

### Total returns

At 31 December 2018	1 month %	3 months %	6 months %	1 year %	3 years % p.a.	Inception % p.a. (Jul 2014)
Odey International Fund	2.75%	10.38%	21.17%	41.19%	-13.15%	-6.83%
MSCI World Index Daily TR Net Local	-7.86%	-13.14%	-8.55%	-7.38%	6.15%	5.39%
<b>Outperformance</b>	<b>10.61%</b>	<b>23.52%</b>	<b>29.72%</b>	<b>48.57%</b>	<b>-19.30%</b>	<b>-12.23%</b>

### Monthly returns\*

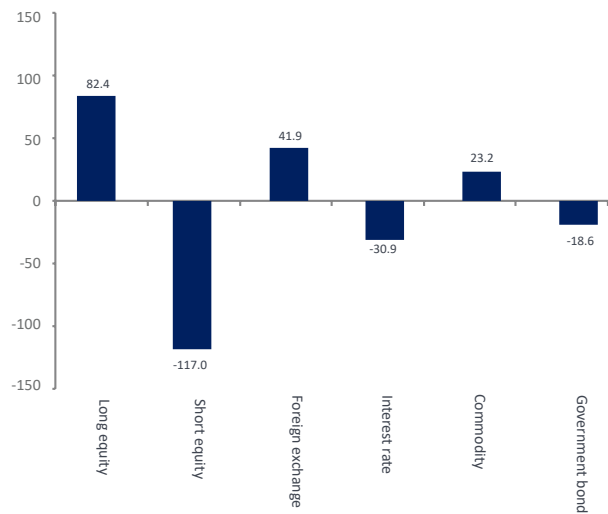
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %	Idx YTD %
2018	-3.32	6.59	3.16	4.24	0.52	4.60	1.97	-1.50	9.30	6.98	0.41	2.75	41.19	-7.38
2017	2.12	-3.12	-3.83	-4.74	3.92	-0.39	-8.84	1.35	-5.90	1.63	-1.27	-3.19	-20.76	18.48
2016	4.99	-8.85	-18.42	-8.18	3.59	4.34	-4.64	-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

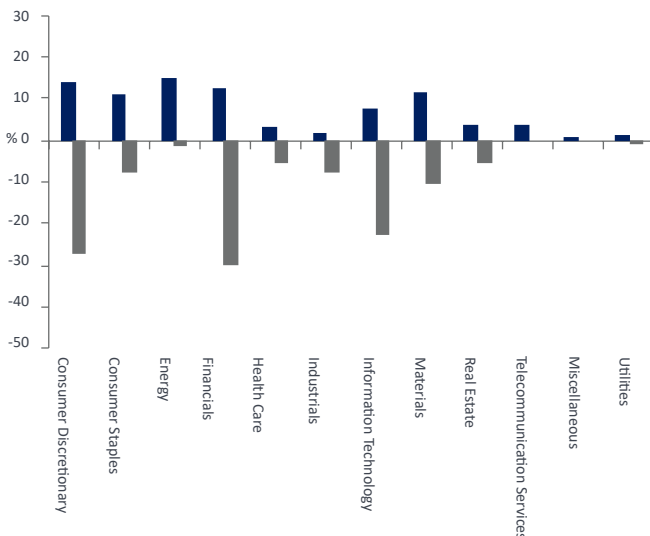
### Top 10 holdings

Rank	Security	Strategy	Notional exposure (%)
1	IRS: Fix/Float ICE LIBOR GBP 6 Month	Short	-30.9
2	JPN 10Y Bond(Ose) Mar19	Short	-18.6
3	Gold Bullion Securities	Long	9.3
4	Tesla	Short	-5.4
5	Lancashire Holdings Limited	Short	-5.2
6	Source Physical Gold P-ETC	Long	5.0
7	Randgold Resources	Long	4.9
8	SLC Agricola	Long	4.7
9	Banco Macro	Long	4.6
10	Telefonaktiebolaget LM Ericsson	Long	4.6

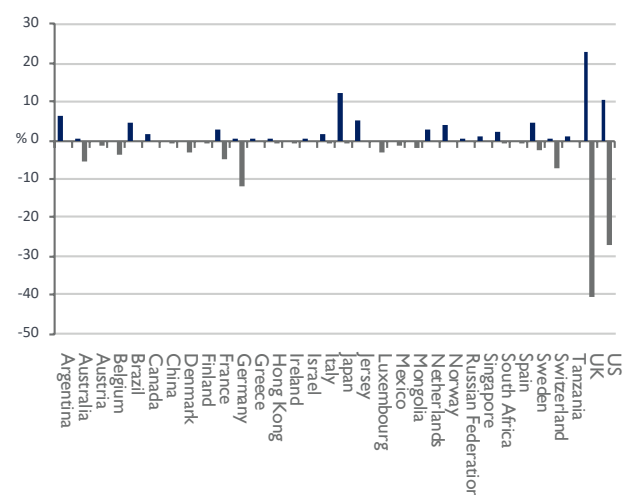
### Asset allocation



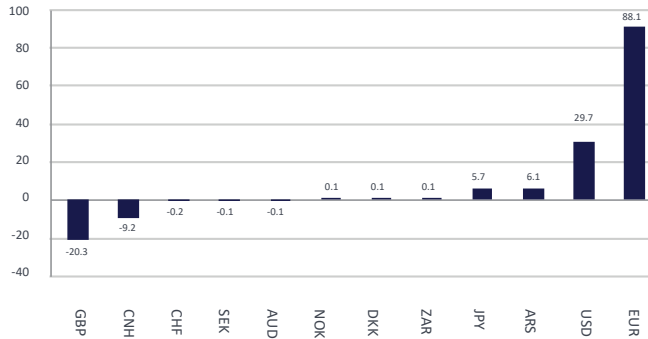
### Allocation by industry



### Allocation by country



## Currency exposure



## Manager's commentary

It was Jefferson who wrote 'pleasure is always in front of you; misfortune by your side'. Is it good or bad news that so far there is nothing to justify the fall in markets and the rise in junk yields and credit spreads in general? The bulls will say this means that the correction is nearly over and that with the rating falling to around 16x earnings for equities generally, now is the time to buy more. They might be right. Certainly sentiment has moved from bullish to bearish and volatility is high – investors are paying up for protection. But if Jefferson is right, you never spot misfortune, it overtakes you.

The market spots what none of its participants do, that a downturn is on its way. If the market is right then now is definitely too early. The storm clouds that have gathered – counterparty risk rising, politics increasingly confiscatory and unsound, trade and geopolitical tensions rising – all bring about a downturn which hits profits hard. If that is the text then we are at the beginning of a new cycle with a lot of pain ahead. Moments of hope will ultimately be more painful than a foreknowledge of pain, I really don't know what the future will bring. Before 2016 I would have been very bearish indeed, but 2016 showed that general monetising is immensely powerful. Dangerously the 2016 reflationary trade is the one that everyone is betting on. A trade deal with China, an easing cycle and hey presto... But this time we have a more detailed disagreement between the USA and China. A fight that encompasses technology transfers, tariffs and the wish of the Chinese to absorb Taiwan, makes an agreement to reflate the world less likely than in 2016.

My own predictions for 2019 are that the world will start to see the effects of years of depleting resources on the cheap – fracking being the latest example, but also factory farming that relies upon antibiotics to allow such closely confined living. Cars that are only cheap because interest rates are low and full employment that has concealed natural levels of default. At the same time wage inflation appears to be taking hold in the UK, Japan and the USA. Central banks may have little leeway.

Excessive credit creation will bring headaches in many unforeseen places.

Governments will show themselves to be vulnerable, especially where the political class are not representative remotely of their own constituents. Stock markets will be good for traders but bad places for investors. A poor 2018 will be followed by a poor 2019. Latin America will continue to outperform the rest of the world.

## 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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