

Magellan Global Fund (Open Class) (Managed Fund)



TICKER: MGOC | APIR: MGE0001AU | ARSN: 126 366 961

AS AT 31 AUGUST 2023

PORTFOLIO MANAGERS

NIKKI THOMAS, CFA AND ARVID STREIMANN, CFA

INVESTMENT PHILOSOPHY

To invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk.

OBJECTIVES

To achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.

Aims to deliver 9% p.a. net of fees over the economic cycle.

PORTFOLIO CONSTRUCTION

A relatively concentrated portfolio of 20-40 high quality securities constructed with strict risk discipline and macroeconomic insight seeking to achieve strong risk-adjusted, not benchmark-relative returns. Cash and cash equivalents exposure between 0 - 20%.

INVESTMENT RISKS

All investments carry risk. While it is not possible to identify every risk relevant to an investment in the fund, we have provided details of risks in the Product Disclosure Statement. You can view the PDS for the fund on Magellan's website www.magellangroup.com.au.

MAGELLAN GLOBAL FUND (OPEN CLASS) (MANAGED FUND): KEY PORTFOLIO INFORMATION

TICKER	FUND SIZE	BUY/SELL SPREAD ¹	MANAGEMENT AND PERFORMANCE FEES ²	INCEPTION DATE
MGOC	AUD \$6,783.7 million	0.07% / 0.07%	1.35% p.a. and performance fee of 10% of dual hurdle excess return [^]	1 July 2007

[^] 10.0% of the excess return of the Open Class units of the Fund above the higher of the Index Relative Hurdle (MSCI World NTR Index (AUD)) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds). Additionally, the Performance Fees are subject to a high water mark.

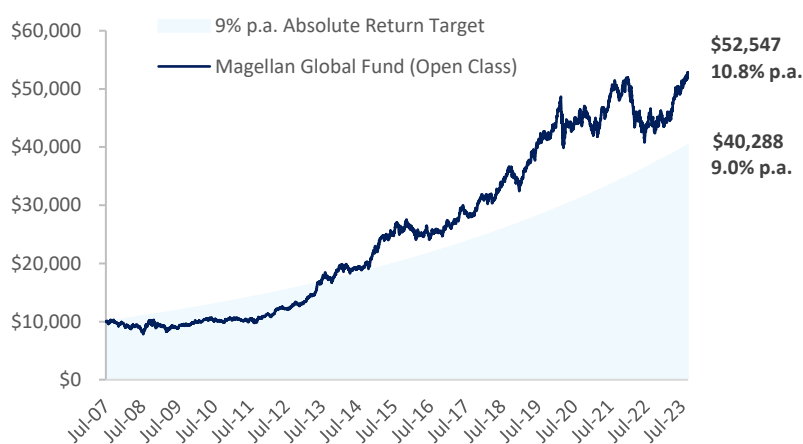
PERFORMANCE³

	1 MONTH (%)	3 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	5 YEARS (% p.a.)	7 YEARS (% p.a.)	10 YEARS (% p.a.)	Since Inception (% p.a.)	OUTPERFORMANCE CONSISTENCY ⁺
MGOC	2.3	4.8	20.1	5.3	7.7	10.7	11.5	10.8	73%
MSCI World NTR Index (AUD)*	1.6	6.9	22.4	13.3	10.7	12.5	12.8	7.8	-
Excess	0.7	-2.1	-2.3	-8.0	-3.0	-1.8	-1.3	3.0	-

CALENDAR YEAR RETURNS	CYTD (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)	2008 (%)
MGOC	20.7	-15.7	19.3	0.0	28.1	9.8	14.2	3.7	15.3	14.5	48.7	18.3	9.8	2.4	6.6	-2.7
MSCI World NTR Index (AUD)*	21.6	-12.2	29.3	5.6	27.9	1.4	13.3	8.0	11.5	14.7	47.0	14.4	-5.6	-1.9	0.8	-25.3
Excess	-0.9	-3.5	-10.0	-5.6	0.2	8.4	0.9	-4.3	3.8	-0.2	1.7	3.9	15.4	4.3	5.8	22.6

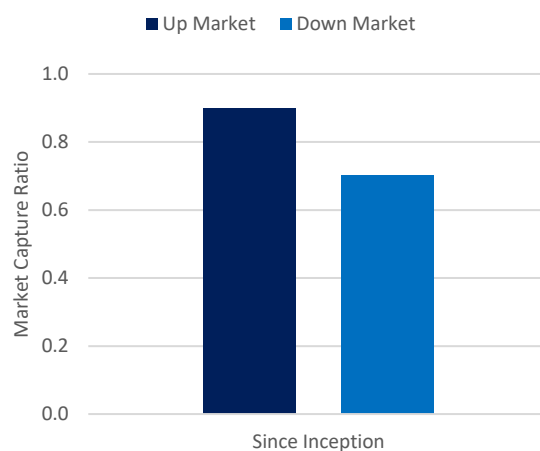
Past performance is not a reliable indicator of future performance.

PERFORMANCE CHART GROWTH OF AUD \$10,000³



Past performance is not a reliable indicator of future performance.

MARKET CAPTURE⁴



¹ Only applicable to investors applying for units and withdrawing units directly with the Responsible Entity.

² Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST.

³ Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

⁴ Market capture is calculated after fees measured against the monthly returns of the MSCI World Net Total Return Index (AUD)*. Up market capture shows how the fund performed relative to the index while the market is rising. Down market capture shows how the fund performed relative to the index while the market is falling.

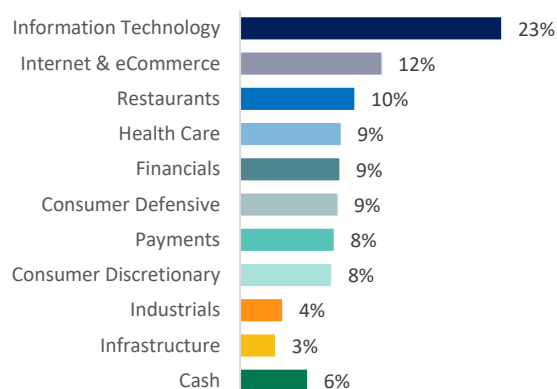
* Outperformance consistency indicates the percentage of positive excess returns for rolling 3 year returns since inception.

* MSCI World Net Total Return Index (AUD). All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in www.magellangroup.com.au/funds/benchmark-information/

TOP 10 HOLDINGS (ALPHABETICAL ORDER)

STOCK	SECTOR ⁵
Amazon.com Inc	Internet & eCommerce
Apple Inc	Information Technology
Intercontinental Exchange Inc	Financials
Intuit Inc	Information Technology
Lowe's Co Inc	Consumer Discretionary
MasterCard Inc	Payments
Microsoft Corporation	Information Technology
SAP SE	Information Technology
UnitedHealth Group Inc	Health Care
Visa Inc	Payments

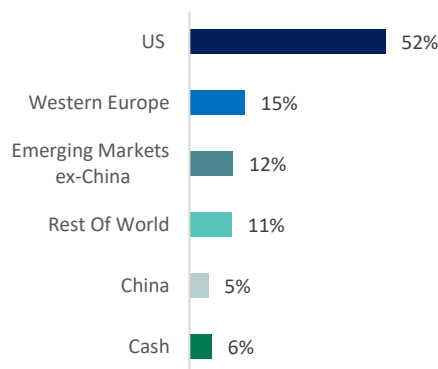
SECTOR EXPOSURE BY SOURCE OF REVENUE⁵



TOP CONTRIBUTORS/DETRACTORS 1 YEAR⁶

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
SAP SE	2.2
ASML Holding NV	1.8
Visa Inc	1.4
TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
US Bancorp	-0.7
Crown Castle Inc	-0.5
Eversource Energy	-0.4

GEOGRAPHICAL EXPOSURE BY SOURCE OF REVENUE⁵



MONTHLY SUMMARY

During August the major market influences were the last of earnings results, weak China economic data and the uptick in the 10-year bonds; most notably, the US 10 Year Bond moving above 4% again and spiking as high as 4.34%. Participants seem, even more than usual, unsure of the path for economic growth given the lagged effects of higher policy interest rates juxtaposed with ongoing levels of inflation above target and resilient consumption trends. Energy stocks benefitted from strength in the oil price while utilities struggled as expectations for real interest rates moved higher. We see increasing evidence of more difficult conditions for consumers (and thus discretionary spending) while the opportunities being created by enabling and commercialising AI as well as addressing the capital investment needs of transitioning to a net zero carbon world suggest longer-term support for economic growth, especially in the US.

In August, the portfolio fell in USD but rose in AUD as the AUD depreciated. Price gains were led by Intuit, Amazon, Alphabet, Mastercard and Visa, all up over 5% in the month, mainly due to follow-on from strong results and positive outlooks. Companies with price falls of 5% or more during August included Eversource Energy, LVMH, ASML, UnitedHealth and Yum! Brands. Generally, anxiety about China's economic outlook played out in the pricing of companies with exposure to China. The largest detractors to the portfolio were LVMH and ASML as worries about a slowing in revenue growth in the very short term were priced. Both, in our view, remain superbly positioned for long-term success and strong returns. We exited our small position in PepsiCo as the growth outlook becomes more challenged and the stock looks fully priced.

Index movements and stock contributors/detractors are based in local currency terms unless stated otherwise.

⁵ Sectors are internally defined. Geographical exposure is calculated on a look through basis based on underlying revenue exposure of individual companies held within the portfolio. Exposures may not sum to 100% due to rounding.

⁶ Shows how much the stock has contributed to the fund's gross return for the period in AUD. Excludes non-disclosed positions established in the latest quarter.

IMPORTANT INFORMATION

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