

Fund Performance

	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years	10 Years	Since Incep#
Insync Global Quality Equity Portfolio[^]	-0.35%	3.90%	8.84%	37.22%	19.91%	20.04%	14.40%	14.24%	14.06%
Insync Global Capital Aware Fund[*]	-0.61%	2.97%	7.34%	32.76%	17.82%	17.41%	11.22%	11.34%	11.23%
MSCI ACWI (ex AUS) NTR (AUD)[~]	-0.35%	4.63%	8.87%	26.86%	13.03%	13.64%	11.83%	11.61%	11.70%
Global Quality Active Performance	0.00%	-0.73%	-0.03%	10.36%	6.88%	6.40%	2.57%	2.63%	2.36%
Global Capital Aware Active Performance	-0.26%	-1.66%	-1.53%	5.90%	4.79%	3.77%	-0.61%	-0.27%	-0.47%

Source: Insync Funds Management - Past Performance is not a reliable indicator of future performance. *Represents net of fees and costs performance, assumes all distributions reinvested. ^Returns prior to July 2018 represent the underlying Insync Global portfolio (including cash) inclusive of a 0.98% p.a. MER. ~ MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars. # Inception date 9/10/2009

Performance Commentary

Global equity markets hit record highs in December on the back of the U.S. and China avoiding escalating their trade war in mid-month with an agreement to halt tariffs as well as rolling back some of the tariffs implemented earlier in the year. The U.S. Federal Reserve kept its policy rates unchanged projecting for economic growth and inflation continuing to show a low risk of recession and limited price pressure. The Conservative Party in the UK gained a decisive majority in parliament, also providing improving sentiment towards the markets. However, the stronger Australian dollar resulted in the MSCI delivering a negative return for the month.

The Insync Global Quality Equity Fund returned -0.35% in December in line with the benchmark return of -0.35%. The Insync Global Capital Aware fund delivering a return -0.61%, after the cost of downside protection. Both funds one-year performance numbers, and longer term numbers, continue to show strong levels of outperformance versus the benchmark.

Emerging markets led global markets higher on the back of a weaker US dollar. All but two industry sectors ended higher in December. Strong gains were posted in technology and consumer discretionary with industrials and real estate marginally lower. The one area of consistency in this cycle has been the performance of quality growth companies. Current market conditions continue to reflect the trend in place since the GFC of low growth and low inflation. If this trend continues to persist over the medium to long-term then investing in a portfolio of high ROIC stocks benefitting from global megatrends should prevail as the Insync portfolio of companies is less dependent on the global economy to generate consistent, profitable growth.

Positive contributors during the month include London Stock Exchange, Bristol-Myers Squibb, Booking Holdings and Apple. Detractors were Walt Disney, Intuit, PayPal and Facebook. No currency hedging continues across both funds as we consider the main risks to the Australian dollar to be on the downside.

Both strategies, the long only (Global Quality Portfolio) and the long only with put protection (Global Capital Aware Fund) have a consistent long-term track record of picking up most of the upside in rising markets, and most importantly, an inherently low downside participation in declining markets that are caused by weakness in the global economy. The Global Capital Aware Fund has an additional explicit (put) protection, buffering the fund from sharp and significant market corrections.

Risk Measures – Global Quality Portfolio[^]

	1 Year	3 Years	5 Years
Standard Deviation	11.29%	11.28%	11.55%
Tracking Error	6.27%	5.60%	5.44%
Information Ratio	1.65	1.17	0.50
Sharpe Ratio	3.20	1.66	1.11
Batting Average	66.67%	61.11%	55.00%

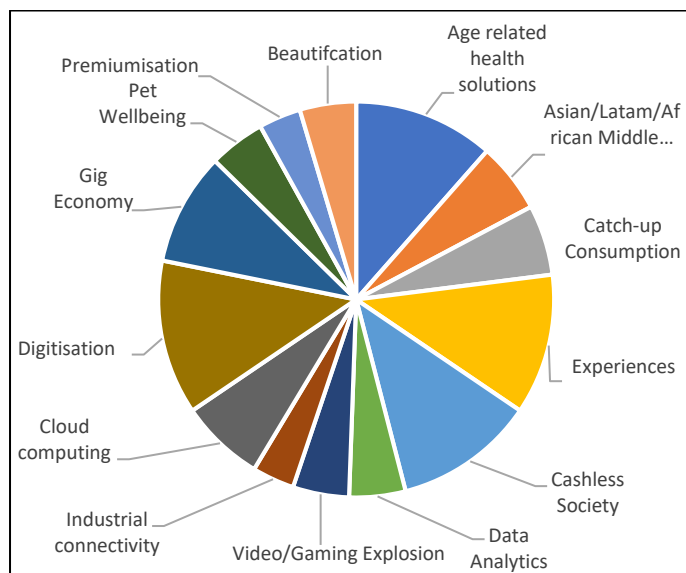
Risk Measures – Global Capital Aware Fund^{*}

	1 Year	3 Years	5 Years
Standard Deviation	11.10%	10.50%	10.50%
Tracking Error	7.04%	5.91%	6.07%
Information Ratio	0.84	0.64	-0.10
Sharpe Ratio	2.85	1.52	0.90
Batting Average	66.67%	61.11%	56.67%

Capture Ratios – Global Quality Portfolio[^]

	3 Years	Since Incep#
# Index Positive Months	23	78
# Index Negative Months	13	45
Up Market Capture	1.13	0.92
Down Market Capture	0.65	0.57
Capture Ratio	1.74	1.60

Megatrend Exposures



Top 10 Holdings

Stock	%
Visa	5.7%
Facebook	5.3%
Intuit	5.1%
Walt Disney Co	4.9%
Adobe	4.9%
Accenture	4.6%
Bristol-Myers Squibb	4.5%
Apple	4.4%
Paypal	4.3%
Booking Holdings	4.2%

Key Fund Information

	Insync Global Quality Fund [^]	Insync Global Capital Aware Fund*
Portfolio Managers	Monik Kotecha and John Lobb	
Inception Date	1 July 2018	7 October 2009
Management Fee	0.98%p.a. of the NAV	1.3%p.a. of the NAV
Performance Fee	Nil	Nil
Buy/Sell Spread	0.20% / 0.20%	0.20% / 0.20%
Distribution Frequency	Annually	Annually
APIR Code	ETL5510AU	SLT0041AU
Trustee	EQT RE Services	EQT RE Services

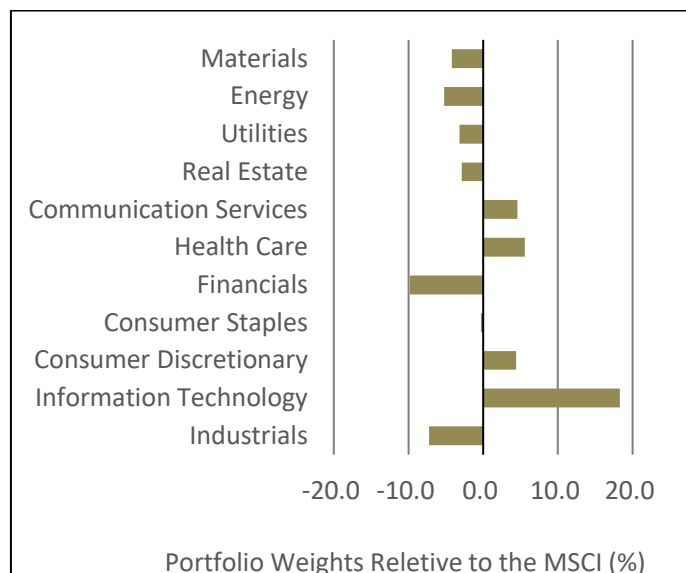
Disclaimer

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Capture Ratios– Global Capital Aware Fund*

	3 Years	Since Incep#
# Index Positive Months	23	78
# Index Negative Months	13	45
Up Market Capture	0.99	0.77
Down Market Capture	0.59	0.53
Capture Ratio	1.69	1.45

Portfolio Sector Weights vs MSCI



Key Portfolio Analytics

	Portfolio	Index
Forward PE	25.50	20.70
ROIC	55.40	12.00
Market Cap (USD avg)	172.40	26.40
Market Cap (USD median)	68.80	10.60
Std deviation (ex ante)	12.10	11.02
Net Debt to Equity	33.18	73.59
Total Debt to Ebitda	2.03	3.78