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2 October 2019

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

**MFF Capital Investments Limited
2019 Annual General Meeting**

In accordance with ASX Listing Rule 3.13.3, please find attached a copy of the Chair's Address and the Managing Director/Portfolio Manager's Comments.

Yours faithfully,

A handwritten signature in black ink that reads 'M Venegas'.

**Marcia Venegas
Company Secretary**

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Chair's Address **MFF Capital Investments Limited 2019 Annual General Meeting** **Wednesday, 2 October 2019**

Ladies and Gentlemen

I am pleased to report that MFF's portfolio appreciated materially in 2018/2019 and this is clearly reflected in the financial results which we will detail later.

Before I discuss the Portfolio and associated Risks, I would like to say a few words on board composition. At last year's AGM, it was noted that the non-executive directors had been in place since the listing and the Board had commenced a renewal process. We have three new non-executive directors including me as Chairman. Peter and Robert bring very significant markets and industry experience and I am delighted that they have agreed to join our board. Your non-executive directors - Andy and John who continue as directors today - have done an excellent job for shareholders which extends well beyond MFF's strong financial position. I particularly pay tribute to the leadership of Dick Warburton our inaugural Chairman who made an outstanding contribution to MFF. Dick retired after the release of the results and we all wish him a long and enjoyable retirement.

Portfolio and Risks

I will now return to the Portfolio and associated risks. As I mentioned earlier, MFF's portfolio appreciated materially in 2018/2019. Overall, equity markets were again positive despite the downward fluctuations in the December quarter of 2018. Risks associated with the sustained low investment rates and higher asset prices increased in the twelve months. The board and management remain focused on risk controls, particularly given MFF's portfolio gains over a number of years. The Board has repeatedly cautioned against heightened investor expectations and we do so again today.

In addition to portfolio returns and risk controls, our focus is also on shareholder returns. Shareholders who exercised the MFF Options at the adjusted price of 97.5 cents or participated in the rights issue at \$1.60 have seen solid gains in asset backing and shareholder returns. In recent years MFF's share price has mostly traded between our post tax NTA figure and our pre-tax NTA figure, and thus shareholder return has broadly tracked the after-tax portfolio returns or been moderately better.

Chris will shortly provide details on the financial results, the portfolio, market risks and other risks.

The Board is pleased with the composition of the portfolio and we consider MFF's risk standards and investment process continue to be well maintained. The Board remains very supportive and pleased with Chris Mackay's focus as MFF's Portfolio Manager.

Dividends

The Directors have declared a fully franked dividend of 2 cents per share, to be paid in November 2019. The Board also confirmed our intention to increase the rate of the six monthly dividend, over time, to 2.5 cents per share, subject to corporate, legal and regulatory considerations, with continued operation of the Dividend Reinvestment Plan (at zero discount).

The Board continues to consider a range of matters in setting dividend policy. These include MFF's continuing strong investment returns on our retained capital and recent increases in taxes we have paid (which increase franking credits). We continue to welcome shareholder feedback, including from shareholders who preferred us not to raise the dividend and for us to retain capital given the strong investment returns.

Capital Structure

MFF continues to have a very strong balance sheet, with liquid investments, and ready access to debt and equity markets (both of which remain favourable). We do not currently have any plans to raise additional new capital

or otherwise alter MFF's overall capital structure. Capital structure can be reviewed promptly if circumstances change, for example if a general fall in markets leads to far more attractive investment opportunities.

The Board remains in favour of the possible benefits of greater scale but only if this is in shareholders overall interests. We are also conscious of not raising a lot of capital and having it simply sit on the balance sheet waiting for better opportunities.

Service Arrangements

As previously advised, during October 2018 MFF extended the financial terms for the service arrangements provided by Magellan Asset Management, for an additional two years (with the exception that no performance fees are payable during the period of extension). Financial terms are set through until calendar year end 2022.

Currently we are well above the threshold to have to pay our final performance fee to Magellan when the calculation occurs at the end of this year. Of course, this comment is subject to appropriate disclaimers about markets and future performance.

On-market Share Buy-back

Shareholders benefitted from the share buybacks we conducted in previous years at prices well below recent prices. It did not make sense to buy back shares in the past 12 months and we have now cancelled the buyback authorization.

Information

MFF provides regular, very high levels of transparency about MFF, our portfolio, decisions made, prospects and risks, in addition to detailed statutory information so that investors can make informed decisions about their investments. We release detailed figures each week including pre and post-tax figures, updates in relation to the portfolio holdings, as well as extensive monthly commentaries.

We welcome the questions we have received during the year and those specifically for the meeting. We will seek to address many in the formal comments and in Q+A, as well as questions from the floor and the phones.

Board

My early impressions are very positive regarding the operations of the MFF board and management. The Magellan teams that support MFF are very professional. The Board is extremely experienced and is very engaged. We all have clear access to the auditors, the Magellan support teams and to our

management. The alignment of MFF with the Directors is very strong, and the Company does not incur any outlay on Board or Executive bonuses or share or option plans as we do not have any of them.

I note that the five year tenure for Rita Da Silva as audit partner completes after the 30 June 2019 year end. On behalf of the Board, and you, our shareholders, thank you Rita for your diligence, your effectiveness and your personal commitment. Clare Sporle will take over as audit partner on the MFF Audit. Clare has been working closely with Rita during FY2019 audit in order to facilitate a smooth transition.

I now invite Chris Mackay to make some remarks and we look forward to your questions.

Annabelle Chaplain
Chair
MFF Capital Investments Limited

Comments from Chris Mackay
Managing Director and Portfolio Manager
MFF Capital Investments Limited 2019 Annual General Meeting
Wednesday, 2 October 2019

I endorse Annabelle's comments regarding Dick Warburton. He has simply been excellent for MFF together with our other original Directors John and Andy. I cannot thank each of them enough. The facts and figures of magnificent careers sometimes hide the character that makes for success, as we each attempt to understand whether success or failure is replicable. So at the risk of embarrassing them, I mention Dick, John and Andy's strong inclusive leadership with a balance of analysis, excellent process, decision/resolution and unity in moving forward, together with resolve and an action bias; this is an extremely unusual combination. The Board has worked together very effectively, and this combination is very valuable for organizations such as ours. Dick, John and Andy are also among the most intelligent active listeners, allowing proper discussion and asking the important questions, benefitting from their vast experience. Time and again over the decades each of them has quietly and modestly provided leadership, helped people and improved decisions at many places in these ways.

Financial Results

MFF recorded a net profit of \$218.6 million for the year ended 30 June 2019 after allowing for full tax on realized and unrealized gains. We remain cautious about emphasizing pre-tax figures for the reasons we have discussed in the past. The pre-tax figure was \$312.2 million. These returns were well above our expectations, based upon our starting capital of \$1,238.2 million. You will recall our caution about where markets were at the start of the year and market

fluctuations this year included the largest US fall for a December since the 1930s.

We are now even more cautious about the outlook and expressly warn against anyone getting carried away about the ups and downs of one year's results particularly after a strong year. Whilst we continue to believe the portfolio is well positioned, and certainly the business performances of our large holdings exceeded expectations again last year, investors must be realistic. Competition is increasing almost everywhere, as are geo-political concerns. Sustained low, zero, or even negative interest rates, higher equity market prices and crowding by investors into successful businesses are all adverse for future returns, reduce margins of safety and increase risks. We expect fluctuations to return and provide us with opportunities, but risk management is the here and now.

MFF uses 'mark to market' accounting for both investments and foreign exchange. Thus, MFF's profit and loss starts each new financial year at zero, based off the market values at the end of the previous financial year. Hence significant fluctuations in reported year to year results are inevitable. The 2019 results mostly reflect positive movements in the market values of our investments and moderate currency benefits. Short term market movements of a year or so do not predict the future. As other investors become more confident, buoyed by their recent successes, our job of protecting and growing capital becomes increasingly more difficult.

MFF's portfolio remains focused upon advantaged businesses with the portfolio supported by our excellent financial position and portfolio liquidity. As at 30 June 2019 the \$1,443.6 million Total Equity comprised Retained Profits of \$838.1 million and Contributed Equity of \$605.5 million. Investments at market value were \$1.8 billion and net Borrowings \$40.6 million.

MFF has substantial deferred tax liabilities (approximately \$291.4 million as at 30 June 2019) reflecting about \$970 million of net unrealized gains at financial year end compared with the cost of our investments. Our cash tax paid in the 2019 fiscal year was approximately \$41.6 million which was again a substantial increase on the previous year. Obviously, tax payments detract from MFF's NTA numbers.

As at 30 June 2019 MFF's imputation credits were approximately \$46 million which enables dividends to be fully franked. Although year to date the run rate of portfolio sales is below last year, this is not predictive of the full year. As you know we do not provide predictions on interest rates, markets or stock prices, let alone possible portfolio sales and resulting near term tax liabilities.

Our line items in our accounts are detailed. They show that non-tax costs were contained at levels about flat with the previous year except for an increase in net interest costs, as our borrowings increased as we materially increased our investment levels with December 2018 being our heaviest month of investment in recent years. Although the dividends we received increased by 30% to \$30.8

million, partly because of our higher average level of investment, this figure is insignificant compared with market price fluctuations.

We included in the narrative alongside the accounts a simple calculation to show that MFF's portfolio gains were about 3x the total earnings that were notionally attributable to our shareholdings in the underlying companies. Of course, part of this reflects the benefits on asset prices of even lower interest rates.

Investment Approach

MFF is a business investor; we invest in businesses rather than investing in securities for them to go up or down. Thus, our long-term outcomes overwhelmingly depend upon the health and business performances of the businesses we select.

Our investment processes have two core components. First is the hunt for low prices (Value). Second is Quality; finding companies with advantaged businesses, ideally with high probabilities of achieving above average profitable growth. If we are successful, we benefit from an extended period of business compounding at above market growth rates and if the initial purchase price is inexpensive, we might receive a benefit from a market rating uplift. In recent years markets have rerated Quality, interest rates have fallen, and market prices for the MFF portfolio have risen.

Although these parts of our processes reduce complexity, reduce pressured decision making and reduce portfolio turnover, we do not run a set-and-forget portfolio. Today's real world features an abundance of capital chasing yield and other investment opportunities, high equity prices in comparison with history, sky high bond prices, considerable geo-political issues and rising competition in almost all industries and geographies. Cyclical business and economic pressures are also greater than they were even 12 months ago.

In addition to our core focus upon seeking sensibly priced advantaged companies we also seek underpriced opportunities including companies which may not be of the same quality or are more cyclical or heavily out of favour. This group has higher portfolio turnover than our core Quality with growth, requiring sales if we find better opportunities, where risks or cyclicity for the individual company or portfolio increase, prices approach or reach fair value and where we are wrong in our analysis. We have realised decent gains after tax from these type of investments in the bull market and this has been a sensible (albeit sporadic) business for us.

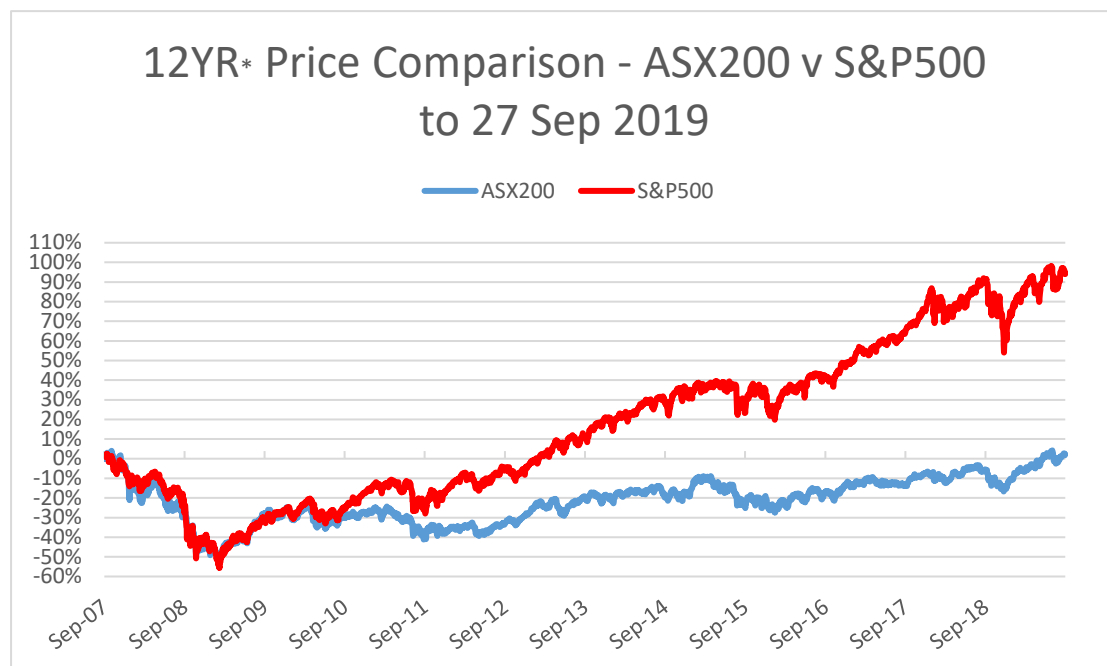
Both types of activity are far more difficult and far riskier for us at higher market prices.

We also seek meaningful positions in companies that our capital can partner with and grow over decades. Ideally these businesses would generate

exceptional returns on capital, have excellent self-funding growth prospects and in time generate a lot of capital for MFF. To date we have not done anything in this category. Private equity has trillions of dollars of leveraged capital to bid for businesses. Also, MFF is now larger, and a sensible investment that might have been meaningful and an appropriate risk when we had a few hundred million of assets now requires different risk analysis. We remain very reluctant to go down the Quality curve and are reluctant to give up liquidity without compensating factors.

Current Markets

We will turn to specific decisions and portfolio composition shortly but first the context of rising equity markets. This year we are showing graphs of the S+P 500 index (the leading US equity index) as well the S+P/ASX 200 (the leading Australian equity index) for close to 12 years.



*30 September 2007 to 27 September 2019

If we look closely at the period from end January 2018 it is arguable that the movements in US markets have been largely sideways. This followed an extended period of rises from the Crisis period. Going forward, different approaches are required if the upward market movements return, the markets fluctuate sideways for a decade or more, or declines predominate as part of another Bear market.

Interest rates are a key variable in current markets and, particularly for the higher ratings currently for Quality companies and those with perceived or actual growth. We are in a very different world. For context the US ten-year Government Treasuries interest rate were approximately 6.6% pa in January 2000 (prior to the Tech bubble bursting) and about 4%pa in 2008 prior to the

Financial Crisis versus 1.43% to 3.26% pa range over the latest 12 months. As at 16 October 1987 immediately prior to the 1987 Crash on the Monday the US 10year rates were approximately 10.2% pa.

Institutional investors, active and Index, repeatedly demonstrate capacity to follow crowded momentum narrative driven trades and a lack of basic commonsense required by businesspeople; as shown by recent market movements with panic buying in bond markets and for hundreds of loss making so-called tech and bio Unicorns.

As equity markets have climbed the proverbial Wall of Worry for the past decade, some volatility has returned. We bought equities in most downturns in the period covered by the graphs, including during the Q2 and Q4 calendar 2018 downturns. Buy the dips is becoming riskier as it is becoming more popular as a concept. A dip is obviously not a dip if it becomes a recession, a bear market or even a depression. We are well away from the exceptional potential returns coming out of the Crisis, when businesses were materially under earning and market prices added further discounts.

Maybe investors can take some comfort from recent figures that indicate that the very wealthiest individual and family global investors have held approximately 25-30% weighted average in cash and similar instruments since the Crisis with recent tick ups in their holdings of cash and of bonds. Typically, the ultra-momentum euphoria phases of equity market rallies require meaningful movements from so called safe assets. Perhaps the distortions from the panic buying of bonds and yielding securities suffice for an end stage to markets.

However, reversion to the mean is a recurrent feature in markets. Market prices may uncouple from underlying values for a period but, in aggregate, prices and values ultimately reconnect. Present assumptions on inflation, interest rates, the falling velocity of money, growth, asset prices, inequality would all be upended if even ten percentage points of the wealth hoarders went to societally more productive uses (the natural ageing process will fix this irrespective of likely Government stimulus and redistribution). Lack of growth, and its cousin increasing inequality are real ESG issues. This is growing in importance and ESG extends far beyond box ticking and virtue seeking. The decision by the US business Roundtable of largest corporations to shift their goals away from shareholder value may be insufficient given rolling and increasing concerns in many geographies and across generations. China is crucial, as in most other key issues. Despite common misperceptions ESG issues remain of even more importance for investors and businesses operating in so-called emerging markets dominated by Governments and insiders.

In recent years we have discussed Momentum, narratives and various short term and flows related influences on markets. This year we are also focused on cyclical and secular influences. We are concerned that various businesses are 'over earning', that many businesses are over-priced and that the

consensus view on interest rates staying lower for longer or forever might be as wrong as its previous worries about rising interest rates (but far more dangerous as investors pile in on that belief).

Despite what happened last December, recent corrections have been relatively trivial. Although they did not feel so at the times, our moves in relation to the fluctuations and market prices have also been relatively trivial in the context of the overall portfolio. Last year we described our 'moderate discomfort' with our portfolio price levels as we cashed up somewhat into the January 2018 peak and bought again in subsequent months. When markets fell 20% or so in December we also bought. We later sold down parts of the portfolio into the rapid recovery in 2019 to bring our balance sheet back to where we wanted it for our portfolio in the prevailing market and economic conditions. Such trivial and possibly temporary 'success' is likely a dreadful teacher and no preparation for subsequent major sustained falls in businesses, economies and markets.

We worry that risk controls may themselves contribute to panic when it arrives. We worry about ETF and index investors, and markets have already seen mild disruption where underlying liquidity was far less than offered to underlying investors. None of these and other worries mean that Quality businesses are not the most sensible places to invest for the next decade; choices are much harder though. We continue to need risk controls, patience, focus, knowing limitations, understanding why and what has worked, in addition to our core Value and Quality disciplines.

We again note difficulties relating to the risk goal of seeking to avoid permanent capital loss. The more elevated are market prices, the lower the probabilities of meeting this objective, and contrary promises deserve caution. We also believe that higher prices increase the likelihood of more material downward fluctuations in market prices (even if these are not permanent diminutions in value).

Higher markets also mean that we are likely to continue to realise investments and incur tax. Tax payments reduce NTA figures. If we sold the entire portfolio the tax incurred would be about 1/6th of proceeds. For our largest holdings tax is about 25% given their larger proportionate market price increases. During the year legislation was enacted for the reduced tax rates we discussed at last year's AGM. MFF's revenues have meant that it has not met the \$50m test, even if the revenue composition test is met. Hence full 30% rates must be allowed for in the absence of further legislation.

Current Portfolio

On the screen we are showing all our investments as at 27 September 2019 (as percentages of investment assets).

Holding	%	Holding	%
Visa	16.0	DBS Group	1.8
MasterCard	15.5	United Overseas Bank	1.8
Home Depot	11.1	Oversea - Chinese Banking Corp	1.4
Bank of America	8.4	Microsoft	1.2
JP Morgan Chase	7.0	Facebook	0.9
Alphabet	6.6	Capitaland	0.8
Lowe's	4.1	Coca Cola	0.7
Wells Fargo	3.8	Kraft Heinz	0.7
US Bancorp	3.5	Schroders	0.4
HCA Healthcare	3.5	Singapore Technologies Engineering	0.2
S&P Global	3.1	Morgan Stanley	0.1
CVS Health	2.8	Ferguson	0.1
Lloyds Banking Group	2.3	SATS	0.1
Blackrock	2.1	SIA Engineering	0.01

A summary of all our purchases and sales is contained in the notes to the Accounts. Despite the considerable noise and market movements, portfolio changes were limited. Overall our businesses have maintained their competitive positions. Our opportunity cost is high when deciding whether to sell high quality existing businesses where we are confident that they will be worth more in 5 and 10 years.

In the Annual Report we argued that 'whilst we consider that year end market prices for MFF's portfolio were not at nose bleed levels having regard to medium term prospects, interest rates, risks and alternatives, market price appreciation for the year again exceeded increases in underlying value'.

In considering portfolio movements that we overall regard as marginal, we have now sold almost all the consumer multinationals we bought after January 2018 as an alternative to cash balances. We have sold and bought some of our more cyclical holdings, such as the credit-based financials, as markets and interest rates fluctuated. Our purchases in Q4 2018 included some of the largest profitable companies in the world as they were sold off by the market. In recent years we have been behind the pace of the market by being cautious about the US tech majors, that have rerated materially. We have had excessive caution about their spending on M+A, capex, R+D and latterly regulation, fines and tax restitution, whereas their core markets and profitability have grown strongly.

Overall, during recent years we have been largely invested, with moderate borrowings or a little cash, in a portfolio focused on business advantaged,

profitable growing businesses with liquid securities. In past market cycles, these business characteristics have been relatively favoured in later stages and in pullbacks. We continue to feel that the likely returns from the portfolio compare favourably with cash, and that the medium to longer term return probabilities compare sensibly with current alternatives (having regard to risks/opportunity costs). Calculations are far more marginal than at lower prices, and our risk processes are tested against the likelihood of being wrong.

We are starting to feel more crowded as many investors also decide to favour companies with sustainable economic advantages, which can reinvest their capital at high rates of return, the lowest cost players in markets with medium term growth potential, which give upside business potential and reasonable probabilities of downside protection. Hence our focus on seeking out investments in these advantaged companies at attractive prices has been much harder in the higher markets in recent years, and we have been patient with both buying and selling. We have mostly kept the benefits of holding our businesses whilst valuations and risk assessments remain favourable, subject to periodic overall opportunity cost assessments in relation to the portfolio.

Price fluctuations are inevitable, and markets as a whole and for individual securities fluctuate well beyond what might objectively be rational economically. As value investors we require market prices for equities to be 'wrong' from time to time, and to either buy or sell accordingly. If our processes are sensible, MFF is able to acquire interests in high quality businesses at prices well below their underlying values, particularly during downward moves.

We require profitable growth and/or low prices as investments in equities require sufficient potential returns given their ranking below fixed and variable business costs such as wages and rent, and below debt securities. Capitalism is usually a brutal competitor with disruption in vogue, and ESG issues are right to the forefront. Governments have introduced price controls, draconian anti-growth interventions and reallocations away from big business. Despite the challenges, we continue to prefer investing in likely business winners for the medium term. We remain very cautious about buying lower quality securities late in market cycles given risk factors.

When economic and business cycles turn there will be widespread difficulties. It is not today's challenge but MFF probably will need to refocus to include more medium sized and smaller companies to perform adequately if the bottom of the coming cycle is more typical than 2008-9. Similarly, geographic changes are likely, although MFF's high proportion invested in domestically focused US companies helped again last year.

Professional investors continue to increase their equities valuations by adjusting downwards their estimates of discount rates and adjusting upwards their forecasts of cashflows from those equities. We remain out of touch and continue to attempt to find margins of safety allowing for material damaging upwards movements in interest rates or a continuation of low growth and zero

rates. We worry about accounting mismanagement as businesses struggle to 'make the numbers' even though industries and economies generally have been 'overearning' as cycles continue, large company profitability ratios are at records and multipliers operate despite rampant overcapacity. In time increased divergences in operating and market performances across businesses and industries are expected.

Turning to the present. The list of geo-political concerns and their salience continues to rise. This is inconsistent with a euphoria phase in equity markets but very helpful in maintaining rising bond markets. Cash is plentiful and not being priced highly; no doubt this will change from time to time in coming decades. Borrowings by Governments and corporates are rational in the environment of low rates, and losses should be expected by investors. Agency risks have risen again, as agents make lots of money if their bets succeed on Emerging Market and other lower quality bonds and their clients lose a lot if they don't.

We seem to have discussed risks incessantly today. It might surprise shareholders that we continue to believe that it remains rational to be optimistic for the very long term. Opportunities, innovation and productivity help change lives for the positive and present opportunities for billions, notwithstanding huge and increasing challenges. Demographics will move to be more favourable and younger generations are already grabbing the baton, as the most skilled, educated and arguably talented generations. Even with the more immediate political, populist and broader ESG challenges, the younger generations are in the forefront. The disconnect between sustained low growth, unemployment and constrained policies is pronounced around the world. Post 1989 Europe is suffering a tragic accelerating loss of confidence in its governance which lacks accountability or easy review.

Currencies

Our assets comprise international equities. As longer-term shareholders are aware, we have not hedged the currency exposures. We continue to believe that this profile might offer some possible risk mitigation benefits, as currency movements are a primary transmission mechanism for risk adjustments in the world economy.

Some shareholders have asked how important exchange rates are in decision making for the portfolio. Other shareholders are asking whether, given the recent sustained falls in the AUD and rise in the USD, and China reinstating a major stimulus program, we might move away from our essentially unhedged foreign exchange positions.

To date exchange rate considerations have been important but very much second order considerations in portfolio decisions compared with selecting advantaged companies with long runways for profitable growth. For most

purchase decisions for the past decade or so we felt that we were choosing businesses with considerable upside in comparison with their market prices and our assessments of the possible returns against price for our expected holding periods (usually lengthy) far outweighed expected currency movements. We also considered that possible exchange movements over the medium to longer term were more likely than not to be positive for MFF in AUD terms (for the reasons we spelt out in previous years). Sales decisions were largely for opportunity cost, portfolio construction, perceived business risks or simple price/value reasons. In these sale cases, either cash or other investments were considered to be better alternatives, and exchange rates have not been the driving factor.

In current conditions foreign exchange is a more important component of portfolio construction, for the reasons I will mention shortly. It is also relevant in our considerations of specific investments with weightings similar to other factors such as prospective tax rates. We have been cautious on European earnings for reasons including Euro weakness, similarly cautious on British earnings given Brexit. At the margin we have been more comfortable with USD earning companies than US multinationals and we have avoided most emerging markets for reasons including currency risks.

Currencies matter despite the long period of relatively benign conditions (the massive 2019 losses by many on currency and long term bonds after Argentina issued their 100 year bond). There is plenty of worthwhile academic economist work on currencies including Nobel winner Robert Mundell (the trilemma of not being able to fix currencies, have independent monetary policy and open capital flows appears relevant to understanding some of the current developments in China). Details of past hedge fund currency successes and failures give real world demonstrations, particularly of risks.

Regarding MFF's overall portfolio construction:

1. potential future returns from portfolio investments are generally far lower than in previous years, in our view; and
2. possibilities of sustained adverse exchange rate movements are higher. AUD and USD exchange rates (in particular) have moved materially from levels of about parity only a few years ago, relative AUD interest rates are far lower, wage differentials are partially mitigated, commodities will eventually return to an up cycle and the underlying balance of payments/foreign currency assets and liabilities positions for Australia have continued to improve (refer to RBA and ABS publications).

The USD has had a sustained period of strength as currencies generally have been relatively stable despite increased macroeconomic pressures. Hence in recent years we have moved about two years of working capital to AUD in cash and we have borrowed at the margin for USD purchases and against our British investments (offsetting foreign exchange for those transactions).

We continue to assess whether we move to a more material exchange hedging program to provide some protection in the event of a sustained material increase in the AUD against the USD which is our most important exchange rate. We have not acted to date and have no current plans to do so, as AUD strength and USD weakening has often previously been associated with accelerating global growth and non-US growth materially exceeding US growth, neither of which is the case currently.

If we make material changes to the foreign exchange positions, we would include details in the subsequent ASX announcements to inform shareholders.

We are all grateful for the Board's leadership given the challenges ahead. The Board also join me in thanking the team at MAM who look after us with their professional skills, positive attitudes and much needed patience.

I will hand back to Annabelle and we would be happy to address questions.

Chris Mackay
Managing Director and Portfolio Manager