

MONTHLY PERFORMANCE BY FINANCIAL YEAR ¹

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL RETURN
2017FY		1.2%	1.1%	-3.3%	2.2%	0.9%	1.9%	0.0%	2.1%	3.5%	4.2%	-1.3%	12.9%
2018FY	1.9%	3.3%	1.7%	6.7%	1.1%	-2.5%	6.0%	0.1%	-2.5%				16.4%

MONTHLY SUMMARY

The Munro Global Growth Fund returned -2.5% for the month of March, comprising a return of -2.9% from equities and 0.4% from currency. The MSCI AC World Index (AUD) meanwhile returned -0.7% for the month, with -2.3% from equities and 1.7% from currency. The Fund remains positive for calendar year 2018, up 3.4%.

March was another difficult month for stocks with the US S&P 500 down 2.7%, the European STOXX index -2.3%, Hang Seng -2.4% and the Japanese TOPIX -2.9%. After weathering the volatility of February, the technology sector succumbed to the market wide draw downs that have plagued markets since January. Concerns around Facebook's data collection practices triggered the selloff but ultimately the whole sector was becoming crowded and primed for profit taking after a strong start to the year.

Fund weakness was driven by the so-called FANG's which make up 9.9% of Fund exposure, but also by the video game sector (see page 2) and software vendor Blue Prism. Decisive action on reducing Fund exposure, option hedging and our currency holdings all helped to weather the volatility but ultimately the Fund delivered a negative return, with most of the relative underperformance versus the index driven by differences in currency hedging, where the Fund remains 70% hedged back to AUD.

MONTHLY OUTLOOK

Despite easing inflation and interest rate pressures, volatility continued through March with trade concerns and regulatory concerns in the technology sector dominating headlines. From our point of view, both represent speed bumps for growth with the latter being of greater concern for our investments. Potential regulations around the collection and use of data by all companies will ultimately slow the growth of numerous artificial intelligence applications and slow growth opportunities for many of our investments. Elsewhere, recent setbacks in autonomous driving, with two recent fatalities, will also undermine the growth path for semiconductor innovation. These speed bumps will be overcome, but it makes sense for investors to check themselves and reassess the speed of adoption at this point. While we have reduced exposure significantly over the month, this will ultimately create great opportunities to invest in what we still see as the long-term winners as the world evolves. While the continued volatility leaves the market in a fragile position as investors are increasingly turned off by the wild day to day movements, economic growth still looks solid and earnings is what matters to markets in the long run. First quarter reporting season begins mid-April and we expect a continuation of recent strong results which should help to refocus the daily narrative.

FUND SUMMARY

KEY NUMBERS

UNIT PRICE	\$1.2756
EXIT PRICE	\$1.2737
ENTRY PRICE	\$1.2775
FUM	\$164.6m
APIR	MUA0002AU

KEY FACTS

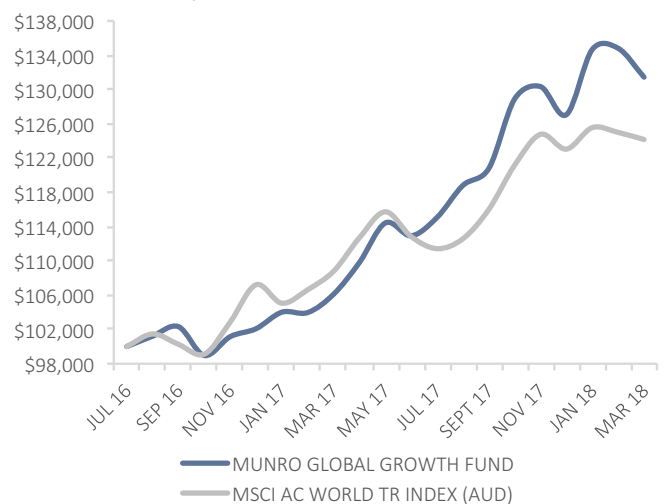
NUMBER OF STOCKS	30-50 POSITIONS
CASH WEIGHTING	0-100%
CURRENCY HEDGING	0-100%
MANAGEMENT COSTS	1.35% P.A.
PERFORMANCE FEE	10.00%

TOP 5 HOLDINGS

STOCK	COUNTRY	INDUSTRY	WEIGHT
AMAZON	US	CONSUMER DISC.	4.5%
MICROSOFT	US	INFO TECH.	3.7%
BLUE PRISM	UK	INFO TECH.	3.4%
ASML	NE	INFO TECH.	3.4%
ACTIVISION BLIZZ.	US	INFO TECH.	3.3%

HISTORICAL PERFORMANCE ¹

GROWTH OF \$100,000



PERFORMANCE SUMMARY AS AT 31 MARCH 2018 ¹

	1MTH	3MTHS	6MTHS	1YR	INCEPTION (P.A.)	INCEPTION CUMULATIVE
MUNRO GLOBAL GROWTH FUND (AUD)	-2.5%	3.4%	8.8%	23.9%	17.9%	31.4%
MSCI AC WORLD TR INDEX (AUD)	-0.7%	0.9%	7.0%	14.1%	13.9%	24.2%
OVER / UNDER PERFORMANCE	-1.8%	2.5%	1.8%	9.7%	4.0%	7.2%

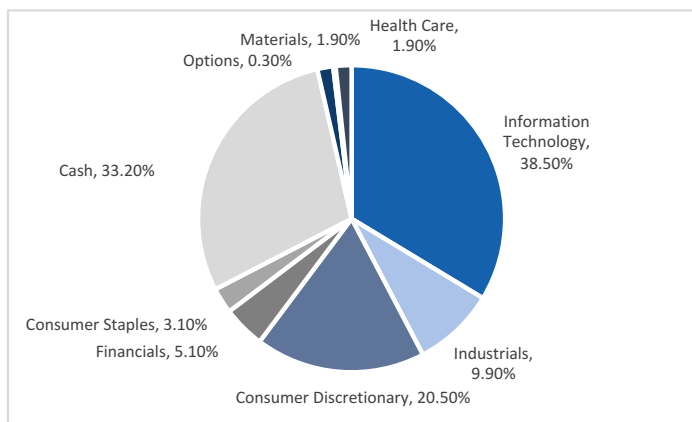
1. Past performance is provided for illustrative purposes only and is not a guide to future performance

Inception date is 1 August 2016. Returns of the Munro Global Growth Fund are net of management costs and assumes distributions have been reinvested. The MSCI AC World TR Index (AUD) refers to the MSCI All Country World Net Index in Australian dollars



The Munro Global Growth Fund is an absolute return international equities fund with a core focus on growth equities. The Fund is index-unaware, aiming for meaningful absolute returns through the investment cycle, whilst maintaining a capital preservation mindset. The Fund's flexible mandate allows it to dynamically manage its market exposure and predominantly hedges currency exposure to protect clients capital and to enhance the long term returns of our investments.

GROSS PORTFOLIO SECTOR EXPOSURE & CASH



NOTABLE STOCK CONTRIBUTORS

TOP 5 CONTRIBUTORS		BOTTOM 5 CONTRIBUTORS	
KION GROUP	GY	BLUE PRISM	UK
MICRON TECHNOLOGY	US	FACEBOOK	US
SUEDZUCKER	GY	ACTIVISION BLIZZARD	US
NETFLIX	US	THOR INDUSTRIES	US
MONCLER	US	TAKE-TWO INTERACTIVE	US

FUND EXPOSURE

CURRENCY REGION	GROSS EXPOSURE	NET EXPOSURE	CURRENCY EXPOSURE
AUSTRALIA	1.3%	1.3%	71.2%
NORTH AMERICA	53.2%	53.2%	22.8%
UNITED KINGDOM	5.3%	3.3%	0.8%
EURO AREA	11.0%	5.0%	4.5%
IRELAND	2.3%	2.3%	
FRANCE	1.0%	-1.0%	
GERMANY	4.2%	0.3%	
NETHERLANDS	3.4%	3.4%	
SINGAPORE	1.7%	-1.7%	0.0%
SWITZERLAND	1.5%	-1.5%	-0.2%
SWEDEN	2.4%	2.4%	0.5%
ISRAEL	1.9%	1.9%	0.0%
HONG KONG/CHINA	2.8%	2.8%	0.4%
EXPOSURE	81.0%	66.7%	100.0%
DELTA ADJ. EXPOSURE	83.2%	66.0%	

IMPORTANT INFORMATION

The information contained in this document reflects, as of the date of publication, the views of Munro Partners and sources believed by Munro Partners to be reliable. There can be no guarantee that any projection, forecast or opinion in these materials will be realised. The views expressed in this document may change at any time subsequent to the date of issue.

Grant Samuel Fund Services Limited ABN 48 129 256 104 AFSL 321517 (Grant Samuel Fund Services) is the responsible entity of the Munro Global Growth Fund ARSN 612 854 547 (Fund) and is the issuer of this information. This information has been prepared without taking account of the objectives, financial situation or needs of individuals. Before making an investment decision in relation to the Fund, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs and read and consider the product disclosure statement for the Fund dated 1 March 2018 (PDS) which may be obtained from www.gsfm.com.au, www.munropartners.com.au/access or by calling (02) 8188 1510.

Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. None of Grant Samuel Fund Services, Munro Partners its related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Fund or any particular returns from the Fund. No representation or warranty is made concerning the accuracy of any data contained in this document. This document is issued on 5 April 2018.

The management costs are inclusive of GST and RITC. The Fund Exposure and Top 5 Holdings depict end of month figures and may have changed materially from holdings during the month or not disclosed due to confidentiality reasons. The Delta Adjusted Exposure includes impact of options hedging. Numbers may not sum due to rounding or compounding returns. The currency exposure of 0-100% is biased to maintaining high levels of hedging. The performance fee is calculated once the Fund exceeds the high watermark and hurdle rate. You should consider the PDS in its entirety before making a decision to acquire or continue to hold an interest in the Munro Global Growth Fund.

FACEBOOK

Facebook detracted 31bps from monthly Fund performance as the Cambridge Analytica scandal morphed into a full-blown media and government inquisition on how Facebook and other internet companies collect and use your personal data. Rather than rehash the intricacies of the story here, we would make the following observations.

Firstly, regulation of the large internet companies is inevitable in some form. This has been brewing for some time and ultimately regulators need to catch up with the speed that these large platforms have grown. Regulation could take the form of better advertiser transparency, restrictions on data collected and stronger penalties for losing user data.

Secondly, it is important to remember that most of these companies offer free services to their users. People use Facebook for free, and in return, Facebook target users with relevant ads. Google is the same. While the effectiveness of the ads may be lessened as digital platforms are restricted from collecting and augmenting the data on users, this will ultimately be the same for all the players, with Facebook and Google remaining in the strongest positions relative to peers.

Thirdly, if our base case is that the large internet platforms will survive this crisis and trade at roughly the same multiple as the market, they still have significantly stronger sales and earnings growth potential, providing a runway for growth in the future. Facebook and Google (Alphabet) remain 3% positions in the Fund.

ACTIVISION BLIZZARD AND TAKE TWO INTERACTIVE

Our highly successful video game investments suffered profit taking over the month as investors became concerned that the rising 'Fortnite' phenomenon is dragging consumers away from their core titles, detracting a combined 45bps from monthly performance. For those not blessed with children currently obsessed by this game, Fortnite is a 'Battle Royale' title distributed by Tencent backed Epic games that has disrupted the traditional video game makers by offering the 'Freemium' model that to-date has only existed in mobile gaming. The free offering and 'Battle Royale' concept has led to the game drawing a huge community and emerging as a true competitor virtually overnight, calling into question the key software makers hold over the top 10 global titles. From our point of view, interactive entertainment is taking share from regular entertainment and ultimately there is room for some new players, especially ones that help grow the pie. The move to 'Freemium' on console is of some concern, but from a revenue perspective ultimately solvable for the Fund's key video game holdings with the best content. Longer term, these holdings are likely to benefit from adjacent opportunities in advertising and e-sports that are still yet to play out.

