



Global High Conviction Portfolio

Individually Managed Account

Monthly Update

November 2019

TAMIM Asset Management
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Global High Conviction Portfolio Update

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Portfolio & Market Update

Global equities rose about 2.5% in USD terms in November and over 4% in AUD terms, led by the USA market where the S&P 500 gained 3.4% in USD, and over 4% in AUD terms.

News flow was not particularly constructive with poor industrial production figures from major economies and additional complexity in the China USA trade talks introduced by a 'Human Rights Bill' being passed by Congress and signed into law by President Trump. Consequently, the trade bill wasn't signed and is pushed back to mid-December.

So, once again markets moved in the opposite direction from 'fundamentals' providing yet more evidence that timing market exposure is quite hard to get right and so we don't do it. We have remained fully invested.

The Global High Conviction strategy rose over 3% in USD terms and +5.21% in AUD.

There were a number of notable price moves in the month. AES, one of those 'boring' utilities we love, was up 12%. Alibaba, a recent purchase on the Hong Kong riot weakness, was up more than 12% too. Pleasingly, Discovery Channel was up over 20% after some strong results and a clear reduction in their indebtedness incurred through the Scripps acquisition. It is part of our thesis that content will be very important as the proliferation in digital channels continues. Discovery has non scripted content (cheaper to make and accounting for a large part of viewing eyeballs) in abundance.

We changed one position in the portfolio late in November. We sold Caterpillar after a strong share price rebound on the back of poor results and poor guidance on their order book and reinvested partly into adding to the Discovery Channel position and into Johnson Controls, a new holding. Johnson Controls are a USA based provider of hard and software for smarter buildings with products that include energy saving air conditioning and fire detection. We still expect significant upgrades to USA infrastructure and new buildings globally are also likely to require more efficient use of energy.

We remain biased to value with a significant exposure to the USA and Japan. Long-term returns from global equities will be generated by the ability of our companies to deliver growing profits and dividends which look possible despite anaemic economic growth and political risk.



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:	MSCI AC World
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
Hoya Corporation	Japan
Ping An Insurance	China

Returns

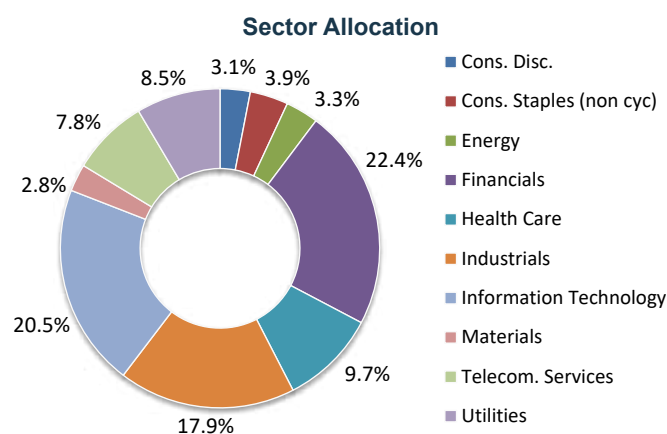
	1m	6m	1y	3y (p.a.)	5y (p.a.)	Since inception (p.a.)
TAMIM Glob. High Conv.	5.21%	16.79%	19.39%	10.61%	10.64%	15.62%
Cash	0.06%	0.46%	1.19%	1.40%	1.63%	2.31%

Inception: 15/07/2011

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	95.0%
Cash	5.0%



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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