



Ironbark Copper Rock Global All Cap Share Fund

Monthly Investment Report as at 30 April 2018

Asset Class

Global Shares

Investment Objective

The Fund seeks to outperform the benchmark net of fees over rolling 5 year periods

APIR Code

MGL0018AU

ARSN

122 000 524

Fund Inception Date

17 October 2006

Manager Appointed

27 September 2016

Benchmark

MSCI All Countries World Index AUD

Distribution Frequency

Semi-Annually

Minimum Investment

\$20,000

Fund Size

\$3.2m

Exit Price

\$1.0200

Performance Review

The Ironbark Copper Rock Global All Cap Share Fund (the 'Fund') returned 1.92% (net) in April, underperforming the benchmark's return of 2.64% by 0.72%.

In April, with the market headline index in positive territory, the volatility of earnings season was masked. In the US, individual stocks saw a muted response to what has been a relatively positive earnings announcement period. Although earnings season has been strong in aggregate, positive earnings surprises did not fuel incremental buying. This was especially true in the industrials sector, where sentiment turned negative on the back of Caterpillar's strong report. Management commented that this was the "high water mark", which many investors took as the peak of the cycle. The Fund's position in United Rentals, for example, was an example of a stock where the market failed to appreciate the direction and increasing stability of the company's growth prospects. Against this backdrop, the top performing sectors in the index were energy (up 8.3%), utilities (up 2.5%) and Telecommunication services (up 1.97%). Consumer discretionary fared well with a return of 2.35% in the index.

For April, the Fund benefitted from ownership in new positions, Aker BP ASA, Mosaic Company in conjunction with health care sector positions Haemonetics Corporation, Hoya Corporation, Attendo, and Lonza Group. AKER BP has transitioned from an exploration-led business to a more stable production company. A key part of the investment thesis is the potential of a massive oil field in which the company owns 11% of the project along with Statoil and Lundin Petroleum. When this field starts to produce oil in mid-2019, the cash flow profile of the company will improve significantly as capital expenditure meaningfully declines. Phase 2 of the project is already in process and is expected to come online sometime in 2023. This stock closely aligns with the strategy in terms of its sustainability of growth, strong balance sheet and significant free cash flow generation, particularly after this field ramps up in 2019. There is strong visibility to growth projects and anticipated increase in dividends. Investors are underappreciating the growth potential beyond this field and other assets and overly discounting any improvements in productivity.

The investment manager trimmed the Fund's position in Coca Cola HBC ahead of some headline currency and country risk that had started to present. The stock declined over the month by almost 9% on fears over US sanctions on Russia and their impact on the Ruble, as roughly 15% of this bottling company's volumes are in Russia. Although the company hedges the currency, a sustained sharp fall would have had a lasting impact on the company twelve months out. There was also some risk that Russia could retaliate with its own sanctions on non-Russian companies and US branded products. While this has not occurred, these factors weighed on the stock. The investment manager maintains their long term thesis on the company and will continue to own it.

Performance

	Net Fund Return ¹ (%)	Benchmark Return ² (%)	Active Return (%)
1 month	1.92	2.64	-0.72
3 month	2.60	1.69	0.91
1 year	13.61	13.70	-0.09
3 year (p.a.)	4.49	6.74	-2.25
5 year (p.a.)	9.07	11.15	-2.08
7 year (p.a.)	7.60	11.09	-3.49
10 year (p.a.)	5.00	7.56	-2.56
Since inception ³ (p.a.)	4.64	7.00	-2.36

Past performance is not an indicator of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution.

¹Shaded Fund performance prior to 27 September 2016 is not attributable to Copper Rock, but the previous investment manager. The Fund invests in the Copper Rock Concentrated Global All Cap Strategy.

²The MSCI All Countries World Index AUD was adopted as the Fund's performance benchmark on 27 September 2016. Benchmark calculations prior to this date are based on the MSCI World Net AUD.

³This figure represents the annualised performance from the first full month of operation.

Contact Details

T: 1800 034 402 | E: client.services@ironbarkam.com | W: www.ironbarkam.com





Ironbark Copper Rock Global All Cap Share Fund

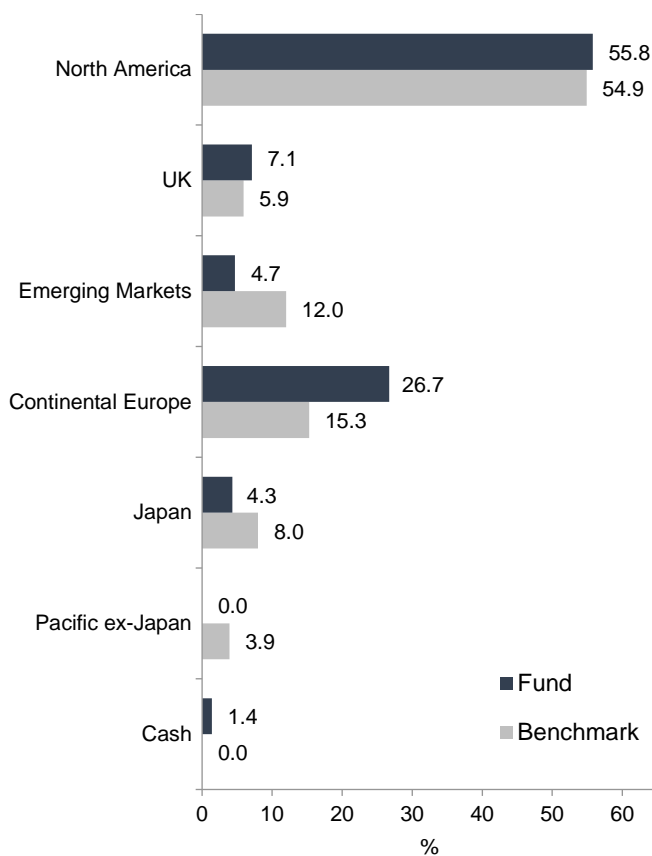
Monthly Investment Report as at 30 April 2018

Top 5 Holdings

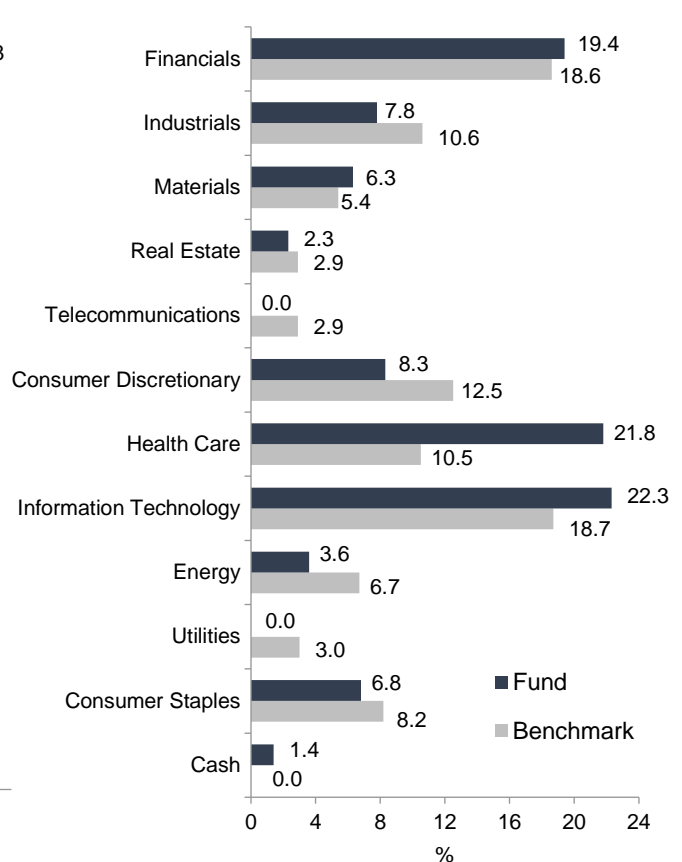
Stock	Country	Sector	%
Royal Caribbean Cruises	United States	Consumer Discretionary	4.46
Coca-Cola HBC	United Kingdom	Consumer Staples	4.38
Alphabet	United States	Information Technology	4.02
Waters Corporation	United States	Health Care	3.97
Haemonetics Corporation	United States	Health Care	3.92

Asset Allocation

Regional Weights (%)



Sector Weights (%)



Contact Details

T: 1800 034 402 | E: client.services@ironbarkam.com | W: www.ironbarkam.com



Ironbark Copper Rock Global All Cap Share Fund

Monthly Investment Report as at 30 April 2018

Top 5 and Bottom 5 Contributors for the Month

Stock	Country	Active position	%
Aker BP	Norway	Overweight	0.57
Mosaic Company	United States	Overweight	0.32
Haemonetics Corporation	United States	Overweight	0.20
Attendo	Sweden	Overweight	0.16
Hoya Corporation	Japan	Overweight	0.15

Stock	Country	Active position	%
Coca-Cola HBC	United Kingdom	Overweight	-0.59
Royal Caribbean Cruises	United States	Overweight	-0.42
United Rentals	United States	Overweight	-0.30
Waters Corporation	United States	Overweight	-0.25
Genmab	Denmark	Overweight	-0.16

Important information

Issued by Ironbark Asset Management Pty Limited ABN 53 136 679 420 AFSL 341020 ('Ironbark'). Data as at 30 April 2018 and in AUD. This document is not an offer of securities or financial products, nor is it financial product advice. As this document has been prepared without taking account of any investors' particular objectives, financial situation and needs, you should consider its appropriateness having regard to your objectives, financial situation and needs. The Ironbark Copper Rock Global All Cap Share Fund is issued by Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154 AFSL 298626. To acquire units in the Fund, complete the application form that accompanies the current PDS, which you can obtain from www.ironbarkam.com or by calling client services on 1800 034 402. You should consider the PDS in deciding to acquire or to continue to hold units in the Fund. Although specific information has been prepared from sources believed to be reliable, we offer no guarantees as to its accuracy or completeness. The information stated, opinions expressed and estimates given constitute best judgement at the time of publication and are subject to change without notice to you. Consequently, although this document is provided in good faith, it is not intended to create any legal liability on the part of Ironbark or any other entity and does not vary the terms of a relevant disclosure statement. Past performance is not an indicator of future results. All dollars are Australian dollars unless otherwise specified.

Contact Details

T: 1800 034 402 | E: client.services@ironbarkam.com | W: www.ironbarkam.com

