

Quarterly performance report

31 March 2019

Mason Stevens Concentrated Global Equity Model Portfolio

The Mason Stevens Concentrated Global Equity Model Portfolio is offered via a Managed Discretionary Account (MDA), also sometimes referred to as a Separately Managed Account (SMA).

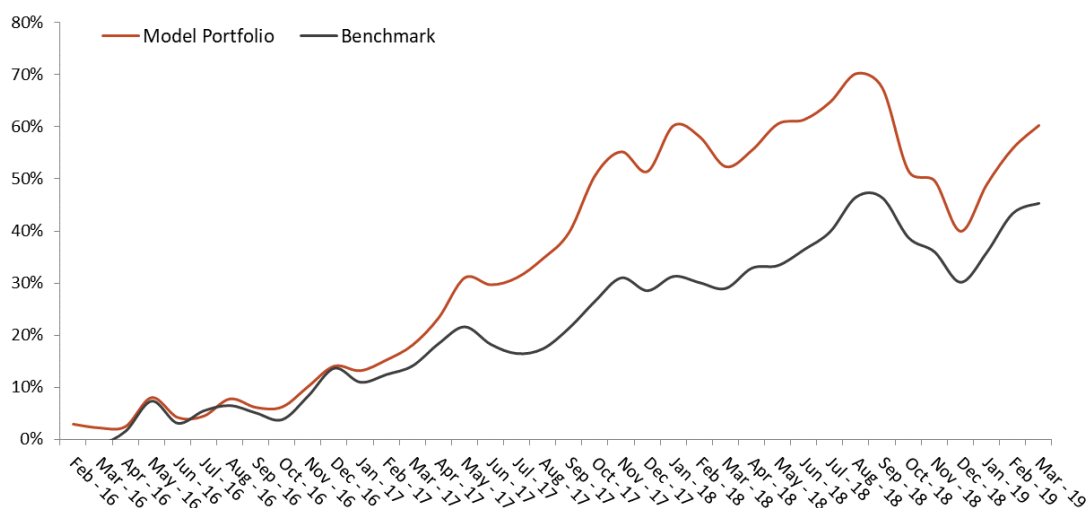
Performance as at 31 March 2019 ¹					Top five holdings	
	1 mth (%)	3 mths (%)	1 year (%)	Since incep (%pa)		%
Portfolio	2.82	14.54	5.20	16.24	Amazon.com, Inc. (AMZN)	6.96
Benchmark	1.34	11.62	12.65	12.64	Microsoft Corporation (MSFT)	6.83
+/- Return	1.48	2.91	-7.45	3.59	Alibaba Group Holding Ltd (BABA)	6.70
					Alphabet Inc. (GOOG)	6.53
					Samsung Electronics Co Ltd (SMSN)	6.35

Market and portfolio review

The Mason Stevens Concentrated Global Equity Portfolio increased by 14.54% in the March quarter, outperforming the MSCI World Net Total Return Index by 2.91%. The March quarter saw a sharp rebound in equity markets after the December quarter sell-off. Tech stocks had the strongest rebound. A pivot by the Federal Reserve towards a more neutral monetary stance, another better-than-expected earnings season, and signs of some progress being made in US-China trade talks were positive developments.

The best-performing stocks in the portfolio during the quarter were NVIDIA (NVDA) up 34.5%, Alibaba (BABA) up 33.1%, and Facebook up 27.2%. The only stock that fell in price was Berkshire Hathaway (BRK.B), down 1.6%. Some cash was put back to work with new positions established in Mastercard (MA), Sherwin-Williams (SHW) and the luxury goods company Kering (KER.PAR).

Cumulative performance since incep¹



¹ The Model Portfolio Benchmark is the MSCI® World Net Total Return Index (\$A). Returns are calculated net of management, performance, administration/custody and transaction fees, but excluding any adviser fees from the Model Portfolio's inception date of 10 February 2016, and assumes reinvestment of all income (but not franking credits). Returns are based on the theoretical performance of a portfolio which implemented the Model Portfolio from the inception date based on simplifying assumptions and stock weightings. Actual individual returns of each client's portfolio will differ depending on factors such as date of initial investment, timing of transactions, contributions and withdrawals, fees and any customisations. Past performance is not a reliable indicator of future performance and may not be achieved in the future. Each client should also take into account their own taxation situations. All information provided in this Report is correct as at the date of this Report.

Investment objective & strategy

The Model Portfolio aims to outperform the MSCI® World Net Total Return Index (\$A) on a rolling 3-year basis after fees and expenses by investing in an actively managed portfolio of direct global equities. Direct equities can be denominated in any currency.

The Model Portfolio will generally form part of the international equity component of an investor's investment portfolio and may be suitable for investors seeking to generate returns through investing in international equities over at least a 3-year period.

The underlying investments are selected for inclusion in the Model Portfolio based on their risk-adjusted return opportunity. To create a balance of risk, return and, to a certain extent, liquidity in the portfolio, the Program Adviser will use the following investment criteria as part of the risk management process:

- Maximum exposure to any single security is limited to 15% of the assets of the portfolio, and
- Cash can be up to 15% of the value of the portfolio.

Key features & details

Investment universe	Securities listed on global stock exchanges and cash.
Investment objective	Aims to outperform the MSCI World Net Total Return Index (\$A) on a rolling 3-year basis (after fees)
Benchmark	MSCI® World Net Total Return Index (\$A)
Number of investments	10-20 securities
Max individual security weighting	15%
Min investment amount	A\$50,000
Suggested timeframe	3-5 years +

Portfolio management

The Model Portfolio is managed by Mason Stevens Asset Management Pty Limited (MSAM) as the Program Adviser. MSAM is part of the Mason Stevens group of companies.

Investment decisions are governed by an Investment Committee that ensures the appropriate discipline and rigour is applied to the investment process.

Investment team

Chris Alcott

Portfolio Manager, Managing Director – Investment Solutions

Other members of the team include: Vincent Hua, Chief Investment Officer; Aaron Raynor, Head of Dealing; Darren Letts, Dealer; Roman Gerber, SMA Manager.

About Mason Stevens

Mason Stevens provides a multi-asset and multi-currency investment administration and managed account service to help produce tailored investment outcomes for advisers and their clients. Clients benefit from efficient portfolio administration, secure online access to their investments, as well as comprehensive reporting

More information

Further information about the Portfolio, including fees and costs, is outlined in the Mason Stevens Concentrated Global Equity Model Portfolio.

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