

# Plato Global Shares Income Fund (Class A)

ARSN 608 130 818

APIR WHT0061AU (Class A)

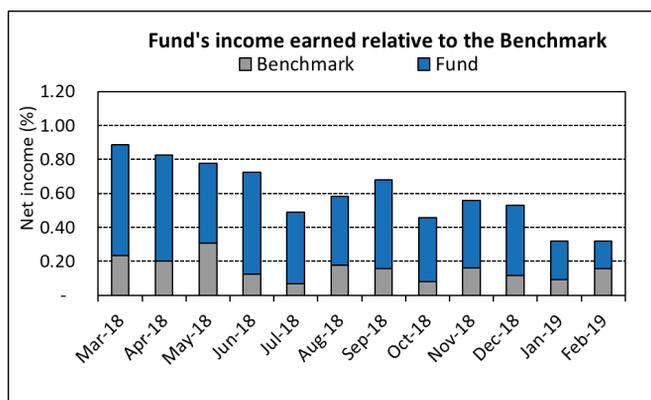
mFund Code PL103



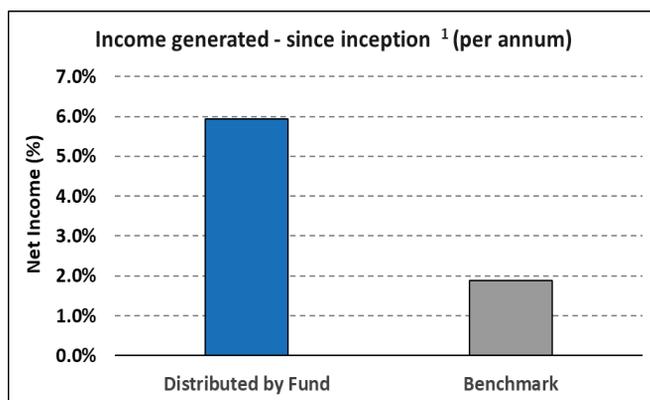
At a glance, February 2019, the Fund achieved:

- Global Share Income fund recommended by Lonsec
- +5.9% distributed income<sup>2</sup> per annum since inception<sup>1</sup>
- +8.7% total return per annum since inception<sup>1</sup>

Performance after fees	1 mth %	3 mth %	6 mth %	1 yr % p.a.	2 yrs % p.a.	Inception <sup>1</sup> % p.a.
Fund total return (A Class)	4.7%	4.6%	-3.2%	6.2%	9.4%	8.7%
Income <sup>2</sup>	0.2%	0.9%	2.3%	6.0%	5.8%	5.9%
Benchmark total return <sup>#</sup>	5.6%	5.2%	-1.8%	10.1%	13.0%	12.1%
<b>Excess total return</b>	<b>-0.9%</b>	<b>-0.6%</b>	<b>-1.4%</b>	<b>-3.9%</b>	<b>-3.6%</b>	<b>-3.4%</b>
<b>Excess income</b>	<b>0.1%</b>	<b>0.5%</b>	<b>1.5%</b>	<b>4.1%</b>	<b>4.0%</b>	<b>4.1%</b>



Source: Plato



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## Summary

For the month ended 28 February 2019, the Plato Global Shares Income Fund (Class A) ('Fund') delivered a **total net yield of +0.2%** and a **return of +4.7%**. The yield is 0.1% more than the MSCI World Ex Australia, Net Returns Unhedged Index ('Benchmark') yield of +0.1% with the total return trailing the benchmark's +5.6%. Since inception, the Fund has **delivered +5.9% p.a. net yield, +4.1% more than the Benchmark**.

Global equity markets posted another positive month, up a further +5.6% in February 2019. The US posted solid numbers, technology stocks strongly bid throughout the month (S&P500 +2.9%, Nasdaq +3.7%). All GICS sectors were up in the US. This theme was reflected across the other developed regions. Trade talk developments provided a boost to markets (Germany +3%, France +4.4%). This trend continued across the Asian region (Nikkei +2.9%, Hong Kong +2.5%).

The RBA commented that a rate cut was now an increased possibility. This was consolidated by Westpac's call for cuts this year. The AUD fell significantly in response (AUDUSD -2.2%). A weak dollar further increases positive offshore returns when they are translated into AUD. Oil had another positive month, +3.6%. This was driven by OPEC's reported production cut.

The Fund's income for the month of February was again driven strongly at the sector level by Financials, followed by Health Technology. From a country perspective the main contributors to yield were the US, UK and Japan. Stock examples of these

exposures include portfolio holdings in UK health technology business, AstraZeneca, and Japanese Electronic Tech company, Canon Inc. The Plato model rotates into such companies to benefit from substantial regular and special dividends.

The Fund continues to generate strong excess yield in line with its objectives. After outperforming a struggling market in Q4, the Fund posted positive absolute numbers but trailed a continued market rebound in February. Growth continued to outperform Value globally, a headwind to the Fund. At the country level the underweight to a weak Japan was offset by weak stock selection in New Zealand and the UK. At the sector level strong stock selection in Consumer Discretionary was offset by Financials and IT. At the stock level Plus500 (-46%) and Swedbank (-16.9%) detracted.

Plato's proprietary approach seeks to identify stocks that perform strongly in the period prior to the ex-dividend date. US aerospace company, Boeing Co, and UK transportation business, Easy Jet, are examples of companies in the portfolio that had strong short term performance in this period.

The Fund remains actively positioned to deliver superior income for low tax investors, whilst maintaining full equity capital exposure and diversification to both global developed countries and sectors.

The Fund has now been recommended by Lonsec and is available on a wider set of platforms, listed below.

<sup>1</sup> Inception date 1 March 2016.

<sup>2</sup> Distributed income, net of withholding tax.

<sup>#</sup> MSCI World ex Australia, Net Returns Unhedged Index.

All data is at 28 February 2019 unless indicated otherwise. Fund returns are after applicable fees, costs and taxes.

Past performance is not a reliable indicator of future performance.

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mFund Code PL103



## Platform Availability:

AMP North  
ClearView WealthSolutions  
Macquarie Wrap  
Netwealth

Asgard  
HUB24  
mFund  
Praemium

BT Panorama  
IOOF Portfolio Service  
MLC Wrap  
uXchange

BT Wrap  
IOOF Pursuit Select  
MLC Navigator

## Investment Manager

Plato Investment Management Limited

## Investment Return Objective

- The Fund aims to provide an annual yield that exceeds the yield of the MSCI World ex Australia, Net Returns Unhedged Index after fees.
- The Fund also aims to outperform the MSCI World ex Australia, Net Returns Unhedged Index.

## Investments

Global listed entities, listed futures and cash.

## Benchmark

MSCI World ex Australia, Net Returns Unhedged Index.

## Investment approach

- An equity long-only approach.
- Managed specifically for tax exempt investors such as pension phase retirees / SMSFs and charities.
- Taking advantage of income opportunities such as special dividends and targeting capital appreciation through dividend run up.
- Pays monthly distribution, subject to the Fund having sufficient distributable income.

## Portfolio allocation

- Minimum of 90% invested in global listed entities and futures.
- Maximum of 10% invested in cash, although the Fund is intended to be fully invested with cash held for liquidity purposes.\*

## Investment timeframe

Medium to long term, being 3 to 5 years.

## Management costs

0.99% p.a. (inclusive of the net effect of GST and RITC).

## Buy/sell spread

+0.30% / -0.30%.

## Minimum investment

- Indirect investors: refer to the operator of your service.
- Direct investors: minimum initial investment \$30,000.

\*The Fund can also hold foreign exchange contracts for hedging purposes and these contracts represent a negligible percentage of the Fund's portfolio



For more information, please contact Pinnacle Investment Management Limited on 1300 010 311 or email [distribution@pinnacleinvestment.com](mailto:distribution@pinnacleinvestment.com)

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