



# PENGANA GLOBAL SMALL COMPANIES FUND

NOVEMBER  
2017  
PERFORMANCE  
UPDATE

## FUND DESCRIPTION AND FEATURES

**The Fund invests principally in small and mid-cap listed (or soon to be listed) global equities.**

Its investment objective is to obtain returns greater than the MSCI All Country World Index SMID Cap unhedged in Australian dollars ('Index') over rolling 3 year periods after fees. The Fund's investment manager, Lizard Investors LLC, uses a value-oriented investment approach that seeks to identify and invest in quality businesses that create significant value but are mispriced, overlooked, or out-of-favour. The investment manager believes that unique opportunities exist due to limited available research, corporate actions, or unfavourable investor perception.

<b>Portfolio Managers</b>	Jonathan Moog, David Li, Leah Zell (CIO)
<b>APIR code</b>	PCL0022AU
<b>Redemption price</b>	\$1.3441
<b>Fees</b>	Management Fee: 1.334% Performance Fee: 20.5%*
<b>Minimum initial investment</b>	AU\$25,000
<b>FUM at month end</b>	\$53.3m
<b>Fund inception date</b>	1 April 2015
<b>Benchmark</b>	MSCI All Country World SMID Cap index unhedged in AUD

\* Performance fee of 20.5% (including GST net of RITC) of any return of the Class greater than the return of the benchmark Index after deduction of the management fee and adjusted for applications, redemptions and distributions to investors, less any prior accrued negative performance fee amount carried forward.

## PERFORMANCE COMMENTARY

PGSCF returned 2.9% for the month of November, slightly underperforming the benchmark return of 3.2%. Currency had a positive impact on the performance of both the Fund (added 1.6%) and the benchmark (added 1.7%), as the AUD depreciated against most major currencies.

## PORTFOLIO HIGHLIGHTS

The Fund's underperformance was primarily due to our relatively underweight position in the US. On a positive note, our stocks in the US and the UK outperformed relative to benchmark, demonstrating strong stock selection.

Motorpoint, a UK auto dealer we referenced in our February letter, was the largest contributor to

November's performance. PRA, also contributed meaningfully this month after some earlier challenges.

We added one new holding to the portfolio during the month, a Canadian software business. The company has been an excellent allocator of capital over the last 20 years. We expect the value creation to continue for an extended period. Management also holds a significant amount of stock, aligning their interests with ours.

**MOTORPOINT,  
A UK AUTO  
DEALER, WAS  
THE LARGEST  
CONTRIBUTOR  
TO NOVEMBER  
PERFORMANCE**

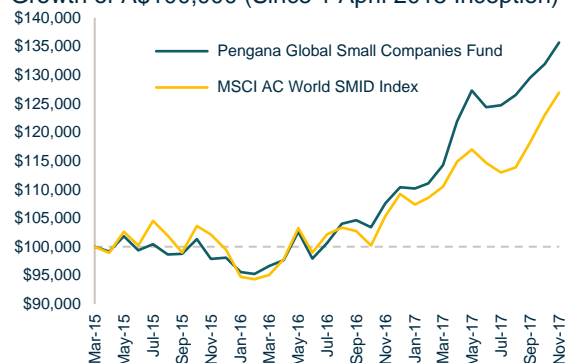
## FUND PERFORMANCE

Net performance for periods ending 30 November 2017<sup>1</sup>

	1 Month	1 Year	2 Year	Since Inception p.a. <sup>2</sup>
Fund	2.85%	26.09%	17.73%	12.12%
Benchmark	3.18%	20.49%	11.50%	9.35%

## PERFORMANCE SINCE INCEPTION<sup>2</sup>

Growth of A\$100,000 (Since 1 April 2015 Inception)



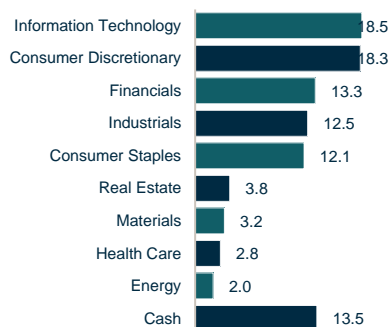
## PORTFOLIO INFORMATION

Top 5 Stocks		
Name	Country	Sector
investors cloud co., ltd.	Japan	Real Estate
Motorpoint Group Plc	United Kingdom	Consumer Discretionary
PRA Group Inc	United States	Financials
Softcat Plc	United Kingdom	Information Technology
Wizz Air Holdings Plc	Switzerland	Industrials

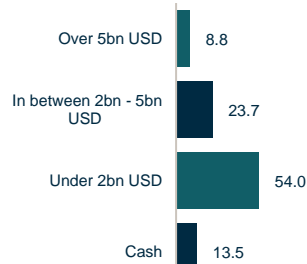
  

Largest 3 contributors	Largest 3 detractors
Motorpoint Group Plc	Peyto Exploration & Development Corp.
PRA Group Inc	BIM Birlesik Magazalar A.S.
NICE Information Service Co., Ltd.	CarMax, Inc.

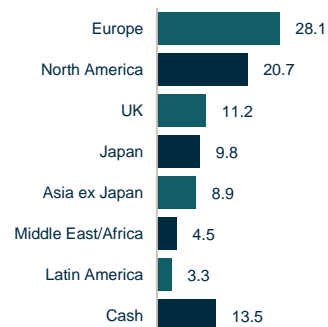
### SECTOR BREAKDOWN



### CAPITALISATION



### GEOGRAPHIC



## STATISTICAL DATA

Fund portfolio summary			
Volatility <sup>3</sup>	8.75%	Number of stocks	41
Beta (using daily returns) <sup>4</sup>	0.72	Maximum draw down	-6.48%

1. Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. Past performance is not a reliable indicator of future performance, the value of investments can go up and down. 2. Inception 1st April 2015. 3. Annualised standard deviation since inception. 4. Relative to MSCI All Country World SMID Cap index unhedged in AUD.

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FOR FURTHER  
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