

Monash Absolute Investment Fund

(APIR MON001AU)



6% p.a Target
Distribution



Double Digit returns
since inception



Long/Short
Australian Equities



Proven Track
Record¹

April 2023 Fund Update

In April, the Fund rose 7.0% (after fees). This compares to an increase of 1.9% for the S&P/ASX200 and a rise of 2.8% for the Small Ords.

During April there was a significant contribution from a number of our holdings. Our best contributor for the month was Telix (ASX: TLX) which rose by 47%. Other larger holdings that rose included Temple and Webster 17%, Lovisa 10%, Johns Lyng 6% and QBE 5% (ASX: TPW, LOV, JLG and QBE).

Our approach to investing seeks out mispriced companies that will benefit from a step change in earnings due to recurring business situations. This month Telix was a strong example of this.

Telix jumped following disclosure that it had achieved over \$100m in quarterly revenue and is now solidly cash flow positive. This is due to the success of its first imaging product in prostate cancer called Illuccix. Although Illuccix was only launched a year ago in the USA it has significant growth still to come in that market. It is yet to launch in any other large market. European approval is likely in the next 12months. In April Telix also held a briefing on its plans for China.

Telix's second imaging product addresses renal cancer. It will likely be launched next year. It could be around 50% of the size of the opportunity for Illuccix. Telix is conducting a substantial amount of R&D. Several of its programs have a near term catalyst. The most significant of these is the first read out of the Stage 3 Global ProstACT program which is a prostate cancer therapy (rather than imaging).

We are able to justify the current Telix share price based on the Illuccix product alone, with the rest of the portfolio of program representing material blue sky potential.

Consumer Discretionary was the best performing sector in April, rising 6%. During the month RBA rate rises paused and news flow regarding the economy was encouraging; with retail data showing an improvement in sales of household goods and house prices having now risen for two consecutive months since February. This benefited our holdings in retailers, Temple & Webster and Lovisa, neither of which made trading updates during the month.

Over the last month we closed our 2 short positions and now temporarily have no shorts in the portfolio but we continue to evaluate short candidates.

Return Summary¹ (after all fees)

| | |
|---------|-----------------------|
| 1 Month | 3 Months |
| +7.00% | +1.30% |
| 1 Year | 3 Years |
| +3.20% | +15.40% _{pa} |

This fund is appropriate for investors with "High" and "Very High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

¹ Inception date is 2 July 2012. Past performance is not indicative of future performance.

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Monthly Portfolio Metrics

| | |
|-------------------------------|-------------------|
| Outlook Stocks (Long) | 14 Positions: 64% |
| Outlook Stocks (Short) | 0 Positions: 0% |
| Event, Pair and Group (Long) | 5 Positions: 31% |
| Event, Pair and Group (Short) | 1 Positions: 0% |
| Cash | 5% |
| Gross Exposure | 95% |
| Net Exposure | 95% |

Return Summary Since Inception (after fees)²

| | |
|------------------------|--------|
| CYTD | 5.81% |
| FYTD | 9.97% |
| 1 Month | 7.01% |
| 3 Month | 1.29% |
| 6 Month | 2.26% |
| 1 Year | 3.22% |
| 2 Years (p.a.) | -0.19% |
| 3 Years (p.a.) | 15.42% |
| 4 Years (p.a.) | 11.53% |
| 5 Years (p.a.) | 11.61% |
| 7 Years (p.a.) | 7.58% |
| Since Inception (p.a.) | 10.22% |

Portfolio Analytics Since Inception²

| | |
|---------------------------|------|
| Sharpe Ratio | 0.53 |
| Sortino Ratio | 0.93 |
| Standard Deviation (p.a.) | 16% |
| Positive Months | 60% |
| Maximum Drawdown | -29% |
| Avg. Gross Exposure | 91% |
| Avg. Net Exposure | 79% |
| Avg. Beta | 0.69 |

² Inception date 2 July 2012. Past performance is not indicative of future performance.

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For more information about MAIF and the strategy, please refer to the Monash Investors website at www.monashinvestors.com. You can also [follow us on Livewire here](#) or [subscribe to our updates here](#)

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