

Total returns

At 30 June 2019	1 month %	3 months %	6 months %	1 year %	3 years % p.a.	Inception % p.a. (Jul 2014)
Odey International Fund	-1.59	4.33	-4.92	15.21	-7.01	-7.12
MSCI World Index Daily TR Net Local	5.90	3.62	16.69	6.71	12.02	8.18
Outperformance	-7.48	0.71	-21.60	8.51	-19.03	-15.30

Monthly returns*

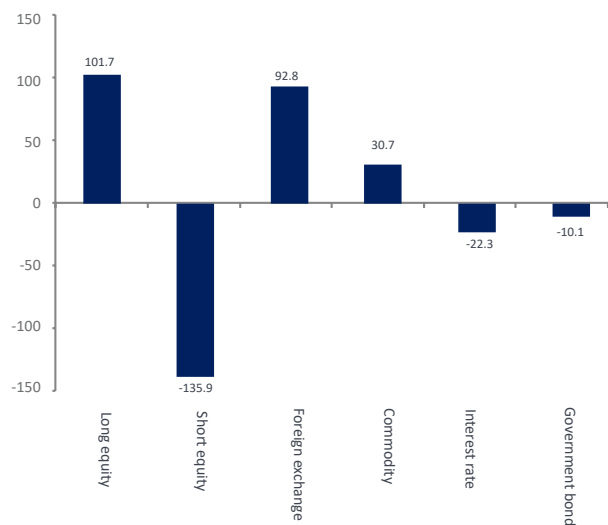
Year	Jan %	Feb %	Mar %	Apr %	May %	Jun %	Jul %	Aug %	Sep %	Oct %	Nov %	Dec %	YTD %	Idx YTD %
2019	-0.48	-8.29	-0.15	-5.46	12.14	-1.59							-4.92	16.69
2018	-3.32	6.59	3.16	4.24	0.52	4.60	1.97	-1.50	9.30	6.98	0.41	2.75	41.19	-7.38
2017	2.12	-3.12	-3.83	-4.74	3.92	-0.39	-8.84	1.35	-5.90	1.63	-1.27	-3.19	-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

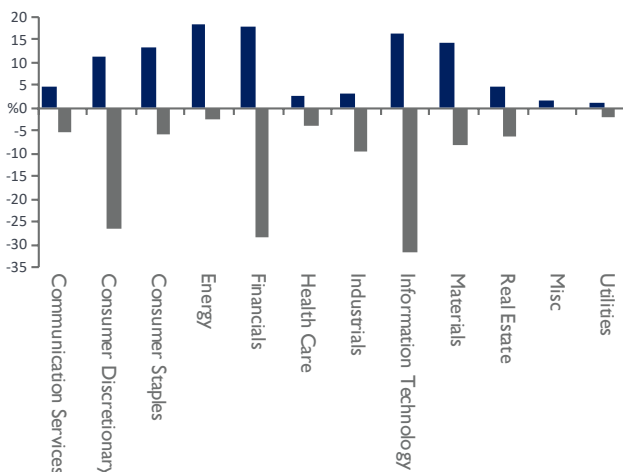
Top 10 holdings

Rank	Security	Strategy	Notional exposure (%)
1	IRS: Fix/Float ICE LIBOR GBP 6 Month	Short	-22.3
2	JPN 10Y Bond(Ose) Sep19	Short	-11.2
3	Banco Macro	Long	6.8
4	Lancashire Holdings Limited	Short	-5.6
5	STMicroelectronics	Short	-5.3
6	Telefonaktiebolaget LM Ericsson	Long	5.2
7	Source Physical Gold P-ETC	Long	5.0
8	db Physical Gold ETC	Long	5.0
9	Amundi Physical Metals	Long	4.8
10	iShares Physical Gold ETC	Long	4.8

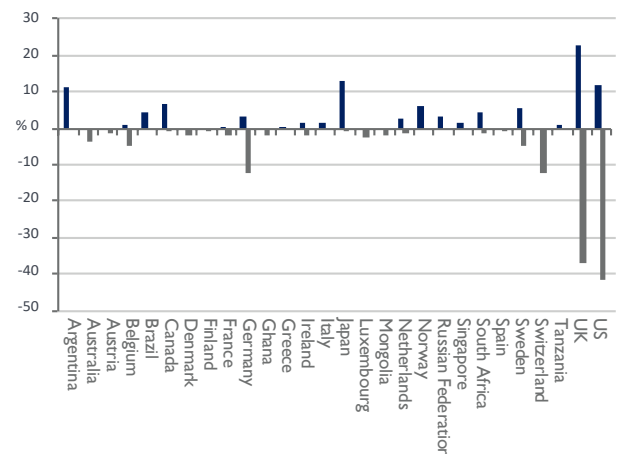
Asset allocation



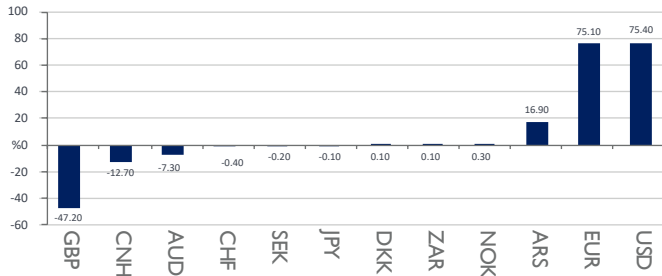
Allocation by industry



Allocation by country



Currency exposure



Manager's commentary

Are we getting closer to the end of this cycle? Everyone is hoping not. The US economy is starting to look like the UK economy of the last two years. Employment growth, wage increases, but little investment and very little productivity growth. 'Life after death.' It makes central bankers unwilling to lower interest rates further because they are already administering negative short-term rates. But what a mess it does to incentives. It doesn't encourage saving and it doesn't encourage investment.

How do economists imagine high inventories are going to be drawn down when prices remain high and production continues at full tilt? That used to be the last manoeuvre before a recession. This is now viewed as the beginning of a recovery.

The Fed is still putting the finishing touches to its QT programme which officially ends in September, but already central banks around the world are bracing themselves for another round of QE to follow, involving another expansion of the Fed balance sheet. Each time this happens counter party central bankers must follow suit with expansionary monetary policies or face a sharp rally in their exchange rates against the dollar. With the world already wallowing in debt, this new move is far from popular.

Hence, central banks are increasingly thinking about how the world's monetary base could be immunised from the US dollar. In 2011 China's monetary base was equal to its holdings of US bonds – some \$1.4 trillion. It could do what it wanted. Today its monetary base is nearly three times its US bond holdings. If the US Fed expands it must also expand, if it contracts it must contract. This is unacceptable.

There is now some talk to make the monetary base of the world economy convertible into an amalgam of bitcoin and gold/silver. The problem is that the monetary base of the global economy is around \$35

trillion as against a global GNP of \$88 trillion. Official sector gold is barely valued at \$1.5 trillion, rising to near \$7.5 trillion when one includes jewellery and private investment; the gold price would need to go up by some 8x to make official sector gold convertible with 40% M1 backing. If you are Chinese or Russian, the problem is that this gold is currently held by the old economic order – the European and the American central banks. However, the idea is that if you can buy it now you only need to buy 1/5th of what you might be buying later. Hence, we are watching central banks buying gold. Nothing to do with inflation, everything to do with establishing a transactional currency which cannot be manipulated by the United States. Last month China bought an additional 10 tons of gold raising reserves from 61.61m ounces to 61.94m a month earlier. This follows their buying of 74 tons in the previous 6 months.

Despite evidence pointing to a sharp deterioration in global economic output in the first half of the year, stock markets took heart from the easing noises coming from the Fed. With the latest employment data still showing a vibrant US economy, suddenly rates may not come down as quickly as forecast. Meanwhile earnings comparisons for the second quarter do not look like they are going to be easy. Having held the line well in the face of such a strong first half rally, I feel the funds are well placed for the likely weakness in the second half of this year.

— *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 UCITS¹ 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

¹ 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 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.