

## Quarterly performance report

30 September 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 September 2019 <sup>1</sup>					Top five holdings		%
	1 mth (%)	3 mths (%)	1 yr (%)	Annualised return since incep (%pa)			
<b>Portfolio</b>	-1.48	2.20	N/a	14.12	CASH	Cash	10.61
Benchmark	1.86	3.27	N/a	19.88	T	AT&T	8.59
+/- Return	-3.34	-1.07	N/a	-5.77	CSL	CSL Limited	6.25
					MSFT	Microsoft Corporation	6.24
					PYPL	PayPal Holdings Inc	5.74

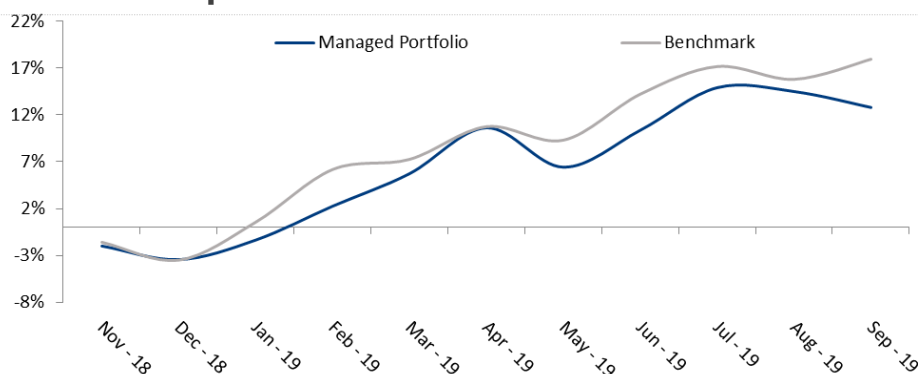
## Portfolio and market returns

**“As long as the music is playing, you've got to get up and dance. We're still dancing.” – Chuck Prince, CEO, Citigroup. 9/7/2007**

This infamous quote from the GFC's early days (Prince was ousted as Citi's CEO in November 2007 – after the dancing had stopped...) rang constant in our heads over the September quarter. Like then, the market continues to rise despite a laundry list of “red flags” – weakening macroeconomic indicators, inverted yield curves, ongoing US/China trade war, Brexit, potential presidential impeachment, Middle East tensions – and the list goes on. Counterbalancing are expectations for further rate cuts and other central bank moves, and the hopes that these are enough to sustain positive economic growth. Through it all, the Managed Portfolio gained +2.2% for the quarter (+8.8% annualized). This was below our benchmark due to our over-exposure to tech/growth names that underperformed over the period, as well as our relatively high cash level over the period.

Volatility (July up, August down, September recovery) and the quarter's shift to value from growth point to ongoing uncertainty across the markets. The right path is not clear to SC, so we remain cautious. While we remain comfortable with our growth-related names over the longer term, we trimmed many over the quarter, while also investing in more conservative holdings. Our ears are open for the end of the song; we lean toward capital preservation instead of chasing returns in what we see is a topy market.

## Performance since inception<sup>1</sup>



<sup>1</sup> 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

Please speak  
to your adviser

## Key features

<b>Investment universe</b>	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)
<b>Benchmark</b>	50% S&P/ASX 300 Accumulation Index / 50% MSCI ACWI Total Return (in AUD)
<b>Max investments</b>	35
<b>Min cash weighting</b>	2%
<b>Max equity weighting</b>	98%
<b>Rebalancing</b>	Program adviser discretion
<b>Min investment</b>	\$50,000
<b>Suggested timeframe</b>	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.

### Advisers

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