

**Total returns**

At 30 April 2018	1 month %	3 months %	6 months %	1 year %	3 years % p.a.	Inception % p.a. (Jul 2014)
Odey International Fund	4.24%	14.63%	5.93%	-3.10%	-17.62%	-13.75%
MSCI World Index Daily TR Net Local	1.94%	-3.93%	2.37%	10.75%	7.44%	8.49%
<b>Outperformance</b>	<b>2.30%</b>	<b>18.56%</b>	<b>3.55%</b>	<b>-13.85%</b>	<b>-25.06%</b>	<b>-22.24%</b>

**Monthly returns\***

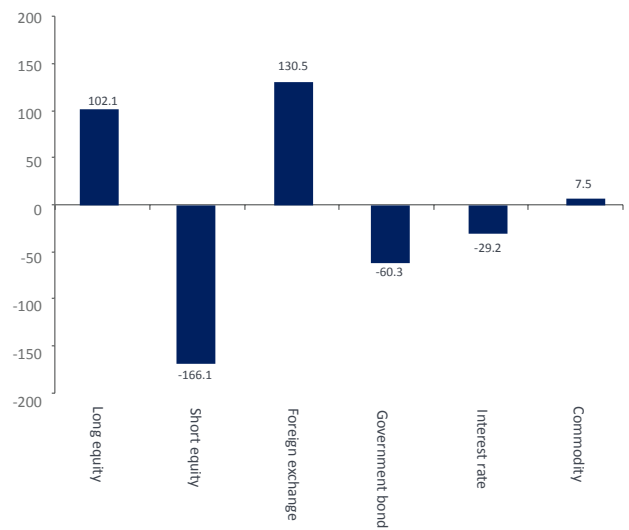
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %	Idx YTD %
2018	-3.32	6.59	3.16	4.24									10.83	-0.31
2017	2.12	-3.12	-3.83	-4.74	3.92	-0.39	-8.84	1.35	-5.90	1.63	-1.27	-3.19	-20.76	18.48
2016	4.99	-8.85	-18.42	-8.18	3.59	4.34	-4.64	-6.07	-3.26	-5.92	-5.73	-1.64	-41.43	9.00
2015	3.61	-6.53	3.78	-18.18	4.48	0.31	1.35	5.99	5.99	-12.18	-0.95	4.73	-10.60	2.08
2014								-0.08	10.51	-5.54	5.42	11.21	24.80	3.34

\*Performance of the Odey International Fund since inception on 29 July 2014

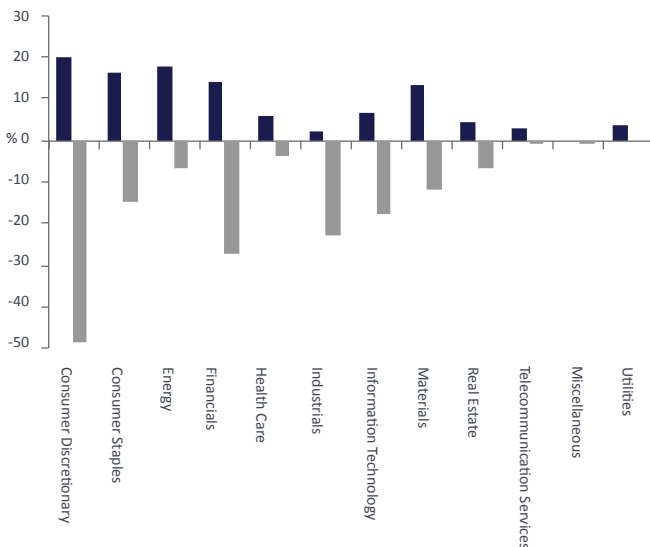
**Top 10 holdings**

Rank	Security	Strategy	Notional exposure (%)
1	Long Gilt Future Jun18	Short	-39.9
2	IRS: Fix/Float ICE LIBOR GBP 6mth	Short	-29.2
3	JPN 10Y Bond(Ose) Jun18	Short	-20.4
4	SLC Agricola	Long	8.0
5	Lancashire Holdings Limited	Short	-6.7
6	Aker BP	Long	6.5
7	Shiseido Company	Long	6.5
8	Pendragon	Long	6.4
9	Sky	Long	6.2
10	Tesla	Short	-5.3

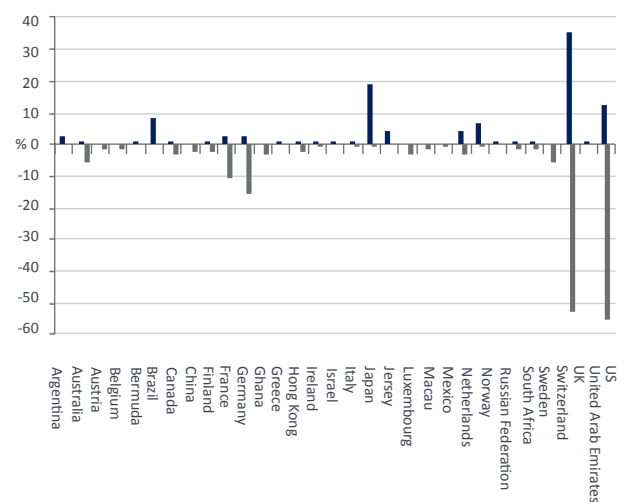
**Asset allocation**



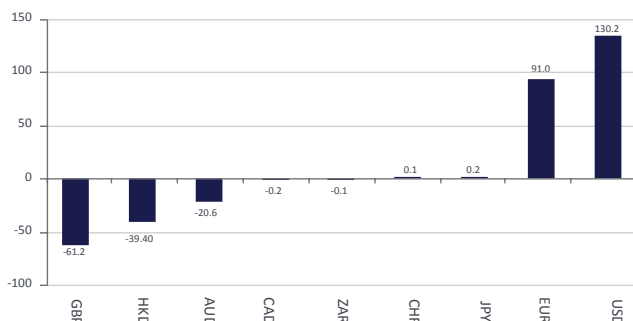
**Allocation by industry**



**Allocation by country**



## Currency exposure



## Manager's commentary

“Less is more”

The numbers are starting to come through.

The funds are outperforming their benchmarks across the different mandates. After two years of being on the wrong side of overtly expansionary fiscal and monetary policies globally, the chickens are coming home to roost.

Good fund managers do not become bad fund managers overnight. It seems it takes 2 years before that happens. They just find themselves in markets with which they are so unsympathetic that it undermines their skill to ride them. Such does it feel. And just as markets constantly for two years did exactly the opposite of my expectations, so since the beginning of this year, markets have constantly telegraphed what they were about to do and then have done it.

The first quarter saw more money going into equities than any previous quarter. With the tax cuts in the USA, share buybacks had an added ferocity. For all of that, stock markets on the whole ended the quarter on a weak note. And, as we have seen, this was despite the fact that the US's profits rose by over 15% year-on-year, almost the strongest sequential numbers ever. So what was behind this change in the weather?

Some of the factors we alluded to in January.

- Economies in the developed world are now through their productive capacity levels.
- Easy money policies are still accounting for steady employment growth.
- That employment growth is putting pressure on wage claims.
- Not so much ‘tall poppy’ syndrome as ‘fat poppy’
- Combining with global growth causing demand for

oil to rise and prices following, there is an uneasy trend upwards in CPI and RPI numbers.

At present, none of this data is entirely convincing. CPI and RPI numbers show weaknesses from month to month, before suddenly showing strength.

After off-the-chart manufacturing optimism in the second half of 2017, surveys through 1Q '18 have shown weakness. The Semiconductor book to bill ratio, a leading indicator, in this area, was overly strong last year but now, with Apple's iPhone disappointing, looks certain to plummet over the next few months.

Some indicators are now indicating at least a manufacturing recession within 12 months.

Overproduction into rising inventories has a history of producing great disappointment.

So it is this confluence of potentially disappointing economic numbers but rising wage pressures which is paralysing investors. Economists continue to ask restraint from central bankers as they tighten monetary policy. Markets are taking the other side to this restraint.

But in this I think they are wrong. Monetary policy is just easy enough to drive unemployment lower. Especially since everyone other than the USA has continued with a form of QE into the first quarter. Doing nothing is all about inflationary threats growing.

We know that QT is very dangerous, but like the Fed we know that QE is very dangerous!

— Crispin Odey

## About Odey Asset Management

Odey Asset Management is a highly regarded London-based investment firm managing around \$5.9 billion for institutions, private banks and individual investors. Since inception, founder and Chief Investment Officer, Crispin Odey, has built a strong investment and research team that contribute to the delivery of superior portfolio performance.

## About the Fund

Managed by Crispin Odey, the Odey International Fund is an Australian-domiciled global long/short, absolute return unit trust that aims to deliver investors long-term capital appreciation by investing predominantly in equities and equity-related securities. The Fund invests in Odey Asset Management's long-standing and successful flagship strategy, Odey European Inc., which Crispin Odey established in 1992.

## About Crispin Odey



**Crispin Odey**  
Founder, Chief Investment Officer

- Established Odey Asset Management in 1991 to focus on active investment management with a focus on generating superior returns.
- One of the UK's most respected professional investors having delivered exceptional returns for investors over the long term.
- Heads the investment management team which comprises over 30 investment professionals.
- Prior to founding Odey Asset Management, Odey managed the Baring European Growth Trust and Continental European pension funds at Barings Asset Management and Framlington Fund Managers.
- Graduated from Christ Church, Oxford, in 1980 where he read History and Economics.

## Key features

### Manager

Odey Asset Management

### Responsible Entity

Copia Investment Partners

### Product inception

The Fund is a 'feeder fund' for the Odey Swan Fund, a UCITS<sup>1</sup> vehicle that is modelled on Odey's flagship and longest-running strategy, Odey European Inc., which began in 1992.

### Suggested investment time frame

At least 5 years

### Risk level

High

### Minimum investment

\$10,000

### Management fee

1.36% p.a. (including GST and net of RITC)

### Performance fee

20% (including GST and net of RITC) of the amount the Fund outperforms its hurdle

### Performance hurdle

Positive return

### High water mark

Yes

### Platform availability

Asgard, BT Wrap, Federation Alliance, Macquarie Wrap, netwealth

<sup>1</sup> UCITS or 'Undertakings for Collective Investments in Transferable Securities' provides a single regulatory framework for an investment vehicle which means it is possible to market the vehicle across the European Union without concerns about the country in which it is domiciled.

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Past performance is not a reliable indicator of future performance. The total returns of the Odey International Fund (the Fund) over specified periods are shown in the table on the first page. Total returns are calculated after taking into account performance fees. A performance fee equal to 20.5% (including GST and net of RITC) of the amount the Fund outperforms its hurdle. The total return performance figures quoted are historical, calculated using end-of-month mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific reader. As such, before acting on any information contained in this document, readers should consider the appropriateness of the information to their needs. This may involve seeking advice from a qualified financial adviser. Copia Investment Partners Ltd (AFSL 229316, ABN 22 092 872 056) (Copia) is the issuer of the Odey International Fund (ARSN 166 549 917). A current PDS is available from Copia located at Level 25, 360 Collins Street, Melbourne Vic 3000, by visiting the website [odey.copiapartners.com.au](http://odey.copiapartners.com.au) or by calling 1800 442 129 (free call). A person should consider the PDS before deciding whether to acquire or continue to hold an interest in the Fund. Any opinions or recommendation contained in this document are subject to change without notice and Copia is under no obligation to update or keep any information contained in this document current.