

Loftus Peak Global Change Managed Portfolio

Performance Report as at 30 June 2020



Investment objective & strategy

The Loftus Peak Global Change Managed Portfolio aims to deliver a return over the MSCI ACWI (net) (as expressed in AUD from Bloomberg), over the medium to long term by bringing a disciplined investment process to listed global companies impacted by change.

Technology is changing the world, with the leap now analogous to that which took place during the industrial revolution. Over the past 20 years, technology and innovation have changed the face of major share markets globally. The Portfolio will attempt to harvest return from this thematic.

The Portfolio offers investors the opportunity to potentially profit from the rapid, exponential growth in innovation. The Portfolio follows a long-only strategy that will result typically in 10-35 investments. It will also be able to move to around 50% cash from time to time, when the share market is judged to be overvalued.



The Loftus Peak Global Change Managed Portfolio is a Managed Discretionary Account (MDA), also sometimes referred to as a Separately Managed Account (SMA).

Performance as at 30 June 2020¹

	1mth (%)	3 mths (%)	1yr (%)	3yr (%)	Annualise d Since incept
Portfolio	0.25%	10.88%	26.46%	20.51%	19.36%
Benchmark	-0.53%	5.58%	3.91%	10.04%	11.12%
Excess Return	0.78%	5.30%	22.55%	10.47%	8.23%

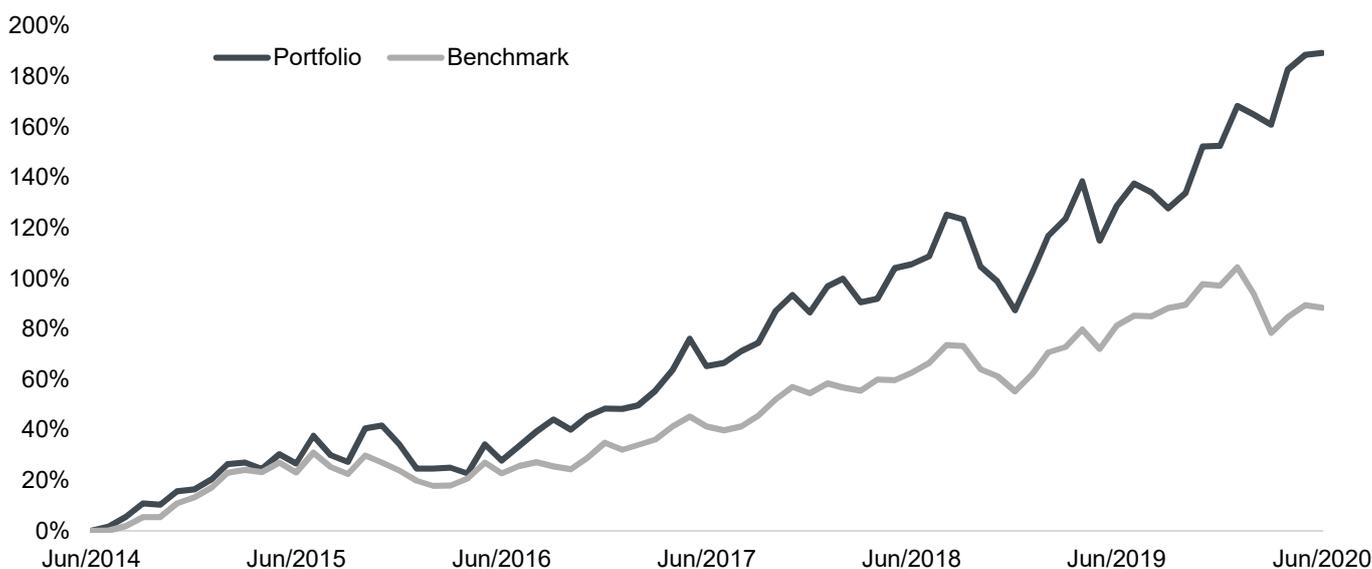
Past performance is not a reliable indicator of future performance.

The Portfolio's benchmark is MSCI ACWI (net) (as expressed in AUD from Bloomberg). All information provided in this Report is correct at the date of this report but without independent verification. Portfolio 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 30 June 2014. 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. Each client should also take into account their own taxation situations. Please refer to the relevant Investment Mandate for full information on product specifics, including all fees and costs.

Top 5 Holdings %

XLNX	Xilinx	8.80%
AMZN	Amazon	7.20%
QCOM	Qualcomm	6.50%
700	Tencent	6.40%
GOOGL	Alphabet	5.90%

Performance since inception



Portfolio and market returns

The June quarter saw the Portfolio deliver a strong +14.5% gross-of-fees return with +8.9% outperformance relative to the benchmark MSCI All Countries World Index (net) in Australian dollars.

The effects of the novel coronavirus second wave were a major factor in the quarter, as lockdowns continued across the globe to varying degrees. We should note that there was much less volatility compared to the prior quarter, where during the months of February and March, the S&P recorded 19 absolute moves greater than 3%, with the largest absolute move -12.0% on 16th March.

Governments around the world mandated social distancing as well as shutdowns in selected industries eg brick-and-mortar retail, eat-in restaurants, air travel etc.. These new rules of business gave rise to the need for solutions which enabled consumers and businesses to operate on-line. This shift led to a lift in demand and an acceleration in many of the thematic on which Loftus Peak had been bullish since inception – the cloud (MSFT, NVDA, GOOGL), e-commerce (AMZN), digital payments, streaming (NFLX) and more. Satya Nadella, CEO Microsoft, suggested that the company saw “two years worth of digital transformation in two months.”

Key Features

Investment universe	Listed global equities, exchange traded funds and cash.
Benchmark	MSCI All Country World Index (net) (\$A)
Number of investments	10-35
Min cash weighting	2%
Max equity weighting	98%
Max individual security weights	20% (at purchase)
Rebalancing	Investment Sub-Adviser discretion
Min investment	A\$50,000
Suggested timeframe	5 years

Portfolio management: Mason Stevens Limited, as the Managed Discretionary Account Provider, will administer and implement the Managed Portfolio on the advice of Loftus Peak as the Investment Sub-adviser.

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 Loftus Peak Global Change Managed Portfolio Investment Mandate.

About Loftus Peak

Loftus Peak is a bottom-up stock investor that seeks to deliver absolute returns over the medium to long term. Loftus Peak is a corporate authorised representative of Eight Investment Partners Pty Limited.

Contact

Investors please speak to your adviser

For Advisers: T 1300 988 878
E info@masonstevens.com.au
W masonstevens.com.au

This Report is provided by Mason Stevens Limited (ACN 141 447 207, AFSL 351578) (Mason Stevens) as the Managed Discretionary Account (MDA) Provider. Content in this Report is of a general nature and does not have regard to any individual's personal objectives, financial situation and needs. Please seek specific advice and obtain a copy of the investment mandate before making a decision in relation to any investment. Information in this Report is provided in good faith. Whilst every effort is made to ensure the information is accurate at the time of sending, Mason Stevens does not make any representation or warranty as to its accuracy, reliability or completeness nor does it undertake to correct any information subsequently found to be inaccurate. Any information contained in this Report is subject to change without prior notice and Mason Stevens is not obliged to update any information. References made to any third party or their data is based on information that Mason Stevens believes to be true and accurate as at the date of this Report but without independent verification.