

### Total returns

At 31 December 2017	1 month %	3 months %	6 months %	1 year %	3 years % p.a.	Inception % p.a. (Jul 2014)
Odey International Fund	-3.19	-2.86	-15.54	-20.76	-25.42	-17.47
MSCI World Index Daily TR Net Local	1.10	5.30	9.45	18.48	9.65	9.44
<b>Outperformance</b>	<b>-4.29</b>	<b>-8.17</b>	<b>-24.99</b>	<b>-39.25</b>	<b>-35.07</b>	<b>-26.91</b>

### Monthly returns\*

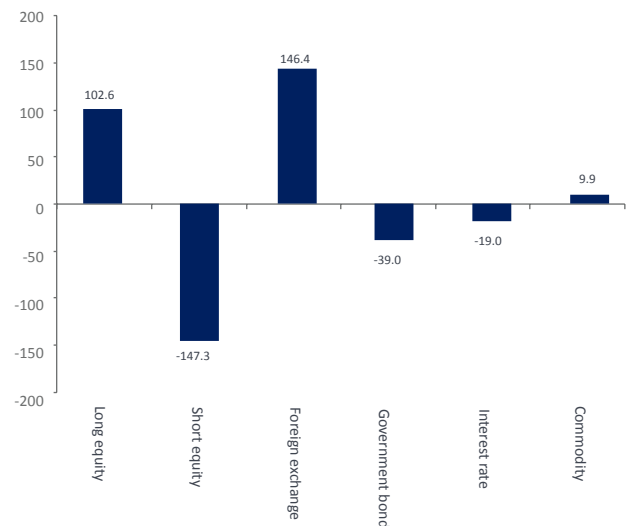
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %	Idx YTD %
2017	2.12	-3.12	-3.83	-4.74	3.92	-0.39	-8.84	1.35	-5.90	1.63	-1.27	-3.19	-20.76	18.48
2016	4.99	-8.85	-18.42	-8.18	3.59	4.34	-4.64	-6.07	-3.26	-5.92	-5.73	-1.64	-41.43	9.00
2015	3.61	-6.53	3.78	-18.18	4.48	0.31	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

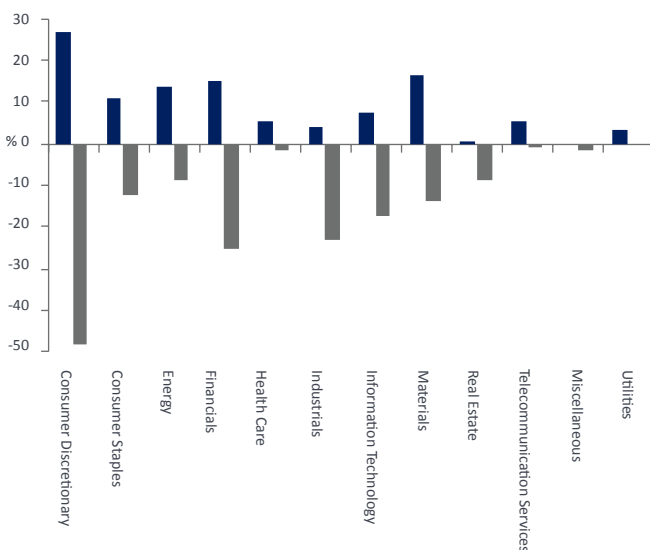
### Top 10 holdings

Rank	Security	Strategy	Notional exposure (%)
1	Long Gilt Future Mar18	Short	-39.0
2	IRS: Fix/Float ICE LIBOR GBP 6m	Short	-19.0
3	Sky	Long	8.0
4	Lancashire Holdings Limited	Short	-7.3
5	Randgold Resources	Long	7.1
6	Pendragon	Long	6.0
7	Ashmore	Short	-5.9
8	Hunter Douglas	Long	5.7
9	Aker BP	Long	5.0
10	Tullow Oil	Short	-5.0

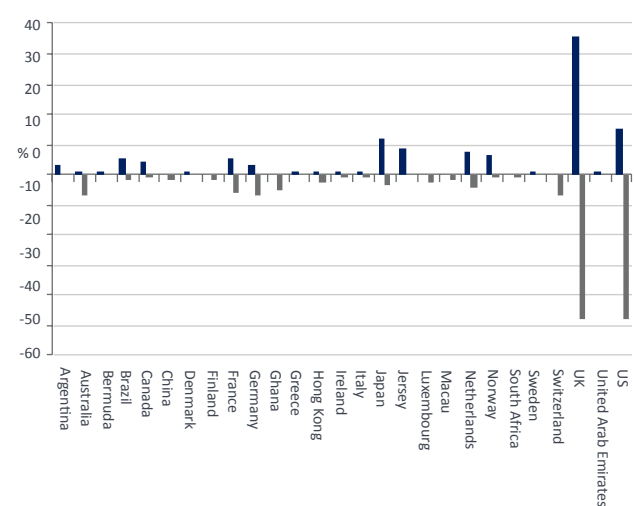
### Asset allocation



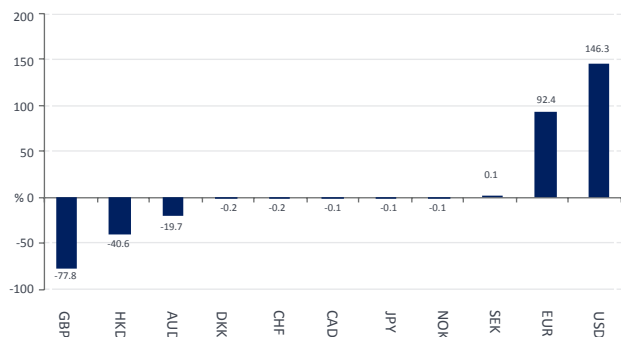
### Allocation by industry



### Allocation by country



## Currency exposure



## Manager's commentary

As a bear, this market has been so painful. Every occasion in which a company gets caught between a squeeze in margin and an inability, because of competitive conditions, to pass on cost increases, banks have come to the rescue. Loan covenants have been waived, lease obligations relaxed, fairy dust has been applied. Well done Tullow Oil for getting their bank loans rescheduled from a repayment date next year to 2021 at the earliest, but it makes one less than impressed by their banks' risk controls.

For now, there is nothing to be worried about for markets. All confidence surveys, from consumer to manufacturers, point to levels of optimism that are at new records. Does it matter that this is reflected in valuations, which now are higher than in 1929? Does it matter that the oil price is now up some 50% in 7 months and will alone add 1.2% to inflation rates as we approach the end of the 1st quarter? Does it matter that a labour shortage is reported across the globe? Well it will, but for now all the excitement is around the fact that fear no longer guards the forest. A conscious policy by all central banks to keep interest rates some 2% below inflation rates is ensuring that a global boom has nothing to slow it down. True that China is now applying some tightening and imports have slid from some 14% year-on-year rise in November to flat in December. But for now markets are in no mood to stop partying.

This turnaround over only 6 months from a position in late spring of last year where the oil price was back down to around \$46 per barrel and most cyclical indicators were pointing down, has taken this investor completely by surprise.

For Central Banks, inflation now is likely to become entrenched and to undermine the liquidity which has been a feature of the boom in asset prices. Economies are now through their old record levels of activity

and that means that shortages will provide price hikes around the place. It has been notable how little productivity gains have been seen in technology, with semiconductor pricing now some 25% up from a year ago. QE allowed everything to go up. QE has to be a victim of the new confidence and, as we saw in 2014, QT can reintroduce new pressures. Stockmarkets have priced themselves off bond markets and high valuations do make these markets vulnerable. Moreover this latest move feels unstoppable and whenever that feeling is present, the risks are rising.

## 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.

**CONTACT COPIA**

1800 442 129 | [clientservices@copiapartners.com.au](mailto:clientservices@copiapartners.com.au) | [copiapartners.com.au](http://copiapartners.com.au)



<b>John Clothier</b>	General Manager, Distribution	0408 488 549   <a href="mailto:jclothier@copiapartners.com.au">jclothier@copiapartners.com.au</a>
<b>Adam Tweedale</b>	State Manager, Southern Region	0425 804 727   <a href="mailto:atweedale@copiapartners.com.au">atweedale@copiapartners.com.au</a>
<b>Angela Vincent</b>	State Manager, Northern Region	0477 347 260   <a href="mailto:avincent@copiapartners.com.au">avincent@copiapartners.com.au</a>
<b>Sean Paul McGoldrick</b>	Account Manager, Northern Region	0421 050 370   <a href="mailto:spmgoldrick@copiapartners.com.au">spmgoldrick@copiapartners.com.au</a>
<b>Iain Mason</b>	Director, Institutional Business	0412 137 424   <a href="mailto:imason@copiapartners.com.au">imason@copiapartners.com.au</a>
<b>Jacinta King</b>	Business Development Associate	0413 962 922   <a href="mailto:jking@copiapartners.com.au">jking@copiapartners.com.au</a>

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.