



6% p.a Target
Distribution



Double Digit returns
since inception



Long/Short
Australian Equities



Proven Track
Record

August 2021 Fund Update

During the month of August, the Fund rose 8.07% (after fees) versus an increase of 2.50% for the S&P/ASX200 and 4.98% for the Small Ords.

The Fund has a history of doing well during reporting seasons and this was a particularly good one. More details about that later in this note, as well as how to register for Monash Investors post reporting season webinar to be held September the 9th.

The Fund's return for the 1 year to 31 August now stands at 34.96% (after fees) compared to 28.15% for the S&P/ASX200 and 29.51% for the Small Ords.

The chart on the next page shows the relative performance of value stocks versus growth stocks and technology stocks so far over the calendar year. It is interesting to see that the outperformance of value stocks that had been evident earlier this year has now more or less been caught up – so there has been no substantial benefit to performance based on a bias to a particular style of investing.

Monthly Portfolio Metrics

Outlook Stocks (Long)	17 Positions: 76%
Outlook Stocks (Short)	1 Positions: -2%
Event, Pair and Group (Long)	3 Positions: 13%
Event, Pair and Group (Short)	0 Positions: 0%
Cash	14%
Gross Exposure	91%
Net Exposure	86%

Return Summary Since Inception¹(after all fees)

Since Inception (p.a.)	13.17%
1 Month	8.07%
3 Months	11.21%
6 Months	10.45%
FYTD	6.21%
1 Year	34.96%
3 Years	20.57%
5 Years	12.73%
7 Years	10.57%

Portfolio Analytics Since Inception²

Sharpe Ratio	0.70
Sortino Ratio	1.20
Standard Deviation (p.a.)	16%
Positive Months	63%
Maximum Drawdown	-29%
Avg. Gross Exposure	90%
Avg. Net Exposure	79%
Avg. Beta	0.65
Avg. VAR	1.2%

¹ Inception date is 2 July 2012. Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

²Glossary of terms can be found on the Fund's website at www.monashinvestors.com/glossary/



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ASX Growth, Value and Technology



Source: Monash Investors

Results Season

The top positions are ranked in the table below from largest to smallest, based on the day of their result. Of the 9 stocks held, four beat consensus expectations for earnings and guidance and one missed. The one stock shorted downgraded its guidance, and while this was a miss, it was positive to the portfolio.

This ratio of 5 beats and 1 miss out of the top 10 stocks is unusually a good result and goes a long way to explaining the high single digit return achieved for the portfolio this month.

Lovisa was a particular highlight. It rose 18% on the day of its result³ and 25% over the course of the month.

Lovisa is a vertically integrated jewellery retailer that sells through stores in shopping centres, its online sales are currently small but grew at 178% last year. Although trading continues to be impacted by lockdowns in Australia & NZ, the northern hemisphere is emerging strongly as restrictions ease. It's like for like sales growth was +38% on a total sales growth of +56% in the first 8 weeks since 30 June. Essentially, the recovery is playing out as hoped.

Store rollout momentum continued with 87 of the newly acquired European Beeline stores, and a further 22 new stores being opened (net of closures). Around the world they have 540 stores, 177 of which are in Australia & NZ. With only 158 stores in Europe and 63 in the USA they have a long growth pathway ahead of them. We expect them to continue to grow their network by at least 10% p.a. for some time.

They have managed their business well through this difficult period with margins comparable to the average of their last 7 years.

³ https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02411830-3A573805?access_token=83ff96335c2d45a094df02a206a39ff4



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Top Holdings August 2021	Business Description	Result Announcement	Month Return
Lovisa	Jewelry Retailing	Beat	25%
Telix	Nuclear Medicine	In Line	21%
Healthia	Physiotherapy and Podiatry	In Line	3%
People Infrastructure	Workforce Management	Beat	-7%
Electro Optic Systems	Laser Tracking Applications	Miss	-15%
Australian Strategic Materials	Rare Earths Mining and Refining	In Line	35%
Nearmap	Aerial Imaging	In Line	3%
Uniti Group	Broadband Provider	Beat	24%
QBE	Insurance	Beat	9%
Short: AGL	Utilities	Miss	-11%

Monash Investors Webinar – PLEASE REGISTER FOR THE WEBINAR [HERE](#)

You are invited to register for the post reporting season investment update from Monash Investors on **Thursday 9th September 2021**. Details are below.

Date: Thursday, 9th September 2021

Time: 11am (NSW, ACT, VIC, TAS, QLD)
10.30am (SA, NT)
9.00am (WA)

During the webinar, Simon Shields from Monash Investors will discuss the following:

- A brief summary on Monash Investors and what they are trying to achieve
- Key holdings within the portfolio and how they performed during the reporting season
- An overview of major changes within the portfolio
- An update on how Monash Investors approaches stock shorting and examples of how it has added value to the portfolio
- A brief commentary on recent investment performance and the outlook for key position in the portfolio
- An opportunity for Q&A



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If you are unable to attend, please still [register](#) and we will send you a link so you can watch the webinar on-demand following the webinar which will be made available on Monash Investors website

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