

Fund Performance

	1 Month	3 Month	6 Month	1 Year	2 Years	3 Years	5 Years	Since Incep#
Insync Global Quality Portfolio ^	-1.70%	4.76%	17.26%	16.34%	20.60%	18.61%	15.63%	13.67%
Insync Global Capital Aware Fund*	-2.21%	4.25%	16.28%	15.97%	18.54%	15.99%	12.23%	11.20%
MSCI ACWI (ex AUS) NTR (AUD)~	1.99%	4.05%	9.05%	8.65%	13.79%	14.46%	12.42%	11.49%
Global Quality Active Performance	-3.69%	0.71%	8.21%	7.69%	6.81%	4.15%	3.21%	2.18%
Global Capital Aware Active Performance	-4.20%	0.20%	7.23%	7.32%	4.75%	1.53%	-0.19%	-0.29%

Source: Insync Funds Management - Past Performance is not a reliable indicator of future performance. *Represents net of fees and costs performance, assumes all distributions reinvested. ^Returns prior to July 2018 represent the underlying Insync Global portfolio (including cash) inclusive of a 0.98% p.a. MER. ~ MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars. # Inception date 9/10/2009

Performance Commentary

Global equity markets proved resilient in the 3rd quarter of 2019. Most markets turned in relatively flat performance in local currencies, with the weak Australian dollar being the major contributor towards strong performance of the benchmark in AUD. This was achieved with a background of ongoing trade tensions, spiking oil prices and rising concerns about slowing global growth. US equity markets led, followed by non-US developed and emerging markets. On the monetary policy front, many central banks shifted toward accommodative stances with the Fed cutting its benchmark rate again in September following the cut in August. At the sector level, utilities, real estate and consumer staples outperformed the benchmark during the quarter whilst energy, health care and materials lagged.

The Insync Global Quality Equity Fund returned -1.70% compared to the benchmark return of +1.99%, with the Insync Global Capital Aware fund delivering a return of -2.21% after the cost of downside protection. Despite a weak September for the funds the quarterly and one-year performance numbers continue to show strong levels of outperformance versus the benchmark.

In September, there was a significant shift away from quality growth companies towards cyclical companies. We do not see this as a start of a new trend, as the global economic backdrop continues to be challenging, with low growth and low inflation, this is a major headwind for businesses that are reliant on a stronger economy to drive their earnings. The last time cyclical, value-based businesses performed so strongly was in late 2016, after Trump won the US presidential election, where optimism for growth was high but growth expectations soon came down rapidly. The current backdrop continues to favour secular growth businesses with high levels of profitability.

Positive contributors during the month include Apple, London Stock Exchange, Adidas, and Bristol-Myer Squibb. Detractors were S&P Global, The Walt Disney Co, Visa and Intuit. No currency hedging continues across both funds as we consider the main risks to the Australian dollar to be on the downside.

Current market conditions continue to reflect the trend in place since the GFC of low growth and low inflation. If this trend continues to persist over the medium to long-term, our portfolio of high ROIC stocks benefitting from global megatrends should outperform, as the Insync portfolio of companies is less dependent on the global economy to generate consistent profitable growth. The portfolio, which has very specific quality and growth attributes, has a consistent long-term track record of picking up almost all the upside in rising markets as well as, importantly, buffering the fund from significant market falls during major market corrections.

Risk Measures – Global Quality Portfolio^

	1 Year	3 Years	5 Years
Standard Deviation	15.54%	11.50%	11.69%
Tracking Error	6.64%	6.17%	5.45%
Information Ratio	1.16	0.67	0.59
Sharpe Ratio	0.96	1.49	1.18
Batting Average	58.33%	63.89%	58.33%

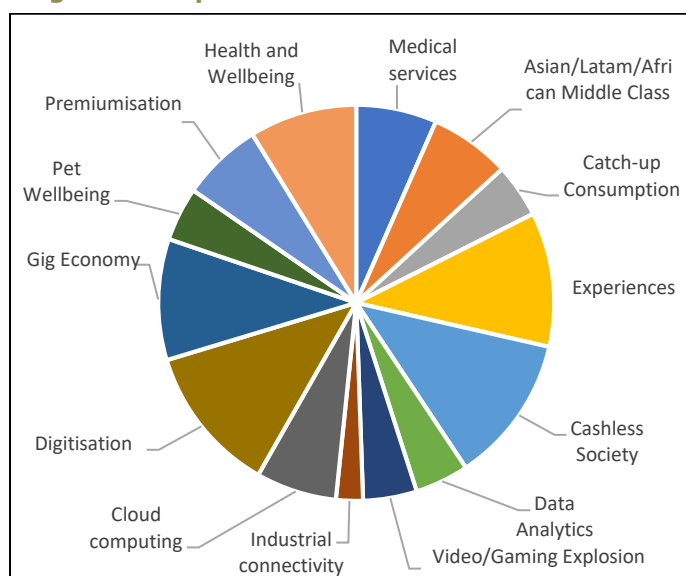
Risk Measures – Global Capital Aware Fund*

	1 Year	3 Years	5 Years
Standard Deviation	14.40%	10.67%	10.58%
Tracking Error	7.75%	6.48%	6.05%
Information Ratio	0.94	0.24	-0.03
Sharpe Ratio	1.01	1.36	0.98
Batting Average	58.33%	63.89%	58.33%

Capture Ratios – Global Quality Portfolio[^]

	3 Years	Since Incep#
# Positive Months	23	76
# Negative Months	13	44
Up Market Capture	1.07	0.91
Down Market Capture	0.77	0.58
Capture Ratio	1.39	1.55

Megatrend Exposures



Top 10 Holdings

Stock	%
Visa	6.9%
Intuit	6.2%
Walt Disney	5.4%
Accenture Plc	5.0%
Facebook	5.0%
Adobe	4.5%
Booking Holdings	4.5%
Paypal Holdings	4.4%
Zoetis	4.1%
Apple	3.7%

Key Fund Information

	Insync Global Quality Fund [^]	Insync Global Capital Aware Fund*
Portfolio Managers	Monik Kotecha and John Lobb	
Inception Date	1 July 2018	7 October 2009
Management Fee	0.98%p.a. of the NAV	1.3%p.a. of the NAV
Performance Fee	Nil	Nil
Buy/Sell Spread	0.20% / 0.20%	0.20% / 0.20%
Distribution Frequency	Annually	Annually
APIR Code	ETL5510AU	SLT0041AU
Trustee	EQT RE Services	EQT RE Services

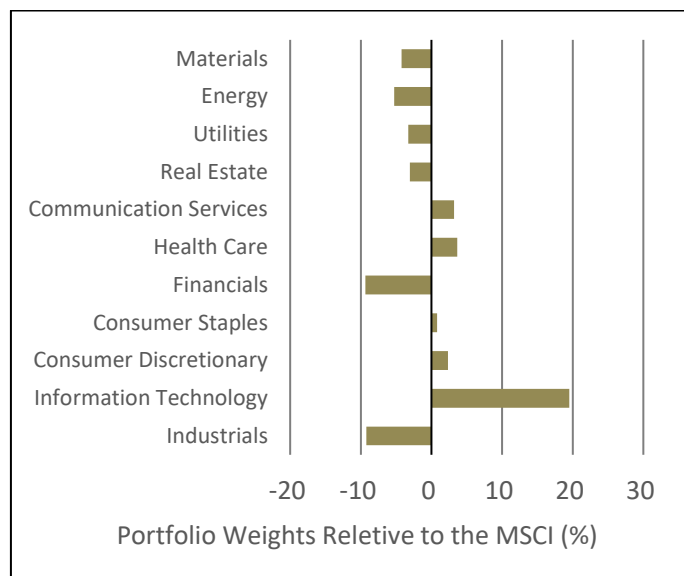
Disclaimer

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Down Market Capture	0.70	0.52
Capture Ratio	1.35	1.46

Portfolio Sector Weights vs MSCI



Key Portfolio Analytics

	Portfolio	Index
Forward PE	23.80	20.70
ROIC	48.80	12.20
Market Cap (USD avg)	142.70	25.90
Market Cap (USD median)	60.20	9.90
Std deviation (ex ante)	12.70	11.00
Net Debt to Equity	38.63	71.84
Total Debt to Ebitda	1.84	3.60