

# Magellan Global Fund (Open Class) (Managed Fund)



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

AS AT 31 OCTOBER 2024

## PORTFOLIO MANAGERS

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INVESTMENT PHILOSOPHY	OBJECTIVES	PORTFOLIO CONSTRUCTION	INVESTMENT RISKS
To invest in outstanding companies at attractive prices, while exercising a deep understanding of the macroeconomic environment to manage investment risk.	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.	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%.	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 <a href="http://www.magellangroup.com.au">www.magellangroup.com.au</a> .

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

TICKER	FUND SIZE	BUY/SELL SPREAD <sup>1</sup>	MANAGEMENT AND PERFORMANCE FEES <sup>2</sup>	INCEPTION DATE
MGOC	AUD \$8,071.1 million	0.07% / 0.07%	1.35% p.a. and performance fee of 10% of dual hurdle excess return <sup>^</sup>	1 July 2007

<sup>^</sup> 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.

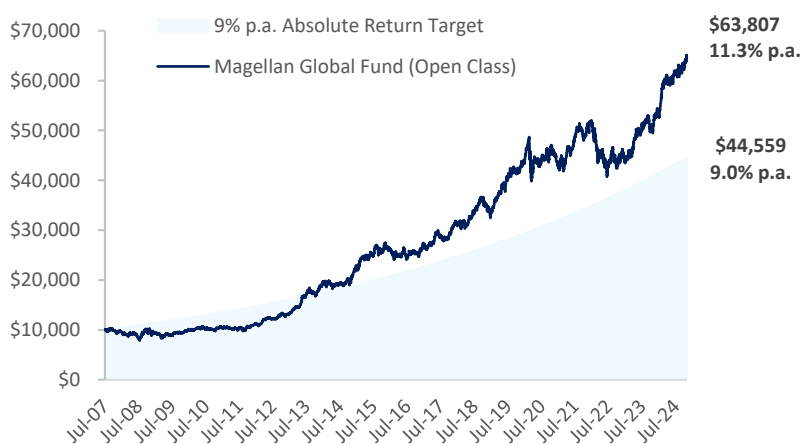
## PERFORMANCE<sup>3</sup>

	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 <sup>+</sup>
MGOC	2.7	1.1	26.2	9.1	8.8	11.2	12.2	11.3	67%
MSCI World NTR Index (AUD)*	3.8	2.1	29.2	11.4	13.2	13.0	13.1	8.5	-
Excess	-1.1	-1.0	-3.0	-2.3	-4.4	-1.8	-0.9	2.8	-

CALENDAR YEAR RETURNS	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)
MGOC	20.1	22.1	-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
MSCI World NTR Index (AUD)*	21.4	23.0	-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
Excess	-1.3	-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

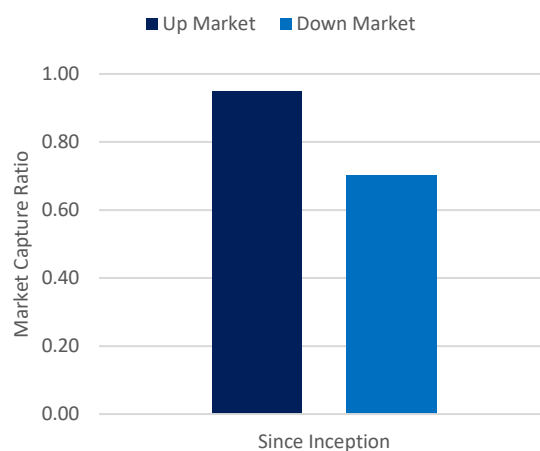
Past performance is not a reliable indicator of future performance.

## PERFORMANCE CHART GROWTH OF AUD \$10,000<sup>3</sup>



Past performance is not a reliable indicator of future performance.

## MARKET CAPTURE<sup>4</sup>



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

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

<sup>3</sup> 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.

<sup>4</sup> 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/](http://www.magellangroup.com.au/funds/benchmark-information/)

## TOP 10 HOLDINGS (ALPHABETICAL ORDER)

STOCK	SECTOR <sup>5</sup>
Amazon.com Inc	Internet & eCommerce
Apple Inc	Information Technology
ASML Holding NV	Information Technology
Mastercard Inc	Payments
Meta Platforms Inc	Internet & eCommerce
Microsoft Corporation	Information Technology
Netflix Inc	Internet & eCommerce
Novo Nordisk ADR	Health Care
SAP SE	Information Technology
Stryker Corporation	Health Care

## TOP CONTRIBUTORS/DETRACTORS 1 YEAR<sup>6</sup>

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
SAP SE	2.7
Trane Technologies Plc	2.5
Amazon.com Inc	2.5
TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
Novo Nordisk ADR	-0.5
AIA Group Ltd	-0.5
Nestlé SA	-0.3

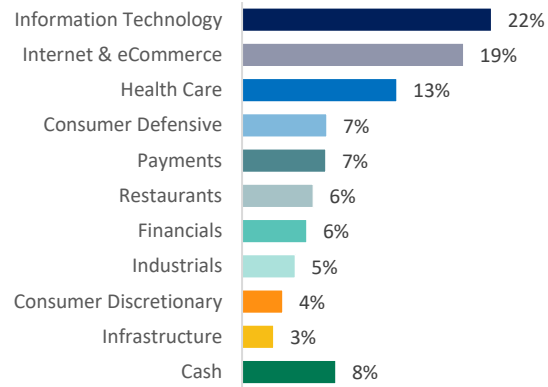
## MONTHLY SUMMARY

In the final lead-up to the US presidential election, global shares dipped 0.9% in October, still a 33% rally in the MSCI World Index over the past year. For Australian investors, the decline in the Australian Dollar (AUD), most notably by 5.6% against the USD, helped support offshore returns. Japan's Nikkei 225 Index was the only major market to rise, alongside Yen weakness, while Europe, China, Australia and the US saw declines. Events included US presidential campaign noise, ongoing retaliatory strikes in the Middle East, policy rate cuts by several central banks, economic data releases supporting US growth expectations and a plethora of companies reporting quarterly results. Long-term interest rates in the US and other major markets tended to rise, given some elevated concern about lack of fiscal restraint by governments and even as many central banks reduced cash rates. The data suggests that recession risks are low and loosening monetary conditions bode well for corporate outlooks. The US 10-year bond yield finished October 50bp higher at 4.28%. Within the markets, Financials (+2.1%), Communication Services (+2.0%) and Energy (+1.5%) showed strength, while Health Care (-3.9%), Materials (-3.7%) and Real Estate (-3.4%) fell.

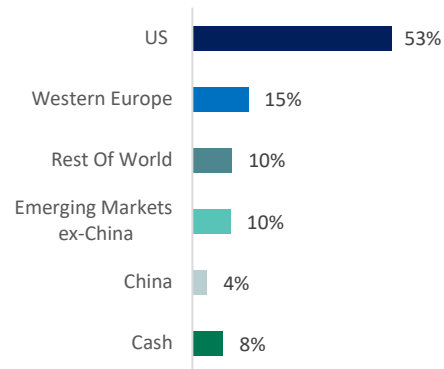
The portfolio experienced a decline in USD terms and a rise in AUD. The portfolio's gains were led by Netflix, SAP and Visa, each rising over 5% due to excellent quarterly results and positive outlooks, with Visa addressing the recent overhang of regulatory uncertainty. Despite supportive 3Q24 results for most portfolio companies, some share prices pulled back as they consolidated previous strong gains. The portfolio's weaker performers included ASML, L'Oréal, LVMH and HCA Healthcare, all of which dropped over 10% in the month. The portfolio impact of L'Oréal and LVMH was minimal due to modest position sizes as earnings growth slows from above-trend levels. ASML reported strong 3Q24 results but cut its 2025 revenue guidance from €30-40Bn to €30-35Bn, which surprised investors given the robust demand backlog. This cut mainly reflects capital spending cuts by major customers, Intel and Samsung, delaying near-term demand for ASML's equipment. ASML's Capital Markets Day on 14 November will update its growth projections (from those provided in 2022, prior to Gen AI) for the years, not months, ahead.

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

## SECTOR EXPOSURE BY SOURCE OF REVENUE<sup>5</sup>



## GEOGRAPHICAL EXPOSURE BY SOURCE OF REVENUE<sup>5</sup>



<sup>5</sup> 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.

<sup>6</sup> 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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