

### Total returns

At 31 July 2017	1 month %	3 months %	6 months %	1 year %	3 years % p.a.	Inception % p.a. (Jul 2014)
Odey International Fund	-8.84	-5.62	-16.25	-32.21	-18.19	-17.59
MSCI World Index Daily TR Net Local	1.43	2.96	8.40	15.75	8.63	8.06
<b>Outperformance</b>	<b>-10.27</b>	<b>-8.58</b>	<b>-24.65</b>	<b>-47.96</b>	<b>-26.81</b>	<b>-25.65</b>

### Monthly returns\*

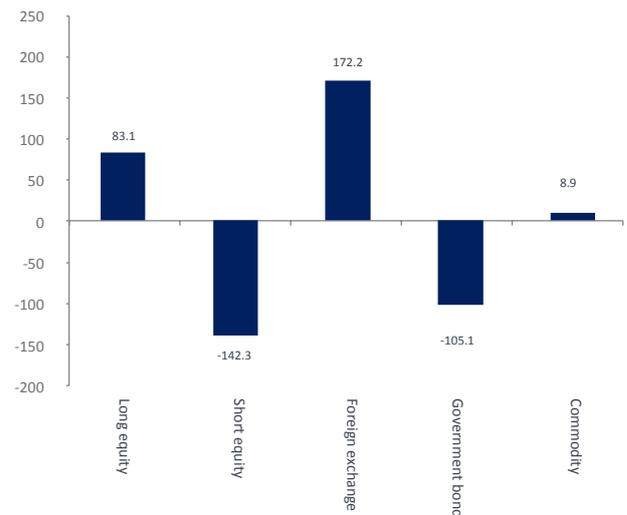
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %	Idx YTD %
2017	2.12	-3.12	-3.83	-4.74	3.92	-0.39	-8.84						-14.47	9.80
2016	4.99	-8.85	-18.42	-8.18	3.59	4.34	-4.64	-6.07	-3.26	-5.92	-5.73	-1.64	-41.43	9.00
2015	3.61	-6.53	3.78	-18.18	4.48	0.31	1.35	5.99	5.99	-12.18	-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

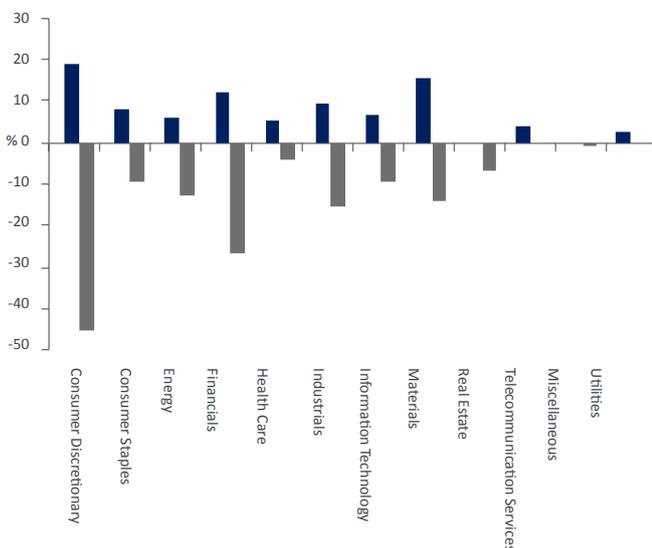
### Top 10 holdings

Rank	Security	Strategy	Notional exposure (%)
1	Long Gilt Future Sep17	Short	-74.9
2	JPN 10Y Bond(Ose) Sep17	Short	-30.2
3	Randgold Resources	Long	7.8
4	Lancashire Holdings Limited	Short	-7.3
5	Sky	Long	6.7
6	Ashmore	Short	-5.9
7	Tullow Oil	Short	-5.5
8	Hunter Douglas	Long	5.3
9	Man Group	Long	4.8
10	Coca-Cola HBC	Short	-4.7

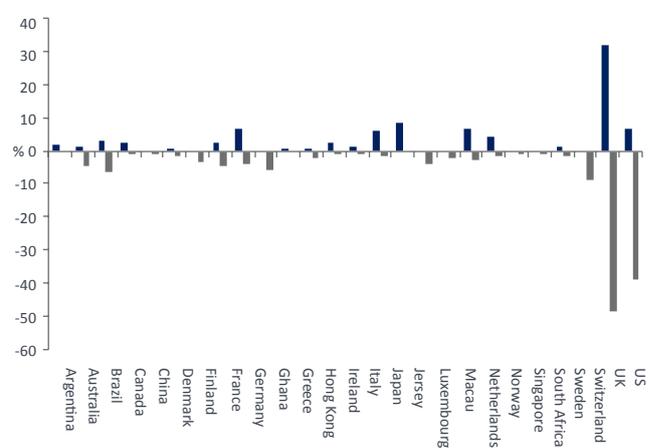
### Asset allocation



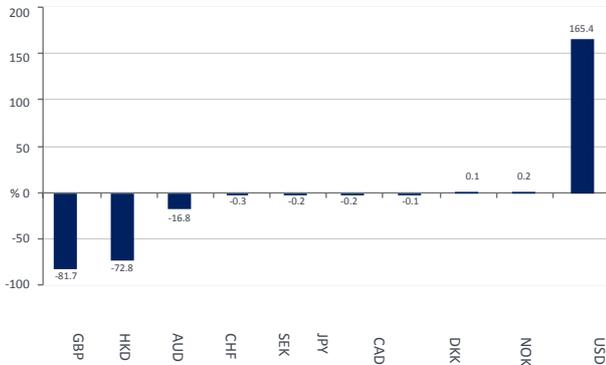
### Allocation by industry



### Allocation by country



## Currency exposure



## Performance review

- In July, the Fund returned -8.84% against the MSCI World Index Daily TR Net Local return of 1.43%.
- Positive returns from our holdings in the Real Estate (+0.3%) and Telecommunication Services (+0.1%) sectors were outweighed by negative returns predominantly from sectors including Materials (-1.9%), Industrials (-1.4%) and Financials (-1.2%).
- Individual best performers this month were long positions in Aker (+0.7%) and Randgold Resources (+0.3%), and a short position in Tupperware (+0.3%). The worst were short positions in Vale (-0.6%), Navistar (-0.6%) and Tullow Oil (-0.5%).

## Manager's commentary

As Warren Buffett remarked, funds management is the only industry in which buying a share on its lows is a mistake and the more expensive it gets the more you should buy. We live in a world without consequences so it may still take time for such idiocy to be outed, but it will be.

It was Stalin who said that quality should never be confused with quantity, but that if there were enough quantity, it could look like quality. Well, monetary policy has performed that feat. Having been wrong to believe quantitative easing would struggle to gain traction in the real economy, one is starting to see banks lending again and frightening the regulators with where they are lending. So what that the Chinese were needed in the process. Their hosepipe was enormous and the consequences are still to be seen.

Markets have been happy. Records are being broken everywhere. The longest bull market in equities globally, the longest global recovery with some saying you have to go back to 1989 for a proper recession in the developed world. The longest period of record low volatility.

Despite all of this, the more sophisticated investors are very distrustful. Public markets no longer give you price discovery. They see the hand and feet of government in them. They are right. Not only are the Swiss and the Japanese central banks massive buyers of equities, now wherever QE is involved, the thinking quickly moves from corporate bonds to equities.

What is worrying is that unlike bonds, which usually have a redemption date, equities are forever. But equally, equities are now by all measures expensive. The correlation between expensive and poor ongoing capital returns is high. We are all playing the greater fool theory.

But we aren't just playing that game, we are also playing against the tick-tock of an economic cycle, which is old by all criteria and most importantly is now running out of people to be employed. QE has been very effective in the face of lower and lower productivity rates in the West and now in emerging economies too, but growth in the face of no additional workforce to co-opt is another matter.

This autumn is going to see the denouement of these trends. QE meets the barriers to growth. Yellen has made it clear she wants tighter rates. But there is a crowd of commentators already calling for negative interest rates. This would keep bonds at these prices and underwrite the stock market, but it certainly isn't in support of capitalism and it doesn't solve the problem of the West - the gap between rich and poor, old and young. Only a recession would solve that.

## 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.