

13 August 2019

Company Announcements Office  
ASX Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**MONTHLY NTA STATEMENT - July 2019**

Ellerston Global Investments Limited (**ASX: EGI**) advises the unaudited Net Tangible Asset backing (**NTA**) per share of the Company as at 31 July 2019 is:

<b>NTA per Share</b>	<b>31 July 2019</b>
NTA before tax	\$1.1678
NTA after realised tax *	\$1.1678
NTA after tax ^	\$1.1388

These figures are unaudited and indicative only  
The NTA is based on fully paid share capital of 107,823,846.

\* NTA after realised tax - Includes a provision for tax on realised gains from the Company's Investment Portfolio.  
^ NTA after tax - Includes any tax on unrealised gains and deferred tax.

On 27 March 2019, EGI announced a new on-market buy-back of up to 10% of its shares, commencing 16 April 2019 and continuing for twelve months. Since 16 April 2019 a total of 1,712,227 shares had been bought back.

The company's net performance before tax for the month was 3.03%.



Ian Kelly  
Company Secretary

**Contact Details**

Should investors have any questions or queries regarding the company, please contact our Investor Relations team on 02 9021 7797. All holding enquiries should be directed to our share registrar, Link Market Services on 1300 551 627 or [EGI@linkmarketservices.com.au](mailto:EGI@linkmarketservices.com.au).

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# Ellerston Global Investments Limited (ASX:EGI)

Performance Report | July 19

## PERFORMANCE SUMMARY

Performance	1 Month	3 Months	6 Months	1 Year	3 Year p.a.	Since Inception (p.a.)
Net <sup>^</sup>	3.03%	3.35%	11.93%	2.81%	8.27%	9.04%
Benchmark*	1.18%	1.05%	10.10%	4.68%	10.96%	8.47%
Alpha	1.85%	2.30%	1.83%	-1.87%	-2.69%	0.57%

Source: Ellerston Capital

<sup>^</sup> The net return figure is calculated before all tax provisions, after fees & expenses, includes the effects of the share buyback, and excluding the effects of option exercise dilution. Past performance is not a reliable indication of future performance

\*MSCI World Index (Local)

## PORTFOLIO COMMENTARY

The EGI portfolio increased 3.03% net during the month of July. The NTA (before tax) at the end of July was \$1.1678.

Global equity markets largely continued their upward trend in July as seen throughout most of 2019, although at a more moderate pace. The highlight of the month came in its final days as the Federal Reserve lowered interest rates 0.25%, however, the market was left somewhat unimpressed with Jerome Powell's relatively hawkish commentary at the accompanying press conference, referring to the cut as simply a "mid-cycle adjustment", potentially stifling the markets desire for a larger rate cutting cycle. However, at the time of writing, in the first week of August, a further breakdown in US/China trade discussions has seen President Trump threaten additional import tariffs on China – resultantly, odds of further US rates cuts have surged, with the US 2 Year Treasury yield now sub 1.60%.

Contributors to performance this month included **Entertainment One**, **LivePerson** and **Ciena**. Detractors from performance included **CoreCivic**, **Resideo** and **PVH Corp**.

In the final two weeks of July reporting season for earnings up to the end of June began in earnest with eight of EGI portfolio companies reporting during the month. Results have thus far been favourable, with all re-affirming full year expectations and more importantly seeing good operational momentum within their respective businesses. In fact, on the back of that strong operational momentum, four of those eight companies have actually increased their earnings expectations for the remainder of the year.

Top 5 position, **Graphic Packaging**, kicked off our Q2 2019 earnings season in robust fashion, increasing its outlook for EBITDA in FY19 by \$15mil. Graphic Packaging is benefiting from a relatively less inflationary raw material environment as compared to 2018 and is now capturing the lagged impact from recent price increases resulting in a positive price/cost relationship. GPK is also beginning to talk further, particularly in Europe, about benefiting as customers begin to shift away at the margin from plastic to paperboard based packaging solutions. Whilst only a small shift today, we believe this is a shift which will have a long tail, with GPK well positioned to benefit as a vertically integrated player operating in a duopoly industry structure.

As we mentioned last month, **Entertainment One**, was EGI's largest detractor to performance in June on the back of rumours that ETO's Chief Content Officer for Film & Television, Mark Gordon, was set to leave the company. ETO has subsequently released an announcement detailing Mark Gordon's updated position, focussed on production, which will be beneficial for both him and the company. Consequently, ETO was the largest contributor to performance this month as the share price recovered. In terms of the business itself, new Family brand Ricky Zoom was launched in China this month, with a global launch set for the coming months.

Finally, we encourage all shareholders and interested readers to read the Investment Manger's report to be included in the EGI Annual Report to be released later this month. In line, with our day to day focus, we have focussed this year's report on the businesses we own, how they performed in FY19 and our excitement into how we believe the portfolio is set up as we head into FY20 and beyond.

Kind Regards,

Bill Pridham and Arik Star

EGI Co-Portfolio Managers

### Key Facts

Listing Date	20 October 2014
NTA (before tax)*	\$1.1678
NTA (after realised tax) <sup>^</sup>	\$1.1678
NTA (after tax)**	\$1.1388
Share Price at 31/07/19	0.95
EGI Market Capitalisation	\$102.4 Million
Management Fee	0.75%
Performance Fee	15%

\* NTA (before tax) – Includes taxes that have been paid.

<sup>^</sup> NTA (after realised tax) - Includes a provision for tax on realised gains from the Company's Investment Portfolio.

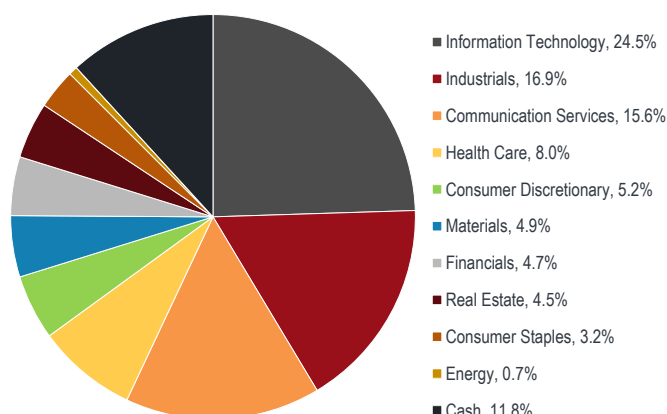
\*\* NTA (after tax) - Includes any tax on unrealised gains and deferred tax.

## PORTFOLIO CHARACTERISTICS

### HOLDINGS

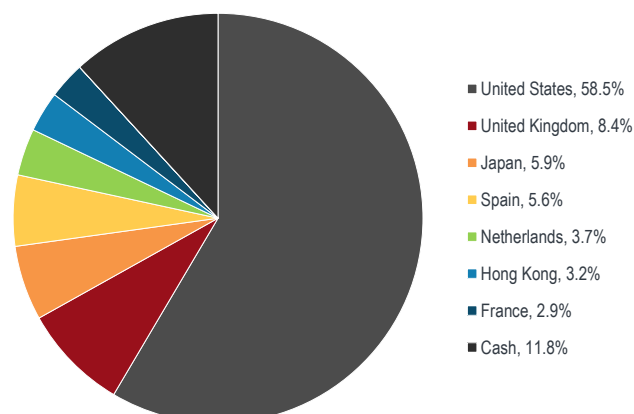
Top 10 Holdings	Country	Sector	%
Premier Inc.	United States	Health Care	5.62%
Cellnex Telecom	Spain	Communication Services	5.59%
Entertainment One Ltd.	United Kingdom	Communication Services	5.55%
Graphic Packaging Holding Co	United States	Materials	4.92%
WillScot Corporation	United States	Industrials	4.57%
Nuance Communications Inc.	United States	Information Technology	3.99%
Ciena Corporation	United States	Information Technology	3.86%
TKH Group	Netherlands	Industrials	3.69%
Anritsu Corporation	Japan	Information Technology	3.37%
Keysight Technologies Inc	United States	Information Technology	3.35%

### SECTOR ALLOCATION



Source: Ellerston Capital

### GEOGRAPHIC ALLOCATION



All holding enquiries should be directed to our share registrar, [Link Market Services](https://linkmarketservices.com.au) on 1300 551 627 or [EGI@linkmarketservices.com.au](mailto:EGI@linkmarketservices.com.au)

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