



Global High Conviction Portfolio

Individually Managed Account

Monthly Update

June 2019

TAMIM Asset Management
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Global High Conviction Portfolio Update

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Portfolio & Market Update

World markets were again volatile in Q2. May was very weak followed by a strong June. Timing equity market exposure is currently more difficult than usual. We remain fully invested with a value and quality bias.

The strategy returned a little over 7% in AUD\$ terms in June and 4% for the quarter. On balance positive noises from the China-USA trade talks suggest that a deal is likely in the near future given that the cost of a no deal is so high.

Europe remains the biggest concern to us. It has barely recovered from the 2009 Financial Crisis. The size of the negative yielding pool of government debt and Deutsche Bank's share price at multi year lows would indicate that something is quite wrong with economics and politics in the Eurozone. We remain markedly underweight the region and the Euro. 'Cheap' equity valuations are assuming news flow does not get worse; conceivably it could.

During the period we purchased Dominion Energy, an attractively valued US utility company fast expanding into 'greener' energy. We sold Brightsphere after re-evaluating the company's prospects in the new world of fund management.

After a strong rebound we sold Apple and switched proceeds into Discovery Channel; a global maker of 'non scripted, visual content with brands such as Discovery Channel, Animal Planet, and The Food Network. The increase in viewing platforms is very likely to lead to a demand for more content and scripted content costs are rising rapidly making the Discovery Channel's offerings very attractive.

We also reinvested cash flows from received dividends into increasing existing positions in China Mobile. Orix, Anthem, Lear Corp, Cisco and Valero .

We remain unhedged for AUD based investors.

Overview

The TAMIM Global Equity High Conviction IMA is a portfolio of global equities from major developed global exchanges. The portfolio holds approximately 25 of the best ideas from our investment manager's portfolios. The portfolio uses a systematic and consistent approach to stock selection and portfolio construction to deliver strong risk adjusted returns to our clients while focusing on attempting to preserve their wealth.

Key Facts

Investment Structure:	Individually Managed Account (only available to wholesale or sophisticated investors)
Minimum investment:	A\$250,000
Pricing & Reporting:	Daily
Investment horizon:	3-5+ years
Management fee:	1.50% p.a.
Expense recovery fee:	Nil
Performance fee:	20% of performance in excess of hurdle
Hurdle:	RBA Cash Rate + 2.5%
Administration fee:	Nil
Exit fee:	1% if exit within 12 months
Single security limit:	10% (typically 2-7%)
Benchmark	MSCI World Index
Target number of holdings:	20-30
Portfolio turnover:	< 25% p.a.
Investable universe:	ASX
Cash level (typical):	0-100% (5-10%)

Selection of 5 Holdings

Stock	Country
Verizon Communications Inc	USA
Legal & General Group PLC	UK
China Mobile	China
Macy's	USA
Ping An Insurance	China

Returns

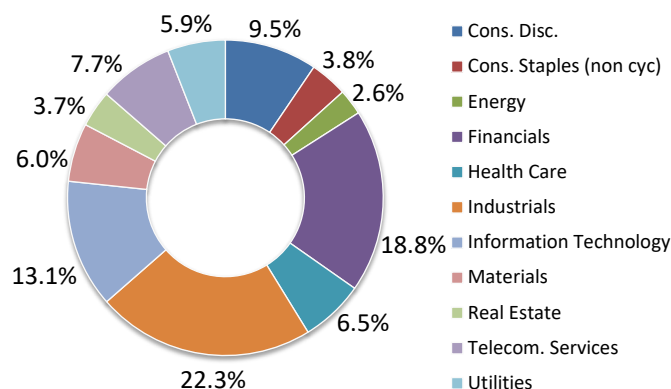
	1m	6m	1y	3y (p.a.)	5y (p.a.)	Since inception (p.a.)
TAMIM Glob. High Conv.	7.20%	14.83%	7.10%	9.19%	12.82%	15.26%
MSCI World	5.24%	17.36%	11.95%	13.91%	13.25%	14.83%
Cash	0.08%	0.69%	1.45%	1.50%	1.77%	2.38%

Note: Returns are quoted net of fees and assume dividends are reinvested. Past performance is no guarantee of future performance. TAMIM Glob. High Conv. refers to the performance of the API High Conviction Strategy (Underlying Portfolio). The TAMIM Global Equity High Conviction IMAs mirror the Underlying Portfolio.

Portfolio Profile

Equities	98.5%
Cash	1.5%

Sector Allocation



Note: Portfolio returns are quoted net of fees. The ASX 300 refers to the S&P/ASX 300 Accumulation Index. Returns shown for longer than 1 year (other than Inception) are annualised. The information provided in this factsheet is intended for general use only. The information presented does not take into account the investment objectives, financial situation and advisory needs of any particular person nor does the information provided constitute investment advice. Under no circumstances should investments be based solely on the information herein. Please consider our Information Memorandum and Services Guide before investing in any of our products. Past performance is no guarantee of future returns. Returns displayed in this document are unaudited. For wholesale and sophisticated investors only.



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