

Monash Absolute Investment Fund

(APIR MON001AU)



6% p.a Target
Distribution



Double Digit returns
since inception



Long/Short
Australian Equities



Proven Track
Record¹

May 2023 Fund Update

In May, the Fund fell -6.3% (after fees) giving back its positive return of April. This compares to a decrease of -3.3% for the Small Ords. However, we remain ahead of the Small Ords over the last two months and very significantly ahead of it over medium to long term time periods. For the 12 months the Fund is up 2.0% compared to the Small Ords which is down -5.8%.

As a high conviction manager we do get impacted from short term swings in share prices. We have shown over the medium to long term that our investment approach rewards investors.

Monash Investors was established in 2012, and since that time on average 91% of the stocks in our portfolio have been outside the S&P/ASX 100. The Small Ords comprises the 200 stocks in the S&P/ASX 300 that excludes the largest 100.

Despite being stock size agnostic in our approach, the overwhelming number of stocks that have met our investment criteria have been small cap, and this is where we have had our best payoffs as investors. To put the size of these companies in perspective, the largest Small Ords stocks have market capitalisations of about \$4 billion and the smallest ones about \$100m.

Given our overwhelming exposure to small cap stocks, going forward we will be re-naming the portfolio to reflect this. This will help us position the fund as a product that is relevant to a larger number of investors.

We will not be changing our investment philosophy or approach, but we will be making some minor changes. To better reflect to investors what we actually do, we will be narrowing the very wide risk limits of the portfolio to ranges consistent with how the portfolio has actually operated. For the Fund we will phase out pre-IPO to bring it in line with our listed fund, Monash Absolute Active Trust (Hedge Fund) (ASX: MAAT). And we will limit our cash holdings to a maximum of 10% at any time, compared to the 20% they have averaged since our inception. For more information on these changes please refer to the [notice](#) sent to unitholders on 5 June 2023.

During May, the portfolio was impacted by regulatory news that potentially had negative impacts for a couple of our stocks.

¹ Inception date is 2 July 2012. Past performance is not indicative of future performance.

Return Summary¹ (after all fees)

1 Month	3 Months
-6.30%	-0.60%
1 Year	3 Years
+2.00%	+8.20% _{pa}



Our Investment team: Sebastian Correia, Simon Shields and Shane Fitzgerald

This fund is appropriate for investors with "High" and "Very High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

Monash Absolute Investment Fund

(APIR MON001AU)

In the case of Paladin Energy (ASX: PDN), a Namibian government minister speculated requiring a free carry government interest in mining and oil companies which saw the stock fall 17%. This has subsequently been walked back by the Government and in the first few days of June, PDN had fully recaptured the drop in its share price suffered from this effect.

IDP Education (ASX: IEL) fell -23% following the Canadian government allowing four new English language test providers. This has led to EPS downgrades for the stock of around 8%. Despite this EPS growth still remains well over 20% p.a. for the next three years. The key growth engine of the business – Student Placement, remains a structurally growth story and underappreciated in the current share price.

Return Summary Since Inception (after fees)²

	MAIF	Small Ords
CYTD	-0.87%	1.30%
FYTD	3.02%	8.42%
1 Month	-6.31%	-3.26%
3 Month	-0.63%	-1.29%
6 Month	-5.09%	-2.48%
1 Year	2.00%	-5.77%
2 Years (p.a.)	-1.92%	-5.17%
3 Years (p.a.)	8.21%	4.46%
4 Years (p.a.)	9.27%	2.56%
5 Years (p.a.)	9.35%	2.46%
7 Years (p.a.)	6.22%	5.62%
Since Inception (p.a.)	9.48%	5.64%

² Inception date 2 July 2012. Past performance is not indicative of future performance.

Monash Absolute Investment Fund

(APIR MON001AU)

For all business development enquiries, please contact

Cameron Harris

P: +61 400 248 435

cameron@gsmcapital.com.au

For all investors enquiries, please contact

Apex Fund Services Pty Ltd,

P: 1300 133 451

or by email at registry@apexgroup.com

For more information about MAIF and the strategy, please refer to the Monash Investors website at www.monashinvestors.com. You can also [follow us on Livewire here](#) or [subscribe to our updates here](#)

This document is prepared by Monash Investors Pty Limited ABN 67 153 180 333, AFSL 417 201 ("Monash Investors") as authorised representatives of Sanlam Private Wealth Pty Ltd ABN 18 136 960 775, AFSL 337 927 ("Sanlam") for the provision of general financial product advice in relation to the Monash Absolute Investment Fund ARSN 606 855 501 ("Fund") and authorised for release by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235 150 ("Perpetual") as the responsible entity of, and issuer of units in the Fund. Monash Investors is the investment manager of the Fund. A Product Disclosure Statement ("PDS") dated 25 May 2022 together with a Target Market Determination ("TMD"), both issued by Perpetual, is available for the Fund at www.monashinvestors.com. You should obtain and consider the PDS and TMD for the Fund before deciding whether to acquire, or continue to hold, an interest in the Fund. The information provided is general information only and is not intended to provide you with financial advice, it does not consider your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor if necessary. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. No company in Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital.

Performance figures assume reinvestment of income. Past performance is not a reliable indicator of future performance. Comparisons are provided for information purposes only and are not a direct comparison against benchmarks or indices that have the same characteristics as the Fund. Monash Investors, Sanlam and Perpetual do not guarantee repayment of capital or any particular rate of return from the Fund and do not give any representation or warranty as to the reliability, completeness or accuracy of the information contained in this document. All opinions and estimates included in this document constitute judgments of Monash Investors as at the date of this document are subject to change without notice. Perpetual is not responsible for this document.

In relation to the target distribution, this is a target return only. There is no guarantee the Fund will meet its investment objective. The payment of a quarterly distribution is a goal of the Fund only and neither Monash Investors or Perpetual provide any representations or warranty (whether express or implied) in relation to the payment of any quarterly cash income. The Fund reserves the discretion to amend its distribution policy.

The rating issued 09/2021 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2020 Lonsec. All rights reserved.

The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned MON001AU June 2021) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>.