

Monthly Update: Global Companies Fund

Simple ideas, simple businesses

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

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	5.5085	8.8%	18.5%	13.1%	17.0%	13.4%	14.0%	16.0%	10.0%
MSCI World Net Total Return Index (AUD)			3.0%	-0.5%	-7.5%	5.8%	9.5%	10.6%	13.4%	5.5%

Growth of AUD \$100,000

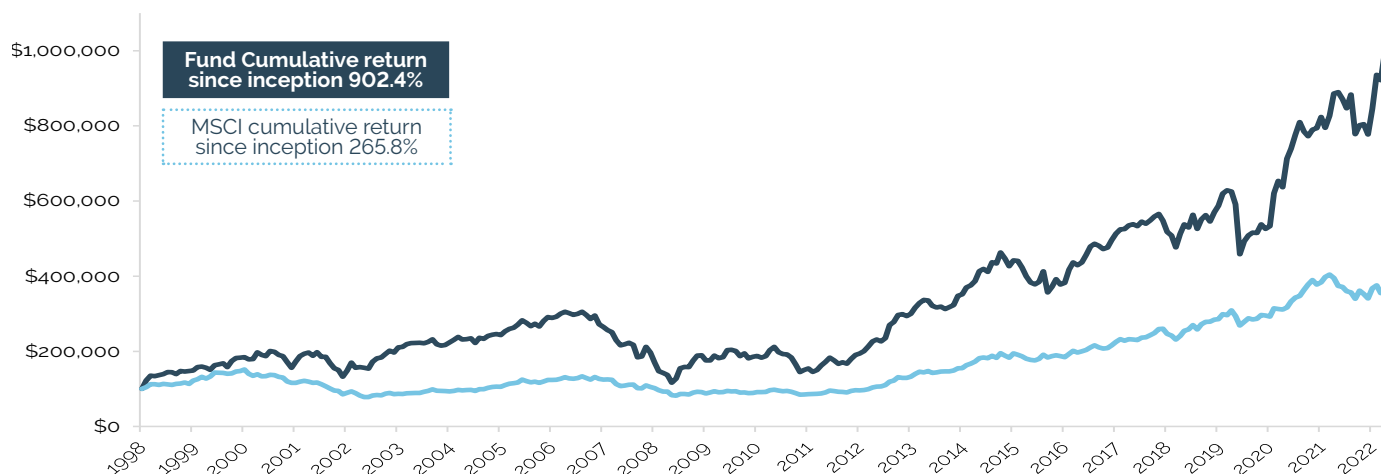
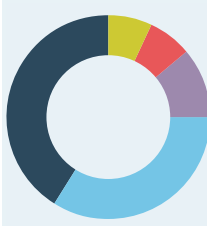
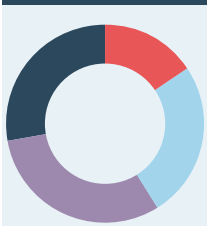


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 28 October 1998. These figures represent past performance only. No guarantees exist of future returns above or 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	25%	ING Groep	 <ul style="list-style-type: none"> Europe 41% North America 35% United Kingdom 10% Asia (Ex-Japan) 7% Australia 7%
Domestic Banking - USA	13%	Bank of America	
Commodities - Energy	13%	Shell	
Commodities - Industrial metals	12%	Freeport-McMoRan Copper	
Gaming	12%	Wynn Resorts	
Industrials	10%	Siemens	
Alternative Investment Managers	7%	Apollo Global Management	
Housing Ireland & Spain	5%	Cairn Homes	
Other	6%		
Long Equity Position	103%		 <ul style="list-style-type: none"> Mega (>\$100bn) 25% Large (<\$100bn) 38% Medium (<\$30bn) 23% Small (<\$5bn) 14%
Direct Short Position	-3%		
Index Short Position	-4%		
Net invested equities	96%		
Total holdings	43		
		Currency exposure** 100%	
		AUD 79%	
		USD 8%	
		GBP 7%	
		EUR 2%	
		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

- Strong visitation during Chinese New Year supports Macau
- Additional investments made in oil and gas producer CNOOC
- ECB increases European interest rates and indicates more to follow

Macau gaming and commodities, two sectors sensitive to China's reopening, continued to outperform in January as investors recalibrated expectations for growth in the world's second largest economy. The Chinese New Year period saw visitation to Macau exceed expectations. Amongst our commodity holdings we increased our position in CNOOC after the company's annual strategy day reinforced the strong fundamentals underlying the business, as well as management's commitment to its shareholder returns policy.

European banks began reporting full year earnings and as expected, higher interest rates are driving substantial increases in net interest revenue and ultimately profitability. While stock prices have been rising over the last couple of months, European banks continue to trade on around 8 times earnings, sub 1 times book value while paying 6% dividend yields on a 50% payout ratio. The low payout ratio provides ample capacity for buybacks that should push total annual shareholder returns into the low double digits.

Top 10 stocks

Stock name	Sector
Apollo Global Management	Alternative Investment Managers
Caixa Bank	Banks
CNOOC	Energy
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

\$670.5 Million

Strategy size

\$1,736.3 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

Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Global Companies Fund (ARSN 092 434 618, the 'Fund'). It contains summary information only to provide an insight into how we make our investment decisions. This information does not constitute advice or recommendations, and is subject to change without notice. It does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider the Target Market Determinations and the current Product Disclosure Statement (which available from us), and obtain their own financial advice prior to making an investment decision. The PDS explains how the Fund's Net Asset Value is calculated. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up due to various market forces. The investment objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. 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