

MONTHLY PERFORMANCE BY FINANCIAL YEAR¹

	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%	0.0%	2.8%	1.1%	21.0%

MONTHLY SUMMARY

The Munro Global Growth Fund returned +1.1% for the month of June, comprising a return of +0.2% from equities and +0.9% from currency. The MSCI AC World Index (AUD) meanwhile returned +1.9% (+0.0% from equities and +1.9% from currency). For the Financial Year, the Munro Global Growth Fund returned +21.0% and the MSCI AC World Index (AUD) returned +15.0%.

Global equity markets were mixed for the month of June, with the gain in the US S&P 500 up 0.6% largely offset by declines in the European STOXX index -0.6% and Japanese TOPIX -0.9%; and the significant decline in the Hang Seng -4.5%.

The key event for the month was the increasing threat of a trade war between the US and China. The rhetoric from both sides picked up fervour during the month, with back and forth barbs taking their toll after a strong start to the month for the global equities market. From a stock perspective, the best performers were Blue Prism, (see page 2); Activision Blizzard and Amazon. Detractors included Marathon Petroleum, Delek Refining, (see page 2) and Raytheon. On currencies, the Fund remains predominately hedged, however we have started to reduce the hedging of the US stock exposure with a 37% holding in USD. Given the AUD depreciated versus the USD during June, this resulted in an 91bps gain for the Fund. By comparison, the fully unhedged index gained 186bps.

MONTHLY OUTLOOK

Investors in the Fund will have noticed a general lowering of net and gross equity market exposure over the past few months as we approach what is typically a lull in markets over the northern hemisphere summer. While each year is obviously different, we do expect equity markets to continue to consolidate over this period this year, partly because of the ongoing uncertainties around trade tariffs and partly because of some softening in the growth outlook outside of the US. Furthermore, with US mid-term elections approaching in November and populism still front and centre, we expect continued noise. This dynamic though is by no means dire as it sets the base for a positive move later in CY2018 and into CY2019 as analysts start to factor in another positive year of US earnings growth ahead.

We remain confident in our key portfolio holdings and note that the disruption being caused by the great growth companies of our generation is occurring at an ever-faster pace. As ever, a key risk for growth stocks is their higher near-term valuation multiples and the relationship between these multiples and interest rates. Perversely, the uncertainty around trade and politics helps to keep US bond yields in check and provides a reasonable backdrop for the Fund's investment holdings.

FUND SUMMARY

KEY NUMBERS

UNIT PRICE	\$1.3259
EXIT PRICE	\$1.3239
ENTRY PRICE	\$1.3279
FUM	\$235.9m
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.	5.0%
BLUE PRISM	UK	INFO TECH.	4.7%
MICROSOFT	US	INFO TECH.	4.0%
ASML	NE	INFO TECH.	3.9%
ALPHABET	US	INFO TECH.	3.7%

HISTORICAL PERFORMANCE¹

GROWTH OF \$100,000



PERFORMANCE SUMMARY AS AT 30 JUNE 2018¹

	1MTH	3MTHS	6MTHS	1YR	INCEPTION (P.A.)	INCEPTION CUMULATIVE
MUNRO GLOBAL GROWTH FUND (AUD)	1.1%	4.0%	7.5%	21.0%	17.7%	36.6%
MSCI AC WORLD TR INDEX (AUD)	1.9%	4.4%	5.4%	15.0%	14.6%	29.7%
OVER / UNDER PERFORMANCE	-0.8%	-0.4%	2.1%	6.0%	3.2%	6.9%

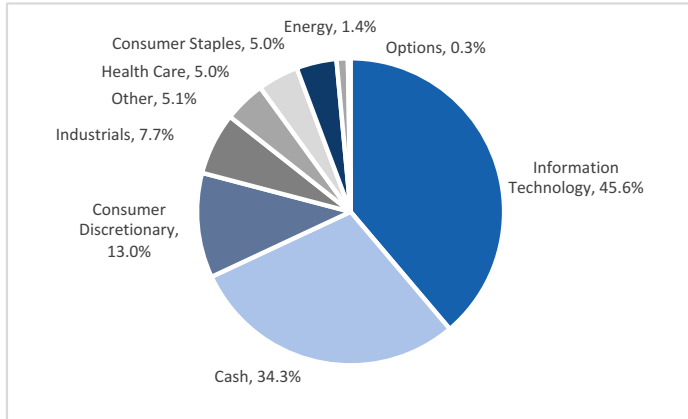
1. Past performance is provided for illustrative purposes only and is not a guide to future performance

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	
BLUE PRISM	UK	MARATHON PETROLEUM	US
ACTIVISION BLIZZARD	US	MELCO	US
MERCARI	JP	RAYTHEON	US
AMAZON	US	DELEK REFINING	US
KINGSPAN	IE	BOEING	US

FUND EXPOSURE

CURRENCY REGION	GROSS EXPOSURE	NET EXPOSURE	CURRENCY EXPOSURE
AUSTRALIA	1.1%	1.1%	58.2%
NORTH AMERICA	60.8%	49.3%	35.7%
UNITED KINGDOM	4.7%	4.7%	1.3%
EURO AREA	8.4%	6.5%	3.3%
IRELAND	1.5%	1.5%	
FRANCE	2.1%	0.2%	
ITALY	0.9%	0.9%	
NETHERLANDS	3.9%	3.9%	
SINGAPORE	0.8%	-0.8%	0.0%
SWEDEN	1.7%	1.7%	0.7%
HONG KONG/CHINA	4.0%	4.0%	0.2%
JAPAN	1.2%	-1.2%	0.6%
EXPOSURE	82.8%	65.4%	100.0%
DELTA ADJ. EXPOSURE	88.1%	60.1%	

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 10 July 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.

BLUE PRISM

Blue Prism contributed 50 basis points to June performance. The company continues to perform well for the Fund, demonstrating the rapid growth in the adoption of Robotic Process Automation (RPA) by corporates globally. Blue Prism released its half year results on the 26th of June, and whilst a trading statement in March had already acknowledged results ahead of consensus, further commentary from the company continued to strengthen our conviction. The company now has a significant customer base of 700 across the globe, and revenue increased 145% compared to the same time last year. Of the reported revenue, 93% was recurring. Not only are management seeing growth in new customers, but existing customers are also upscaling their orders with Blue Prism. In the first half, the company recorded 298 upsells across 169 customers, compared with only 83 upsells in the same period last year.

From our discussions with customers in the corporate advisory space, the appetite for Blue Prism robots continues to be strong. Customers are continually seeing the benefits of the transformational power of the Blue Prism technology. This was further reinforced by our recent meeting with competitor UiPath, which also highlighted strong sales momentum globally. We continue to see upside to our Blue Prism estimates and believe the company has many years of strong growth ahead as RPA continues to be adopted by a growing range of businesses.

DELEK REFINING & MARATHON PETROLEUM

Our US Refining holdings, Delek Refining and Marathon Petroleum, detracted 43 bps from monthly performance as the benefit of widening crude oil differentials was offset by a weakening global demand environment for refined products. With US shale oil production accelerating in the higher crude oil environment, US Refining companies sit in an almost permanently advantaged position versus their global peers. The cheaper crude oil emanating from the Permian Basin allows them to process refined products with cheaper local crude inputs and export those products to neighbouring Latin America and Europe at Brent Oil equivalent pricing. This structurally advantaged position had attracted us to the US Refiners as we felt the sustainability of this advantage had been under-priced in their equity valuation. However, the softening demand environment, particularly in emerging markets, has weakened refined product pricing, while the recent OPEC output hike depressed Brent oil pricing versus the US crudes which ultimately saw the refiners give back some of their recent strong performance. Longer term we are still attracted to the US shale oil space and associated beneficiaries, but for now suspect the increased volatility in the crude supply and refined product demand environment may see these stocks consolidate for some time yet.

