

# Portfolio Profile

## Antares Ex-20 Australian Equities Fund

September 2021



### Fund description and investment return objective

The Fund is an actively managed, concentrated portfolio of equities outside the largest 20 Australian listed companies by market capitalisation (as defined by the S&P/ASX 20 Total Return Index) that Antares identifies as having the potential to offer significant long-term capital growth. The Fund may also invest in equities expected to be listed on the Australian share market.

The investment objective is to outperform the Benchmark (after fees) over rolling five year periods.

### Manager's commentary

The strategy delivered a net return of -0.8% for the month of September<sup>1</sup>, which was marginally ahead of our benchmark's fall of 1.0% as the market consolidated recent gains.

Our best contributor for the month was Qantas (QAN). The stock was supported by a slew of positive announcements on the re-opening of Australia's borders, commencing with NSW.

Paladin (PDN) also enjoyed a strong month as the market began to realise the looming supply shortage of uranium for reactors. Our thesis to own PDN has focused on this supply issue due to the lack of investment in production of the mineral.

IDP Education (IEL) also rallied strongly in September for similar reasons to QAN – namely the positive announcements of the Australian national border re-opening.

Afterpay (APT) detracted from performance in September – technology stocks generally fell in the month as interest rates rose globally on inflationary fears. This affects the valuation of longer duration assets.

South 32 (S32) detracted from performance as the aluminium and coal prices rose driving the stock up in the month - we do not own S32.

Finally, Northern Star (NST) detracted during the month as the US dollar strengthened, lessening the appeal of gold.

### Portfolio facts

<b>Inception date:</b>	1 October 2019
<b>Fund size at 30 September 2021:</b>	\$42.6m
<b>Benchmark:</b>	S&P/ASX 200 Total Return Index excluding the companies listed on the S&P/ASX 20 Total Return Index.
<b>Investment timeframe:</b>	At least 5 years
<b>No. of shares:</b>	15 to 30

### Top 10 share holdings

as at 30 September 2021 (alphabetical order)

- Aristocrat Leisure
- Medibank Private
- Metcash
- Nine Entertainment Co Holdings
- Qantas Airways
- QBE Insurance Group
- Qube Holdings
- Seek
- Star Entertainment Group
- Treasury Wine Estates

### Investment returns as at 30 September 2021<sup>1</sup>

Period	1 month	3 months	1 year	3 years pa	5 years pa	7 years pa	Since inception pa
Net return <sup>2</sup> %	-0.8	3.9	34.7	-	-	-	14.9
Gross return <sup>3</sup> %	-0.8	4.1	38.0	-	-	-	17.7
Benchmark return %	-1.0	4.9	26.9	-	-	-	7.7
<b>Net excess return %</b>	<b>0.2</b>	<b>-1.0</b>	<b>7.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.2</b>
<b>Gross excess return %</b>	<b>0.2</b>	<b>-0.8</b>	<b>11.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.0</b>

<sup>1</sup> Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document.  
<sup>2</sup> Investment returns are based on exit prices, and are net of management fees and assume reinvestment of all distributions. The performance inception date is 2 October 2019.

## Investor profile

The Ex-20 Australian Equities Fund is designed for investors seeking an actively managed, highly concentrated portfolio of Australian securities that excludes the top 20 stocks by market capitalisation. The Fund aims to provide investors with long term capital growth.

## Investment details

<b>Minimum investment:</b>	\$20,000
<b>Minimum additional investment:</b>	\$5,000
<b>Income treatment:</b>	Half-yearly distribution or re-investment
<b>Entry fee:</b>	Nil
<b>Exit fee:</b>	Nil
<b>Management fee:</b>	0.85% (incl. net effect of GST) per annum
<b>Performance fee:</b>	The performance fee is calculated as 15% of the difference between the Fund's quarterly return (after deducting the management fee and assuming the reinvestment of distributions) and the Benchmark's quarterly return <sup>5</sup> .

<sup>5</sup> The Benchmark of the Fund is S&P/ASX 200 Total Return Index excluding the S&P/ASX 20 Total Return Index..

## Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 30 Sep 21
<b>Australian shares</b>	90%	100%	100%	95%
<b>Cash and cash equivalents</b>	0%	0%	10%	5%

## Distribution history<sup>4</sup>

Quarter end	Cents per unit
30 June 2021	3.43
31 December 2020	0.60
30 June 2020	0.91
31 December 2019	0.00

<sup>4</sup> Distribution rates have been rounded to two decimal places. As a result, the actual payment rate may differ slightly to the rates listed above.

## Franking levels

Year end	
30 June 2021	29.46%
30 June 2020	97.61%

## About Antares Equities

Antares Equities (Antares) is a specialist Australian equities manager. Since 1994, Antares has managed portfolios for wholesale, advised and direct investors through a suite of products including segregated mandates, investment funds and managed account models. Antares has A\$5.5 billion (at 30 June 2021) under advice across a range of strategies including large capitalisation, concentrated, property, income and long-short. Antares believes in bottom-up stock picking. A consistent process and detailed, quality research executed by a highly experienced, stable and diverse team underpin this approach. The investment philosophy is based on the belief that markets can misprice stocks and these opportunities can be identified using the proven, proprietary Antares research process. Antares Equities is part of Antares Capital Partners Limited (ABN 85 066 081 114, AFSL 234483).

**For further information please contact our Client Services Team - Toll Free: 1800 671 849**

**Important information:** Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483 ('ACP'), is the Responsible Entity of, and the issuer of units in, the Antares Ex-20 Australian Equities Fund ARSN 635 799 530 ('the Fund'). An investor should consider the current Product Disclosure Statement and Product Guide for the Fund ('PDS') in deciding whether to acquire, or continue to hold, units in the Fund and consider whether units in the Fund is an appropriate investment for the investor and the risks of any investment. This report has been prepared in good faith, where applicable, using information from sources believed to be reliable and accurate as at the time of preparation. However, no representation or warranty (express or implied) is given as to its accuracy, reliability or completeness (which may change without notice). This communication contains general information and may constitute general advice. This report does not take account of an investor's particular objectives, financial situation or needs. Investors should therefore, before acting on information in this report, consider its appropriateness, having regard to the investor's particular own objectives, financial situation or needs. We recommend investors obtain financial advice specific to their situation. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document. Any projection or other forward looking statement ('Projection') in this report is provided for information purposes only. No representation is made as to the accuracy or reasonableness of any such Projection or that it will be met. Actual events may vary materially. Any opinions expressed by ACP constitute ACP's judgement at the time of writing and may change without notice. ACP is a part of the IOOF group of companies (comprising IOOF Holdings Ltd ABN 49 100 103 722 and its related bodies corporate) ('IOOF Group'). The capital value, payment of income and performance of the Fund are not guaranteed. An investment in the Fund is subject to investment risk, including possible delays in repayment of capital and loss of income and principal invested. Neither ACP nor any other member of the IOOF Group guarantees the repayment of your capital, payment of income or the performance of your investment.