

Simple ideas, simple businesses

Seeking to build long-term wealth by finding and exploiting investment anomalies around the world

Global Companies Fund	Inception date	Exit price (\$ cum)	1 Month	3 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since inception pa
Fund performance	10-1998	7.2754	1.3%	3.3%	27.0%	18.5%	16.4%	14.1%	13.6%	10.4%
MSCI World Net Total Return Index (AUD)			5.2%	8.7%	30.1%	11.9%	13.3%	13.3%	13.1%	6.8%

Growth of AUD \$100,000

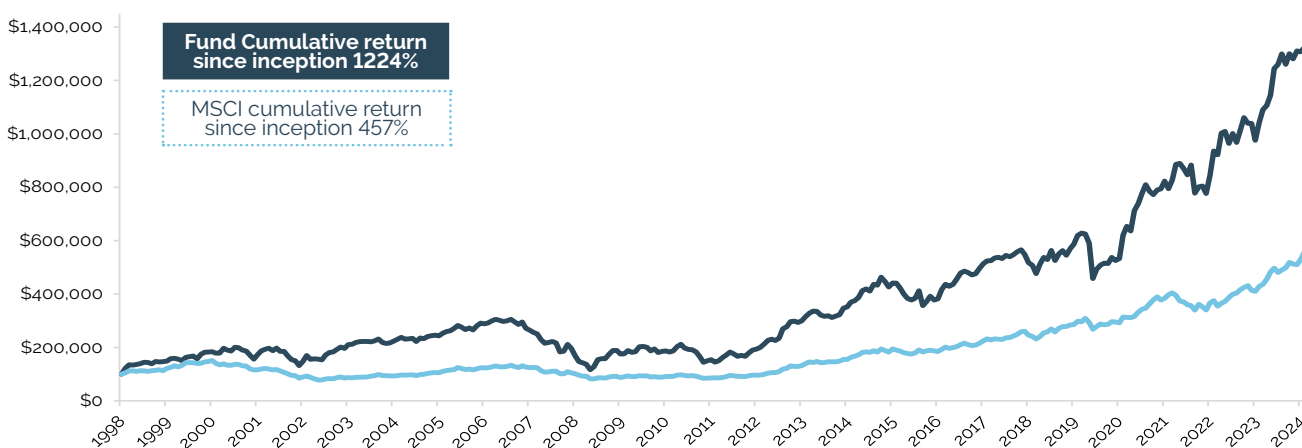
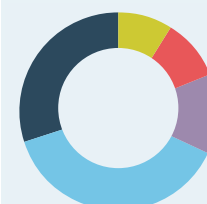
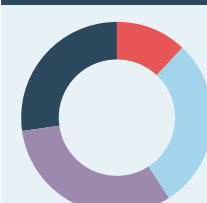


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 28 October 1998. These figures represent past performance only. No guarantees exist of future returns above or below these figures. Past performance is no indication of future performance. Neither PM Capital Limited nor any other person makes any representation as to the future performance or success of, the rate of income or capital return from, recovery of money invested in, or income tax or other taxation consequences of, any investment in the Fund.

Portfolio investment theme	Weighting	Current stock example	Domicile of listing [^]
Domestic Banking - Europe	23%	ING Groep	 <ul style="list-style-type: none"> North America 30% Europe 38% United Kingdom 13% Australia 10% Asia (Ex-Japan) 9%
Commodities - Industrial metals	15%	Freeport-McMoRan	
Industrials	13%	Siemens AG	
Domestic Banking - USA	11%	Bank of America	
Commodities - Energy	10%	Shell	
Leisure & Entertainment	9%	Wynn Resorts	
Housing Ireland & Spain	5%	Cairn Homes	
Alternative Investment Managers	3%	Apollo Global Management	
Other	9%		
Long Equity Position	98%		
Direct Short Position	-3%		Investments by Market Capitalisation (USD)*  <ul style="list-style-type: none"> Mega (>\$100bn) 27% Large (<\$100bn) 32% Medium (<\$30bn) 29% Small (<\$5bn) 12%
Index Short Position	-8%		
Net invested equities	87%		
Total holdings	44		
		Currency exposure** 100%	
		AUD 76%	
		USD 9%	
		GBP 6%	
		HKD 4%	
		EUR 3%	
		Other 2%	

[^] 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office.

* Breakdown of portfolio's long equity holdings into market cap. bands.

** Stated at effective value.

Fund commentary

- Apollo Global Management, Bank of America and Wells Fargo were key contributors to performance over the month rising sharply after Donald Trump's election victory. US financials are seen as beneficiaries of key policies of the incoming administration particularly with respect to economic growth, lighter financial regulation and lower corporate taxes. We actively trimmed positions across our US financial holdings on valuation grounds during the month.
- Conversely positions in European financials including CaixaBank and ING Groep detracted from performance. Economic challenges in Europe, most notably the impact of potential tariffs from the new US administration, a slowing China, and political instability in Germany and France have all led to investors refocusing on the growth outlook for the region. Our key holdings are predominately in Ireland, Spain and Benelux where we have a positive view of the underlying market dynamics. Valuation across our holdings also remains attractive.
- The active decision to hedge back into Australian Dollar also detracted from performance on a relative basis as it depreciated against the US Dollar, the predominant weighting in global indices.
- Several portfolio changes were enacted over the month including those mentioned above. Smaller positions in Charles Schwab, Arch Resources and Walt Disney were all exited after strong share price performances. Given the weakness seen in parts of Europe, we actively increased several existing holdings including Airbus, SPIE and Pernod Ricard – a new position initiated in recent months which will be more widely explored in our next quarterly update.

Top 10 stocks

Stock name	GICS Sector
Allied Irish Bank	Banks
Airbus	Industrials
Apollo Global Management	Alternative Investment Managers
Bank of America	Banks
CaixaBank	Banks
ING Groep	Banks
Shell	Energy
Siemens AG	Industrial
Teck Resources	Metals & Mining
Wynn Resorts	Consumer Services

PM Capital Limited, founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long-term wealth by investing in global markets with patience and conviction.

Further information

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Key Fund Details

Fund category

Global equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

28 October 1998

Fund size

\$1,185 million

Strategy size

\$2,730 million

Number of stocks

As a guide, 25-45 stocks

Minimum direct investment

\$20,000

Recommended investment time

Seven years plus

Fees (pa)

Mgmt fee: 1.09% Perf. fee: 20% (subject to a high water mark) of the excess above the greater of the RBA cash rate and MSCI World Net Return Index (AUD).

Buy/sell spread

+/- 0.25%

Investor profile

The Fund may be appropriate for investors seeking capital appreciation over a seven plus year investment horizon.

Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Global Companies Fund (ARSN 092 434 618, the 'Fund'). It contains summary information only to provide an insight into how we make our investment decisions. This information does not constitute advice or recommendations, and is subject to change without notice. It does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider the Target Market Determination and the current Product Disclosure Statement (which are available on the PM Capital website), and obtain their own financial advice prior to making an investment decision. The PDS explains how the Fund's Net Asset Value is calculated. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up due to various market forces. The investment objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. The Index is the MSCI World Net Total Return Index in Australian dollars, net dividends reinvested. See www.msci.com for further information on the Index. Address: Level 11, 68 York Street, Sydney, NSW 2000