than the anticipated 25bp. Hawkish rhetoric continued within the region,

with core CPI remaining sticky and the market pricing in an increased probability of a UK recession.

Asian equities underperformed broader markets (+0.4%) over the month. Chinese equities lagged (-1.0%) with several economic data points failing to meet expectations. The PBOC provided further support through additional policy loosening, however this fell short of market expectations. Japanese equities were higher (+1.2%) with the currency remaining weak due continued BOJ yield curve control despite core inflation increasing gradually, albeit at levels below other developed economies.

Elsewhere, Brent Crude (+3.1% in USD) was up from output cuts, Gold (-2.2%) was down, whilst the US Dollar (-1.4%) was weaker.

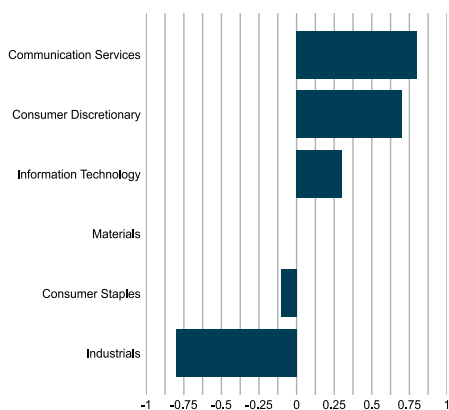
\* Illustrative only and not a recommendation to buy or sell any particular security.

## Net performance (%)

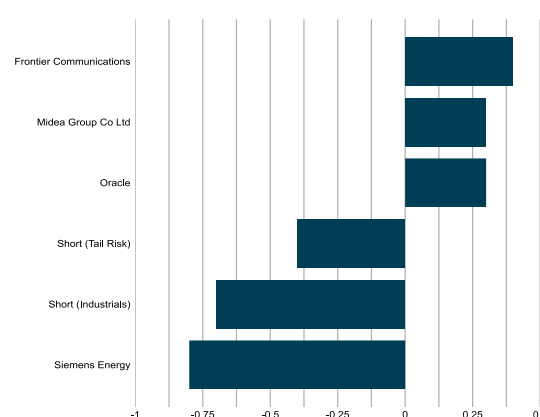
	1 month	3 month	CYTD	1 year	3 year p.a.	5 year p.a.	Inception p.a.
Fund	0.0	0.6	11.1	14.4	10.3	6.0	8.7
Benchmark	2.9	6.8	16.1	20.4	12.2	10.4	10.1
Difference	(2.9)	(6.2)	(5.0)	(5.9)	(1.9)	(4.4)	(1.4)

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<sup>2,3</sup> (%)



## Top & bottom stock contribution (%)



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

Band	Weight	Short	Net	Benchmark
Mega (>\$100b)	35.0	-11.5	23.5	48.5
Large (>\$25b <\$100b)	38.2	-5.5	32.7	32.2
Medium (>\$5b <\$25b)	16.5	-4.4	12.1	18.0
Small (<\$5b)	8.7	-2.1	6.6	1.2

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

Sector	Long	Short	Net	Benchmark
Consumer Discretionary	18.8	-3.0	15.8	11.2
Information Technology	14.7	-2.7	12.0	22.1
Financials	13.7	-3.7	10.0	15.3
Health Care	10.7	-1.2	9.5	11.9
Industrials	9.7	-2.3	7.4	10.5
Communication Services	9.6	-0.9	8.7	7.4
Consumer Staples	7.1	-0.2	6.9	7.3
Materials	4.9	-0.6	4.3	4.6
Energy	4.4	0.0	4.4	4.7
Real Estate	2.6	-1.7	0.9	2.3
Utilities	2.2	0.0	2.2	2.7
Other	0.0	-7.1	-7.1	0.0

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

Region	Long	Short	Net	Benchmark
<b>North America</b>	<b>34.6</b>	<b>-13.1</b>	<b>21.6</b>	<b>65.0</b>
<b>Western Europe</b>	<b>34.5</b>	<b>-2.3</b>	<b>32.2</b>	<b>15.7</b>
- Eurozone	25.2	-1.3	23.9	8.1
- United Kingdom	6.0	-	6.0	3.4
- Rest Western Europe	3.3	-0.9	2.3	4.2
<b>Developing Asia/EM</b>	<b>21.9</b>	<b>-1.9</b>	<b>20.0</b>	<b>8.8</b>
- China/Hong Kong	16.2	-0.2	16.0	4.0
- India	0.0	-1.7	-1.7	1.5
- Rest Developing Asia/EM	5.7	-	5.7	3.4
<b>Developed Asia</b>	<b>5.5</b>	<b>-1.5</b>	<b>4.0</b>	<b>8.5</b>
- Korea/Taiwan	3.1	-0.8	2.3	2.9
- Japan	2.4	-0.7	1.7	5.6
<b>Oceania</b>	<b>1.9</b>	<b>-3.8</b>	<b>-1.9</b>	<b>1.9</b>
<b>Other equity</b>	<b>0.0</b>	<b>-0.9</b>	<b>-0.9</b>	<b>0.0</b>
<b>Total Equities</b>	<b>98.4</b>	<b>-23.5</b>	<b>74.9</b>	<b>100.0</b>
<b>Other</b>	<b>0.0</b>	<b>-13.9</b>	<b>-</b>	<b>0.0</b>
<b>Cash</b>	<b>1.6</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Totals</b>	<b>100.0</b>	<b>-37.4</b>	<b>-</b>	<b>100.0</b>

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

Name	Country	Weight
Sanofi	France	3.6
Merck	United States	3.0
Oracle	United States	2.8
Alibaba	China/HK	2.7
Meta Platforms	United States	2.7
TotalEnergies	France	2.6
Baidu	China/HK	2.6
Siemens	Germany	2.5
Midea Group Co.	China/HK	2.4
SAP	Germany	2.3

## Fund facts

Characteristics	
Investment manager	Antipodes Partners Limited
Inception date	1 July 2015
Benchmark	MSCI All Country World Next Index in AUD
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	\$2,066m
Strategy AUM	\$4,649m
Unit redemption price	1.7304

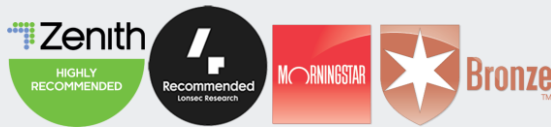
Performance & risk summary<sup>6</sup>

	Portfolio	Benchmark
Standard deviation	9.0%	10.9%
Sharpe ratio	0.97	0.80
Information ratio	-0.01	-
Beta	0.57	-
Stock count (long)	69	-
Average net exposure	65.0%	-
Upside capture ratio	70	-
Downside capture ratio	44	-

## Fund features

- Objective to achieve absolute returns in excess of the benchmark (after fees) over the investment cycle (typically 3-5 years)
- In the absence of finding securities that meet minimum risk-return criteria, cash may be held
- Equity shorts and currency positions used to take advantage of attractive risk-return opportunities, offset specific long portfolio risks and provide some protection from negative tail risk. Derivatives may also be used to amplify high conviction ideas
- Typical net equity exposure of 50% to 100%; maximum gross exposure of 150% of NAV
- 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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