

# Antares Investment Returns

Performance to 31 March 2020<sup>1</sup>

		3 mths %	1 yr %	3 yrs % pa	5 yrs % pa	10 yrs % pa	Since inception % pa
<b>Australian Equities</b>							
	<b>Net return<sup>2</sup> %</b>	-30.4	-24.2	-6.0	-1.8	3.3	7.7
<b>Australian Equities Fund</b>	Gross return %	-30.3	-23.7	-5.3	-1.0	4.2	8.7
Inception Date: 03/07/1995	Benchmark return %	-23.1	-14.4	-0.6	1.4	4.9	8.2
	<b>Net excess return %</b>	<b>-7.3</b>	<b>-9.8</b>	<b>-5.4</b>	<b>-3.2</b>	<b>-1.6</b>	<b>-0.5</b>
	Gross excess return %	-7.2	-9.3	-4.7	-2.4	-0.7	0.5
	<b>Portfolio<sup>4,6</sup> inc yld %</b>	-	6.21	5.31	4.83	4.48	4.26
	Benchmark <sup>5,6</sup> inc yld %	-	4.45	4.33	4.20	4.05	-
<b>Dividend Builder</b>	<b>Net return<sup>2</sup> %</b>	-25.6	-20.6	-7.8	-3.4	5.2	4.9
Inception date: 06/09/2005	Benchmark return %	-21.9	-12.0	-1.7	0.8	6.9	6.0
	<b>Net excess return %</b>	<b>-3.7</b>	<b>-8.6</b>	<b>-6.1</b>	<b>-4.2</b>	<b>-1.7</b>	<b>-1.1</b>
	<b>Net return<sup>2</sup> %</b>	-27.5	-20.9	-4.1	-0.1	4.0	8.5
<b>Elite Opportunities Fund</b>	Gross return <sup>3%</sup>	-27.4	-20.3	-3.5	0.6	4.7	<b>9.3</b>
Inception date: 18/11/2002	Benchmark return %	-23.1	-14.4	-0.6	1.4	4.9	<b>7.7</b>
	<b>Net excess return %</b>	<b>-4.4</b>	<b>-6.5</b>	<b>-3.5</b>	<b>-1.5</b>	<b>-0.9</b>	<b>0.8</b>
	Gross excess return %	-4.3	-5.9	-2.9	-0.8	-0.2	1.6
	<b>Net return<sup>2</sup> %</b>	-27.7	-20.3	-2.3	0.7	4.7	9.0
<b>High Growth Shares Fund</b>	Gross return %	-27.5	-19.4	-1.3	1.7	5.8	10.5
Inception date: 07/12/1999	Benchmark return %	-23.1	-14.4	-0.6	1.4	4.9	6.9
	<b>Net excess return %</b>	<b>-4.6</b>	<b>-5.9</b>	<b>-1.7</b>	<b>-0.7</b>	<b>-0.2</b>	<b>2.1</b>
	Gross excess return %	-4.4	-5.0	-0.7	0.3	0.9	3.6
	<b>Gross return %</b>	<b>-26.5</b>	<b>-12.9</b>	<b>1.8</b>	-	-	<b>6.0</b>
<b>Ex-20 Equities Model<sup>3</sup></b>	Benchmark return %	-27.3	-17.9	-0.6	-	-	3.5
Inception date: 27/05/2015	<b>Gross excess return</b>	<b>0.8</b>	<b>5.0</b>	<b>2.4</b>	-	-	<b>2.5</b>
	<b>Net return<sup>2</sup> %</b>	-35.0	-31.8	-7.6	-1.8	5.9	6.3
<b>Listed Property Fund</b>	Gross return %	-34.9	-31.3	-7.0	-1.1	6.7	7.1
Inception date: 28/02/1994	Benchmark return %	-34.4	-31.7	-5.1	0.2	7.1	6.2
	<b>Net excess return %</b>	<b>-0.6</b>	<b>-0.1</b>	<b>-2.5</b>	<b>-2.0</b>	<b>-1.2</b>	<b>0.1</b>
	Gross excess return %	-0.5	0.4	-1.9	-1.3	-0.4	0.9

## Disclaimer:

<sup>1</sup> Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document. The value of an investment may rise or fall with the changes in the market.

<sup>2</sup> Investment returns are based on exit prices, and are net of management fees and assume reinvestment of all distributions. <sup>3</sup> Investment returns for the Antares Ex-20 Model Portfolio are based on a notional model portfolio and are gross of administration (platform) and investment management fees, net of estimated transaction costs, and assume all dividends remain in the model portfolio. Actual (net) performance will vary according to the administration fees charged by the administrator or platform used to implement the strategy. <sup>4</sup> Calculated as the sum of the income yields over the period where the yield is income distributed during the period divided by the unit price (before fees) at the start of the distribution period. <sup>5</sup> Calculated as the sum of the monthly returns of the S&P/ASX 200 Industrials Total Return Index minus the monthly returns of the S&P/ASX 200 Industrials Index (price index). <sup>6</sup> Income yield at 30 June.

## Antares market & fund updates

Below is a brief review of how the Australian share market performed during the quarter as well as short commentaries on the Antares Funds and model portfolios, outlining their performance and the main contributors to performance.<sup>#</sup>

### Australia share market review

What had begun as a buoyant start to 2020 turned into a global market rout as China's coronavirus outbreak became a global pandemic. The S&P/ASX 200 ended the quarter down by 23.1%, having been up by 7% at the market peak on 20 February. This was a similar decline to the UK and marginally below the US where the S&P 500 fell by 19.7%. The speed and scale of the declines has been remarkable.

As countries moved into lockdowns there were bans on travel and gatherings. The airline, travel, leisure and entertainment sectors ground to a near halt. Many shops were closed aside from essential services such as supermarkets. Compounding the drop in demand as the airline and transport industries slowed down was the threat of an oil supply / price war between Russia and Saudi Arabia. Not surprisingly the Energy sector was the poorest performer on the ASX, followed by the AREIT sector which was led down by stocks with exposure to discretionary retailers. The healthcare sector recorded the only positive performance for the quarter. Consumer Staples fared relatively well as shoppers rushed supermarkets to hoard essential supplies. Increased mobile and internet usage as the population moved into lockdown and began working from home has seen relative support for telecommunications suppliers.

Governments have announced huge stimulus programs with central banks cutting interest rates and committing to quantitative easing. Many companies have withdrawn earnings guidance and some have postponed or cancelled dividends.

### Australian Equities Fund

The Antares Australian Equities Fund returned -30.4% (net of fees) for the March 2020 quarter, underperforming its benchmark S&P/ASX200 Total Return Index return of -23.1% by 7.3%<sup>1</sup>. Detracting from performance were an underweight position in CSL and overweight holdings in Santos and Star Entertainment. The main contributors to quarterly performance were overweight positions in Northern Star, Telstra and Graincorp.

### Dividend Builder

The annual income yield to 30 June 2019 for Antares Dividend Builder Fund was 6.21% compared to its benchmark yield of 4.45%. With many companies announcing changes to their dividend payments in the wake of the coronavirus pandemic we emphasise the importance of not using past performance as a guide to future performance. However, we do reiterate that it is our objective to deliver income in excess of our benchmark. The Fund's net return for the March quarter was -25.6%<sup>1</sup>. Detracting from relative performance was the decision not to own CSL and overweight holdings in Scentre Group and Star Entertainment. The main contributors to relative performance were overweight positions in Metcash and Treasury Wine Estates as well as the Fund's cash position.

### Elite Opportunities Fund

The Antares Elite Opportunities Fund returned -27.5% (net of fees) for the March 2020 quarter, underperforming its benchmark S&P/ASX200 Total Return Index return of -23.1% by 4.4%<sup>1</sup>. Detracting from relative performance were overweight holdings in Santos and Star Entertainment and an underweight position in CSL. Contributing to performance were overweight positions in Metcash and Telstra as well as the Fund's cash position.

### High Growth Shares Fund

The Antares High Growth Shares Fund returned -27.7% (net of fees) for the March 2020 quarter, underperforming its benchmark S&P/ASX200 Total Return Index return of -23.1% by 4.6%<sup>1</sup>. Detracting from relative performance were overweight positions in Santos, Star Entertainment and Worley. Overweight holdings in CSL and Metcash as well as the Fund's cash position contributed to performance.

### Ex-20 Equities Strategy<sup>3</sup>

The Antares Ex-20 Equities Strategy returned -26.5% (gross of fees) for the March 2020 quarter, outperforming its benchmark S&P/ASX200 Total Return Index ex S&P/ASX 20 Total Return Index return by 0.8%<sup>1</sup>. An overweight holding in Metcash and the decision not to own Oil Search contributed to relative performance, while an overweight position in Star Entertainment and the decision not to own Coles detracted from performance.

### Listed Property Fund

The Antares Listed Property Fund returned -35.0% (net of fees) for the March 2020 quarter, underperforming its benchmark S&P/ASX200 A-REIT Total Return Index return of -34.4% by 0.6%<sup>1</sup>. An overweight holding in Scentre Group, an underweight to Goodman Group and no holding in Shopping Centres Australasia detracted from relative performance. Contributing to performance was an underweight to Vicinity Centres, an overweight position in Viva Energy REIT and the Fund's cash position.

<sup>#</sup>All returns are net of fees. Please refer to page 1 for a summary of returns which are gross of fees. <sup>1</sup>. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document.

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