

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%	0.0%	2.8%	1.1%	21.0%
2019FY	-0.4%	5.1%	0.9%	-5.4%	-3.1%	-1.4%	2.1%	3.1%	1.2%	3.3%	-4.1%	2.4%	3.1%
2020FY	0.9%	-0.6%	-1.4%	-0.3%	4.6%								3.2%

MONTHLY SUMMARY

The Munro Global Growth Fund returned 4.6% for November, comprising a return of 3.7% from equities and 0.9% from currency. The MSCI AC World Index (AUD) returned 4.3% (2.9% from equities and 1.5% from currency).

Equity markets globally were higher with the US S&P 500 4.3%, the Europe STOXX 600 2.6%, Japan's TOPIX 1.5% and the Hang Seng the laggard, down 1.1%.

The rotation from 'growth' to 'value' stocks finally subsided in November, as markets began to reward all stocks for what is shaping up as an improved outlook as we enter 2020. During the month, we increased the net exposure above 90% to benefit from the return to favour of some of the Fund's Cloud Computing, Digital Payments and Internet Disruption positions after a lengthy hiatus.

From a stock attribution perspective, positive contributions came from programmatic advertiser, the Trade Desk (see page 2) and our Digital Enterprise and High Performance Computing Areas of Interest. Alibaba's (see page 2) recent dual listing also provided an impetus for a strong month.

On currencies, the Fund remained roughly 50/50 in USD/AUD, meaning it did not fully benefit from the depreciation of the AUD over the month, gaining 88bps versus the index's 149bps.

MONTHLY OUTLOOK

With the Fed currently on hold, growth in the "not as bad as feared" category and stimulus flowing through into the economy, the tailwinds suggest a positive end to the year as investors look to 2020 with optimism that earnings can improve from depressed levels.

A potential sticking point for a continued rally is the scheduled US tariff hikes on Chinese imports due to go into effect on 15 December. As has been the case for much of 2019, the outcome here is binary. While we currently remain bullish on markets short term given neither side wants to push their economies into recession, we have taken the opportunity to deploy some put option hedging should there be a breakdown in talks. Outside of this, the risks to equities markets largely remain around interest rates. The ideal backdrop for growth equities would remain a not too hot, not too cold, economic growth backdrop where interest rate moves stay benign.

While many stocks and indices are currently making new record highs, much of our portfolio remains below previous high points, despite earnings outlooks that are largely unchanged. Since share prices should ultimately follow earnings over the long run, we look to the new year with renewed optimism and would look for some catch up in key Fund holdings over the months ahead.

FUND SUMMARY

KEY NUMBERS

UNIT PRICE	\$1.3698
EXIT PRICE	\$1.3677
ENTRY PRICE	\$1.3719
FUND FUM	\$380m
STRATEGY FUM	\$1,016m
APIR	MUA0002AU

KEY FACTS

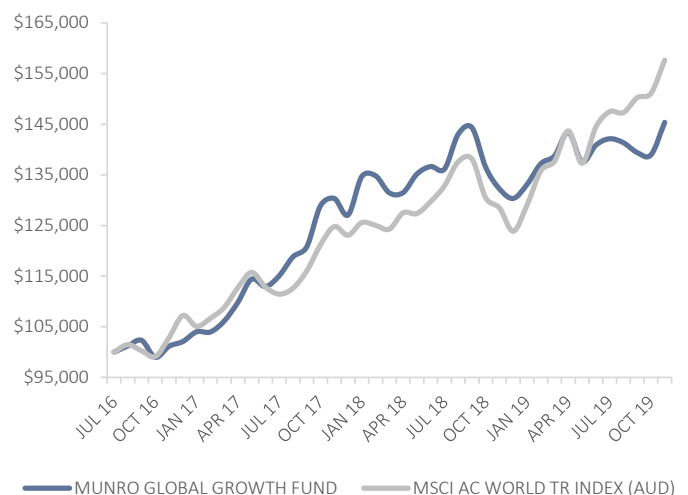
NUMBER OF STOCKS	30-50 POSITIONS
CASH WEIGHTING	0-100%
CURRENCY HEDGING	0-100%
MANAGEMENT FEE	1.35% P.A.
PERFORMANCE FEE	10.00%

TOP 5 HOLDINGS

STOCK			WEIGHT
ALIBABA	HK	CONS. DISC.	5.9%
AMAZON	US	CONS. DISC.	5.2%
MICROSOFT	US	INFO TECH.	5.1%
ALPHABET	US	COMM. SERVICES	4.8%
CELLNEX	SP	COMM. SERVICES	3.7%

HISTORICAL PERFORMANCE ¹

GROWTH OF \$100,000



PERFORMANCE SUMMARY AS AT 30 NOVEMBER 2019 ¹

	1MTH	3MTHS	6MTHS	1YR	2YRS	3YRS	INCEPTION (P.A.)	INCEPTION CUMULATIVE
MUNRO GLOBAL GROWTH FUND (AUD)	4.6%	2.9%	5.7%	9.9%	5.6%	12.8%	11.9%	45.3%
MSCI AC WORLD TR INDEX (AUD)	4.3%	7.0%	14.8%	22.7%	12.4%	15.3%	14.7%	57.6%
OVER / UNDER PERFORMANCE	0.3%	-4.2%	-9.2%	-12.8%	-6.8%	-2.5%	-2.8%	-12.3%

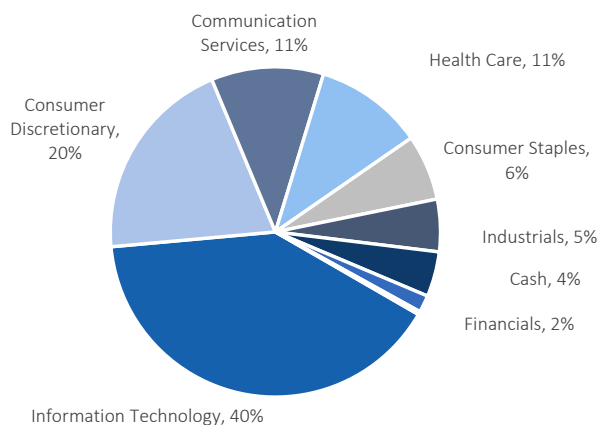
1. Past performance is provided for illustrative purposes only and is not a guide to future performance

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, while maintaining a capital preservation mindset. The Fund's flexible mandate allows it to dynamically manage its market exposure and currency exposure to protect clients' capital and to enhance the long term returns of our investments.

NET PORTFOLIO SECTOR EXPOSURE & CASH



NOTABLE STOCK CONTRIBUTORS

TOP 5 CONTRIBUTORS		BOTTOM 5 CONTRIBUTORS	
ALIBABA	HK	TAKEAWAY (SHORT)	NE
TRADE DESK	US	STRYKER	US
MICROSOFT	US	PELTON (SHORT)	US
SERVICENOW	US	SAMSUNG	SK
MONCLER	IT	IAC	US

FUND EXPOSURE

CURRENCY REGION	GROSS EXPOSURE	NET EXPOSURE	CURRENCY EXPOSURE
AUSTRALIA	0.0%	0.0%	46.3%
UNITED STATES	69.3%	67.2%	53.1%
UNITED KINGDOM	4.1%	4.1%	0.1%
HONG KONG/CHINA	2.2%	2.2%	0.1%
EURO AREA	24.8%	20.9%	0.4%
FRANCE	12.2%	10.7%	
GERMANY	2.2%	2.2%	
ITALY	2.1%	2.1%	
NETHERLANDS	4.8%	2.3%	
SPAIN	3.6%	3.6%	
SWITZERLAND	3.0%	1.0%	0.0%
EXPOSURE	103.3%	95.3%	100.0%
DELTA ADJ. EXPOSURE	111.2%	92.8%	

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.

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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 GSFM Responsible Entity 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 4 December 2019.

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.

THE TRADE DESK

The Trade Desk contributed 50bps to November performance. The Trade Desk is a software company that is a global leader in programmatic advertising.

As demonstrated through Facebook and Alphabet, targeted advertising over digital platforms offers a much higher return on investment for brands. Programmatic builds on this targeting aspect, allowing brands to bid on ad inventory across the whole internet not just in the 'Walled Gardens' of Facebook and Google. As more and more forms of media move to digital delivery, this increases the inventory available to programmatic advertisers. The rise of digital TV and audio content via streaming services should create a step change for the industry.

Today programmatic advertising represents just 5% of all spend in the global advertising market of \$700bn, but we would expect this to double to 10% over the next five years. The Trade Desk, as the world's largest programmatic advertising platform, looks set to benefit from this trend. While the stock remains expensive on traditional measures, it looks well placed to benefit as targeted advertising on digital TV expands over the months and years ahead.

ALIBABA

Alibaba contributed 55bps (combined US & Hong Kong listings) to performance over November.

Alibaba has been a core Fund holding for nearly two years. However, despite delivering revenue and earnings growth of 100% and 300% respectively over that time, its share price has remained stubbornly static, as its multiple compressed to take account of a range of issues. The most obvious have been the trade dispute between the US and China, concerns around its Variable Interest Entity (VIE) ownership structure and the exit of a Yahoo as a large original shareholder.

During November, Alibaba finally listed on the HK stock exchange which ultimately, via stock connect arrangements with Shanghai, will allow Chinese nationals to own a piece of their own Chinese National Champion.

In short, we see Alibaba as a bit like the Amazon of China; dominating the dual growth areas of E-Commerce and Cloud Computing. In addition, it has the tailwinds of a larger addressable market and being earlier in its penetration and profitability, particularly on the cloud side of the business.

The Hong Kong listing removes some of the overhang that was depressing the stock's valuation. The Fund took the opportunity of the new primary listing to double its holding in the company and anticipates the valuation gap to peers continuing to close over the months ahead.

