

**Key Facts**

Portfolio Manager	Hamish Douglass	Contribution Fee*	Up to 1.25%
Structure	Global Equity Fund, \$A unhedged	Buy/Sell Spread*	0.25%/0.25%
Inception date	1 July 2007	MER/ICR*	1.36%
Performance Fee*	10.10% of net excess return over the Benchmark (MSCI World Net TR Index [\$A]). Subject to net performance also being greater than the Australian 10-year Government Bond Yield and high water mark provisions.		

\* All fees are inclusive of the net effect of GST

**Performance<sup>†</sup>**

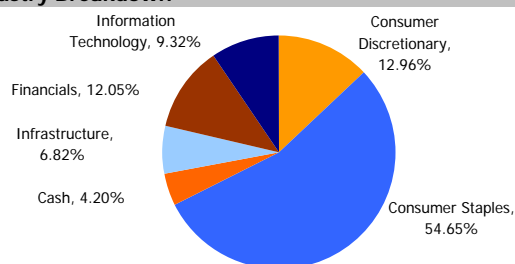
	Fund	Excess Return*
1 month	0.57%	4.63%
3 months	1.52%	3.67%
6 months	4.08%	2.25%
12 months	-6.52%	7.02%
2 Years (% p.a.)	-0.90%	15.06%
Since Inception	-5.30%	26.49%

\* Over benchmark

**Performance Chart Growth of \$1,000**

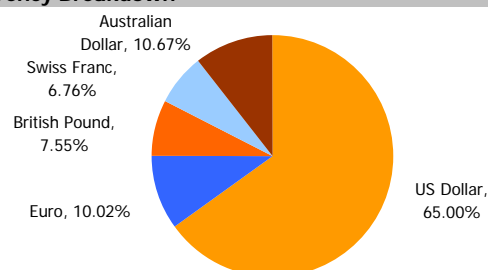
**Top Ten Holdings in Alphabetical Order**

American Express	Financials
Coca-Cola Company	Consumer Staples
eBay Inc	Information Technology
Kraft Foods	Consumer Staples
McDonald's Corp	Consumer Discretionary
Nestlé SA	Consumer Staples
Pepsico Inc	Consumer Staples
Procter and Gamble	Consumer Staples
Unilever NV	Consumer Staples
Yum! Brands Inc	Consumer Discretionary

**Industry Breakdown**

**Regional Breakdown**

Multinational*	61.15%
North America	27.29%
United Kingdom	4.33%
Australia	3.03%
Europe	0.00%
Japan	0.00%
Asia ex-Japan	0.00%
Cash	4.20%
<b>TOTAL</b>	<b>100.00%</b>

\* Multinational: Greater than 50% of revenues outside home country

**Currency Breakdown**

**Portfolio Commentary**

The global market declined during the month of October to be down over 2% in local currency terms; whilst continued appreciation of the Australian dollar (up 6.1% against the US dollar and 3.7% on a trade weighted basis) resulted in a decline of 3.4% in Australian dollar terms. The continued focus on quality has been vindicated by the solid operational results reported by investee companies.

The fund delivered 0.57% for the month and -6.52% for the 12 months to October, significantly outperforming the benchmark by 4.63% and 7.02% respectively. During the month of October the fund benefitted from renewed strength in the Consumer Staples sector with Nestle, Unilever, Kraft (purchased during September) and Pepsico appreciating 8.3%, 6.7%, 4.8% and 3.2% in local currency terms respectively.

Fund inflows and cash holdings continue to be deployed broadly across the portfolio with the fund continuing to selectively purchase companies at prices below our assessed intrinsic value. In light of the recent rally, the fund has now completely exited out of all consumer discretionary positions with the exception of Yum! Brands and McDonalds. As mentioned previously, we do not regard these businesses as possessing vulnerabilities exhibited by most of their peers in the consumer discretionary sector. The fund has selectively increased exposure to infrastructure over the last two months, as the sector has been largely left behind in the recent rally whilst fundamentals have remained strong.

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<sup>†</sup> Calculations are based on exit price to exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable).

Fund Inception 1 July 2007.

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