

Monthly Update: Global Companies Fund

Simple ideas, simple businesses

Building long term wealth by finding and exploiting investment anomalies around the world

PM Capital is delighted to be the Zenith Fund Awards 2021 Winner for International Equities - Alternative Strategies



Global Companies Fund	Inception Date	Exit Price (\$ cum)	1 Month	3 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since Inception pa
Fund performance	10-1998	4.4206	0.4%	-8.9%	1.8%	13.8%	11.0%	8.7%	16.2%	9.1%
MSCI World Net Total Return Index (AUD)			-2.5%	-1.2%	-9.5%	8.1%	11.0%	9.4%	14.1%	5.4%

Growth of AUD \$100,000

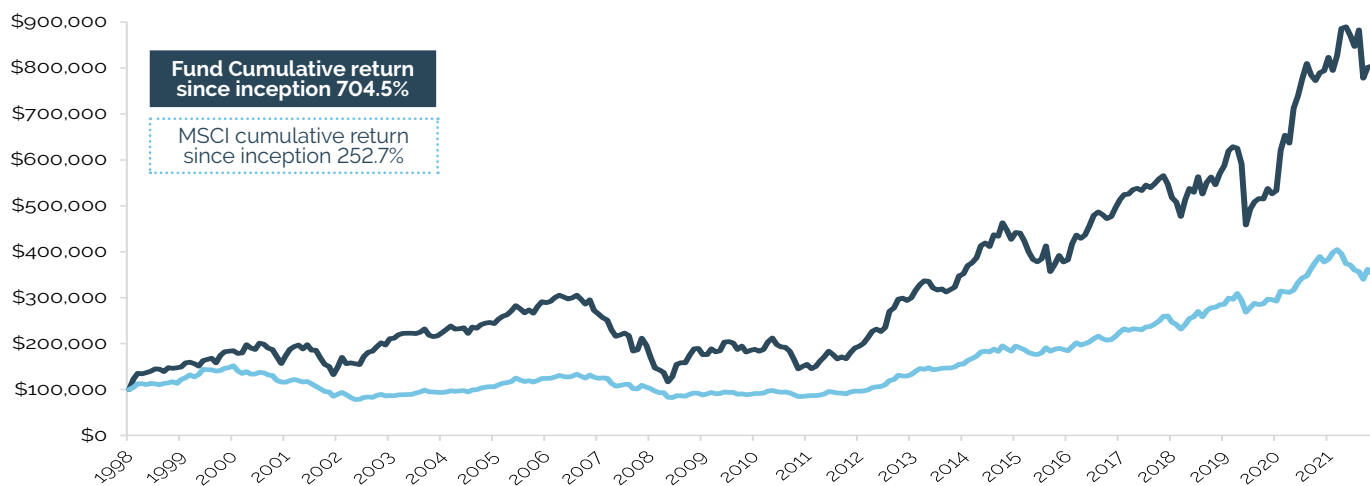
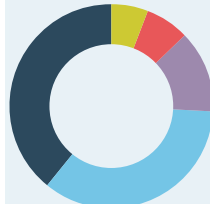
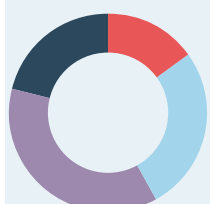


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 28 October 1998. These figures represent past performance only. No guarantees exist of future returns above or below these figures. Past performance is no indication of future performance. Neither PM Capital Limited nor any other person makes any representation as to the future performance or success of, the rate of income or capital return from, recovery of money invested in, or income tax or other taxation consequences of, any investment in the Fund.

Portfolio investments	Weighting	Current stock example	Domicile of listing [^]
Domestic Banking - Europe	18%	ING Groep	 <ul style="list-style-type: none"> Europe 39% North America 35% United Kingdom 13% Asia (Ex-Japan) 7% Australia 6%
Domestic Banking - USA	14%	Bank of America	
Energy	14%	Shell	
Industrial commodities	14%	Freeport-McMoRan Copper	
Quality Industrial Franchises	10%	Siemens	
Gaming	11%	Wynn Resorts	
Alternative Investment Managers	8%	Apollo Global Management	
Housing Ireland & Spain	7%	Cairn Homes	
Other	5%		
Long Equity Position	101%		 <ul style="list-style-type: none"> Mega (>\$100bn) 21% Large (<\$100bn) 37% Medium (<\$30bn) 27% Small (<\$5bn) 15%
Direct Short Position	-6%		
Index Short Position	-5%		
Net invested equities	90%		
Total holdings	44		
		Currency exposure**	
		AUD	75%
		USD	10%
		GBP	10%
		EUR	1%
		Other	4%

[^] 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office.

* Breakdown of portfolio's long equity holdings into market cap. bands.

** Stated at effective value.

Fund commentary

- Teck Resources up strongly due to a rebound in metallurgical coal prices
- Flutter Entertainment strengthens its position in the fast-growing North American sports betting market

The portfolio returned 0.4% during the month of August compared to the market falling 2.5% as investors worry about aggressive interest rate hikes from global central banks.

Teck Resources was up 15% on a rebound in the metallurgical coal price. While steel markets were weak, the metallurgical coal market is finding support from the thermal coal market and the European energy crisis. Certain grades of metallurgical coal are suitable substitutes for thermal coal. Various publicly listed miners disclosed that they are shifting spot cargoes into the thermal markets - achieving higher prices and helping to rebalance the metallurgical market.

Flutter Entertainment advanced 31% after interim results again highlighted the strength of its position in the fast-growing North American sports betting and gaming market. Flutter's North American operations achieved EBITDA breakeven in Q2 making them the first major operator to achieve the milestone. The result was even more impressive considering Flutter continues to invest meaningfully into product and customer acquisition to grow market share. Flutter held a 51% share of sports betting GGR in Q2 and its FanDuel brand was the market leader in 13 of 15 states where it has a presence.

Top 10 stocks

Stock name	Sector
Apollo Global Management	Alternative Investment Managers
Bank of America	Banks
Caixa Bank	Banks
Freeport-McMoRan	Metals & Mining
ING Groep	Banks
Shell	Energy
Siemens	Industrial
Teck Resources	Metals & Mining
Wells Fargo & Company	Banks
Wynn Resorts	Consumer Services

PM Capital Limited, founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long term wealth by investing in global markets with patience and conviction.

Further Information

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Key Fund Details

Fund category

Global equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

28 October 1998

Fund size

\$507.9 Million

Strategy size

\$1,366.7 Million

Number of stocks

As a guide, 25-45 stocks

Minimum direct investment

\$20,000

Recommended investment time

Seven years plus

Fees (pa)

Mgmt fee: 1.09% Perf. fee: 20% (subject to a high water mark) of the excess above the greater of the RBA cash rate and MSCI World Net Return Index (AUD).

Buy / sell spread

0.5% (Round trip)

Investor profile

The Fund may be appropriate for investors seeking capital appreciation over a seven plus year investment horizon

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The Index is the MSCI World Net Total Return Index in Australian dollars, net dividends reinvested. See www.msci.com for further information on the Index. Address: Level 11, 68 York Street, Sydney, NSW 2000