

Quarterly performance report

30 June 2019

Stalbridge Capital Global Opportunity – Retail Managed Portfolio

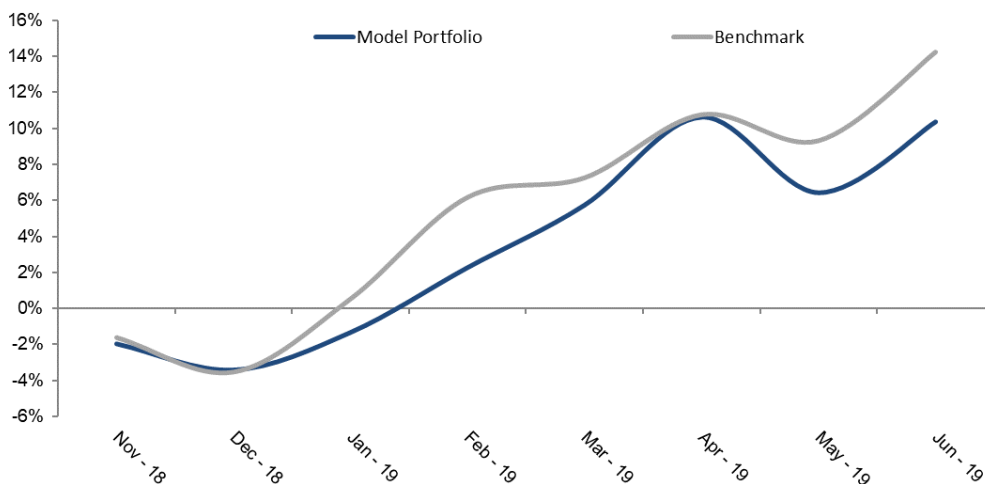
The Stalbridge Capital Global Opportunity – Retail Managed Portfolio is a Managed Discretionary Account (MDA), also sometimes referred to as a Separately Managed Account (SMA).

Performance as at 30 June 2019 ¹					Top five holdings	
	1 mth (%)	3 mths (%)	1 yr (%)	Annualised return since incep (%pa)		%
Portfolio	3.70	4.38	N/a	16.12	Cash	6.78
Benchmark	4.50	6.50	N/a	22.36	Telstra Corporation Ltd (TLS)	6.31
+/- Return	-0.80	-2.13	N/a	-6.24	Microsoft Corporation (MSFT)	6.26
					GazTransport & Technigaz SA (GTT)	6.24
					Paypal Holdings Inc (PYPL)	6.24

Portfolio and market returns

The June quarter proved to be more volatile than expected, with US/China trade issues and softening macroeconomic indicators driving a market downturn in May, only alleviated later in the period by the Fed and its peers signalling rate cuts to support growth. The Managed Portfolio returned 4.38% for the period, underperforming its benchmark by 2.13%. Year to date, Managed Portfolio has returned a solid 14.3%, vs. the benchmark at 18.4%. While underperformance is never a positive, we see our strategy as sound – returns on our stock picks are above the benchmark year-to-date, while our large cash position (averaged 18% through June) was a drag on performance. Given the volatility in the first half of the year, our more cautious view has been justified. While we will continue to put cash to work, new positions will likely be more defensive until we see further signs of market stabilization.

Performance since inception¹



¹ The Portfolio's benchmark is 50% S&P/ASX 300 Accumulation Index & 50% MSCI ACWI Net Total Return Index. Past performance is not a reliable indicator of future performance and may not be achieved in the future. All information provided in this Report is correct at the date of this report. Returns are calculated net of management, administration, custody and transaction fees, and assume the reinvestment of all income (but not franking credits). Inception date of the Portfolio is 1 November 2018. Actual individual returns of each client's portfolio will differ depending on factors such as date of initial investment, timing of transactions, inflows and outflows, other fees and any customisations. Please refer to the relevant Investment Mandate for full information on product specifics, including all fees and costs.

Investment objective & strategy

Stalbridge Capital aims to achieve superior returns with a below-average risk profile over a 3-5 year cycle. We seek out high-conviction investment ideas across both domestic and global market places, within investment themes that we expect will provide growth opportunities for select companies.

The portfolio is comprised of businesses deemed attractively valued given their underlying growth opportunities, with sustainable or improving market positions and operating performance, and led by quality management. The financial strength of each company should reflect its opportunities, including expectations for sustainable or improving profitability and returns on capital, cash generation, and balance sheet integrity.

The split between Australian and global companies is determined by evaluating company-specific investment opportunities against conditions across different global financial markets.

About Stalbridge Capital

Stalbridge Capital is an Australian-based investment management company focused on finding and developing investment opportunities in both domestic and global companies. Founded in 2018, they seek to provide solid capital growth for investors over the medium- to long-term.

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.

Contact

Investors

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Key features

Investment universe	S&P/ASX 300 Accumulation Index and MSCI ACWI Total Return (in AUD); Up to 20% of the Managed Portfolio may be invested in securities outside the S&P/ASX 300 Accumulation Index and MSCI ACWI Total Return (in AUD)
Benchmark	50% S&P/ASX 300 Accumulation Index / 50% MSCI ACWI Total Return (in AUD)
Max investments	35
Min cash weighting	2%
Max equity weighting	98%
Rebalancing	Program adviser discretion
Min investment	\$50,000
Suggested timeframe	3-5 years

Portfolio management

Mason Stevens Limited, as the Managed Discretionary Account Provider, will administer and implement the Managed Portfolio on the instructions of Stalbridge Capital as the Program Adviser.

More information

Further information about the Portfolio, including fees and costs, is outlined in the Stalbridge Capital Account Service Investment Mandate.