

Ex-20 Australian equities

Unlock the mid-cap potential in Australian markets



Why mid-caps?

Mid-caps have been described as the sweet spot for growth and portfolio diversification. Adding mid-caps to a large-cap portfolio reduces the risk of having an Australian share portfolio dominated by a small number of very large companies and sectors that can detract from performance when they underperform.

Key features:

	<p>Growth Potential Mid-cap companies can have significant growth opportunities compared to large-caps. This can drive potentially greater returns.</p>
	<p>Portfolio diversification Including mid-caps in a portfolio can enhance diversification as there would be a more even spread of sector weights compared to the financials and resources heavy large-caps.</p>
	<p>Innovation Mid-caps can lead in innovation and specialised market niches, which can boost profitability.</p>
	<p>Rewards active management There is a far wider dispersion of returns in the mid-cap space, and stock research coverage is not as extensive compared to large-caps. This gives active research driven managers greater scope for adding value through stock selection.</p>

Fund/(SMA) features

Inception: Fund October 2019; SMA May 2015

Objective/BM: The Ex-20s objective is to outperform the 'Benchmark' (S&P/ASX 200 Total Return Index excluding the companies listed in the S&P/ASX 20 Total Return Index) over rolling five-year periods.

Management style: high conviction, style agnostic, active mid-cap Australian equities.

Recommended time frame: The strategy is designed for investors who are looking to make a medium to long-term investment, with at least a 5 year timeframe.

Fees

Managed fund

Management fees: 0.85% pa
Performance fees: 15% of the Fund's net quarterly return in excess of the benchmark quarterly return.

SMA

Contact your platform provider.

Number of holdings: 25–30 stocks

APIR Code Fund: PPL5308AU

Where can the strategy fit in portfolios

Ex-20 fits in the growth component of a diversified portfolio.

Satellite to large-cap portfolio	Can complement an existing large-cap exposure by providing greater diversification and risk outcomes.
Active allocation	Adds the potential for alpha generation to a passive portfolio.
Complement or alternative to small-cap portfolio	Can be used in conjunction with a small cap portfolio or as a substitute to include stocks with greater liquidity and risk-adjusted returns.

Who is it designed for?

The Ex-20 Australian Equities Managed Fund and SMA are designed for investors seeking an actively managed, highly concentrated portfolio of Australian securities that excludes the top 20 stocks by market capitalisation. The aim is to provide investors with long term capital growth. The strategy may suit investors who are willing to accept a very high level of risk in exchange for the opportunity to earn higher potential returns.

About Antares Ex-20

Antares 30 years' experience as research focused stock pickers is an ideal match for the less researched mid-cap sector. The Ex-20 portfolio management team uses rigorous bottom-up research to provide investors with an actively managed concentrated portfolio of between 25 and 30 stocks, outside the ASX top 20. It is a high conviction, style agnostic strategy that aims to deliver alpha through the market cycle.

Key points:

	Strong track record: The strategy commenced in 2015 under the current portfolio manager. Through both up and down markets, it has remained focused on delivering alpha across the cycle to investors.	
	The experienced portfolio management team have worked together for over 16 years.	
	Simple, transparent and repeatable seven-step investment process.	
		Competitive fees and no current capacity constraints.



Portfolio Manager

John Guadagnuolo: B.Com & B.A. (Hons), Ph.D. (Melb)
Industry experience: 23 years
Antares tenure: 16 years



Deputy Portfolio Manager

Andrew Hamilton: B.E. (Hons), CFA
Industry experience: 27 years
Antares tenure: 24 years

Why Antares?

Research

- Fundamental in-depth research
- Conviction to go against consensus
- Integrated ESG and sustainability research (signatory to UNPRI)
- Strong corporate relationships developed over decades

Rigor

- Focused exclusively on Australian equities
- Style agnostic
- A simple, transparent and repeatable seven-step investment process
- A risk culture that seeks to provide strong risk adjusted return profiles and performance
- Patience

Results

- A 30-year track record and still passionate about performance
- Focused on delivering superior returns for investors across market cycles
- Aligned – our Portfolio Managers are invested in the funds they manage
- \$5 billion under management and advice*

Partners since 1994

- Beginning as Portfolio Partners in 1994, partnership remains at the heart of Antares – as a team, with our clients and in other important relationships. This has contributed to our 30-year history and we trust will underpin Antares for the next 30 years.
- Senior team members each have over 20 years of industry experience and have collaborated together for more than 15 years at Antares. They share this with the rest of the team who bring new and different ways of thinking to form a cognitively diverse and cohesive investment partnership.
- We listen to our clients, adapting or introducing new products to help solve their investment problems. And we are transparent in our two-way communications.

Research. Rigor. Results... Partners since 1994

Fund/(SMA) features cont.

Award



Risks

The significant risks of investing in the Fund and SMA are typical of the risks of managed investment schemes whose investment strategy is to invest in a diversified portfolio of Australian companies. These risks include market risk, company specific risk, concentration risk, derivatives risk, liquidity risk, fund risk and investment manager performance risk. Further information on these risks is detailed in the Fund's Product Disclosure Statement.

Platform availability

Ex-20 Managed Fund: BT Panorama, Edge, Expand Extra, First Choice, Hub24, Macquarie Wrap, Netwealth Wrap, North, Platform Plus, PowerWrap, Praemium

Ex-20 SMA: BT Panorama, Macquarie Wrap, Expand Extra, Netwealth Wrap, Praemium, PowerWrap

To speak with a BDM: Adviser – Antares Capital Website: antarescapital.com.au

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Information is current as at 19 August 2024.

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