MLC-Platinum Global Fund

QUARTERLY INVESTMENT MANAGER'S REPORT

PERFORMANCE

Fund Size: $815.9m	Last quarter	Last 12 months	5 years (compound pa)	Since inception (compound pa)
MLC-Platinum Global Fund	5.4%	17.8%	8.2%	10.8%
MSCI All Country World Net Index (A$)	4.5%	26.8%	11.8%	7.4%

Fund returns are after fees and expenses. Portfolio inception date: 30 June 1994
Source: MLC Investments Limited and Platinum Investment Management Limited for fund returns, and FactSet for MSCI index returns.
Past performance is not indicative of future performance. The value of an investment may rise or fall with changes in the market.

The Fund returned 5.4% for the quarter and 17.8% for the year.

The breakdown of the year's performance is worth noting. The Fund's long positions returned 25% for the year (in AUD terms),[1] which was close to the broader market return. This return was achieved with a highly differentiated portfolio, with the Fund having an average weighting of 42% in Asian markets (including Japan) and 29% in North America over the year.

The returns earned from our positions in Asia ex Japan (+22%), US (+35%) and Japan (+48%), were ahead of their respective market returns, with only our European returns (+18%) trailing. While admittedly, this is only a 12-month period, we see this as evidence that our stock selection process continues to produce good outcomes at the individual stock level, particularly in light of the strong performance of global growth stocks (+33% for the year) versus global value stocks (+21%).[2]

Our decision to not be fully invested, with an average invested (i.e. long) position of 86% over the year, detracted 4% from the Fund's annual return. Losses on short positions[3] reduced returns by a further 2%. The question that naturally arises from these outcomes is the merit of holding cash reserves and shorting. In a year where markets have steadily moved higher, it certainly appears to be a futile exercise.

However, as we have stressed in our updates over the course of last year, there are many signs of speculative behaviour by investors. This is evident not just with respect to the mania in high growth and defensive stocks in listed markets, but also in unlisted investments, such as private equity and infrastructure, as well as the enthusiastic use of debt across much of the global economy. While it is difficult to predict when any of these excesses will be unwound, and to what extent that impacts stock prices, we continue to adopt a prudent approach of maintaining cash holdings and using shorts when appropriate to provide a degree of downside protection.

To give further context to the Fund's holdings and performance, it is worth restating Platinum's approach and philosophy to investing in markets. Investors will often state that their ultimate goal is to purchase companies at prices that are below what they are worth. While true, this is an unhelpful statement. The interesting question is what situations lead companies to become undervalued, and can they be systematically repeated?

The 'value' of a listed company is very much in the eye of the beholder, and one of the largest determinants of its valuation at any point in time will depend on the nature of the investor narrative surrounding it.[4] In short, a company's valuation is heavily influenced by investor psychology.

1 References to returns and performance contributions (excluding individual stock returns) in this MLC-Platinum Global Fund report are in AUD terms. Individual stock returns are quoted in local currency terms.

2 MSCI AC World Growth and Value in AUD terms.

3 Short-selling or "shorting" is a transaction aimed at generating a profit from a fall in the price of a particular security, index, commodity or other asset. To enter into a short sale, an investor sells securities that are borrowed from another. To close the position, the investor needs to buy back the same number of the same securities and return them to the lender. If the price of the securities has fallen at the time of the repurchase, the investor has made a profit. Conversely, if the price of the securities has risen at the time of the repurchase, the investor has incurred a loss. In addition to this, short positions can be achieved via the use of derivatives. **Please note, this Fund is only permitted to short indices not stocks.**

4 A past example is Microsoft. In the year 2000, Microsoft traded at US$55 per share, which was a valuation of 50x its earnings. Ten years later, Microsoft traded at US$25 per share, with investors choosing to place it on a multiple of a mere 10x earnings. What had changed? While the fundamentals of Microsoft's core business of selling the Windows operating system and enterprise tools like Office were the same, what had changed was the narrative. In the year 2000, Microsoft was seen as a fortress software provider who was going to power the internet age. In 2010 however, the narrative focused on Microsoft missing out on the smartphone revolution by not owning the operating system that would power these devices. Today, the narrative around Microsoft has again turned positive, with its price rising six-fold from those depressed levels of 2010, and investors excited about its Azure cloud computing division.

Platinum ASSET MANAGEMENT

DISPOSITION OF FUND ASSETS (NET INVESTED POSITIONS) ^

Region	31 Dec 2019	30 Sep 2019
Asia	34.3%	35.8%
North America*	33.3%	26.7%
Europe	13.6%	13.9%
Japan	8.6%	7.1%
Cash	10.2%	16.5%

^ The table shows the Fund's effective net exposures to the relevant regions as a percentage of the Fund's net asset value, taking into account direct securities holdings and both long and short derivative positions. Numerical figures are subject to rounding adjustments.

* The -4.4% short position against the Nasdaq Index was closed during the quarter.

Source: Platinum Investment Management Limited

TOP 10 HOLDINGS ^

Company	Country	Industry	Weight
Samsung Electronics Co	Korea	Info Technology	4.9%
Alphabet Inc	US	Comm Services	4.8%
Ping An Insurance	China	Financials	4.0%
Facebook Inc	US	Comm Services	4.0%
Sanofi SA	France	Health Care	3.0%
Intel Corp	US	Info Technology	3.0%
China Overseas Land & Inv	China	Real Estate	2.7%
Skyworks Solutions	US	Info Technology	2.6%
Itochu Corporation	Japan	Industrials	2.5%
Lixil Group	Japan	Industrials	2.4%

^As at 31 December 2019. The table shows the Fund's top 10 long equity positions as a percentage of the Fund's net asset value, taking into account direct securities holdings and long stock derivatives.

Source: Platinum Investment Management Limited

NET SECTOR EXPOSURES ^

Region	31 Dec 2019	30 Sep 2019
Financials	15.6%	15.2%
Information Technology	15.1%	14.0%
Communication Services	13.9%	16.1%
Industrials	13.2%	11.2%
Health Care	7.5%	6.1%
Materials	6.6%	8.0%
Consumer Discretionary	6.5%	6.1%
Energy	5.8%	6.1%
Real Estate	2.7%	2.3%
Consumer Staples	2.1%	2.0%
Utilities	0.8%	0.8%
Other*	0.0%	-4.4%
TOTAL NET EXPOSURE	89.8%	83.4%

^The table shows the Fund's effective net exposures to the relevant sectors as a percentage of the Fund's net asset value, taking into account direct securities holdings and both long and short derivative positions. Numerical figures are subject to rounding adjustments.

* Includes index short positions.

Source: Platinum Investment Management Limited

NET CURRENCY EXPOSURES ^

Currency	31 Dec 2019	30 Sep 2019
US dollar (USD)	33.0%	30.9%
Japanese yen (JPY)	14.2%	14.7%
Hong Kong dollar (HKD)	14.2%	15.1%
Euro (EUR)	9.0%	8.7%
Korean won (KRW)	7.9%	7.9%
Chinese yuan (CNY)	4.4%	4.4%
Indian rupee (INR)	3.9%	4.7%
British pound (GBP)	3.6%	3.4%
Norwegian krone (NOK)	3.2%	3.2%
Canadian dollar (CAD)	3.1%	3.1%
Australian dollar (AUD)	1.6%	1.5%
Thai baht (THB)	1.1%	1.2%
Swiss franc (CHF)	0.6%	1.2%

^The table shows the effective net currency exposures of the Fund's portfolio as a percentage of the Fund's net asset value, taking into account the Fund's currency exposures through securities holdings, cash, forwards, and derivatives. Numbers have been subject to rounding adjustments.

Source: Platinum Investment Management Limited

Our investment approach is based around identifying and targeting situations where investor psychology is likely to cause companies to become mispriced. Major examples include:

1. **Companies that are facing temporary uncertainty**. When times are good, investors naturally extrapolate that success into the future and are comfortable paying high prices. However, if there is a problem, this process goes into reverse. Investors focus intensely on the current issue, which creates low expectations and, with that, low stock prices.
2. **Industries going through great change**. Companies in these areas are prone to mispricing simply because it is difficult for investors to accurately price a future that looks very different to today. Focusing on change is also key as the history of the stock market shows, truly large gains have been made in companies that benefited from long-term structural change.

With this context, we can turn to the source of the Fund's returns. The major contributors to performance over the year (and quarter) were our semiconductor holdings (**Skyworks Solutions** +80%, **Micron Technology** +69%, **Samsung Electronics** +44%, **Microchip Technology** +46%, and **Intel** +28% in local currency terms over the year), with these stocks representing a 14% weighting in the Fund as at 31 December 2019.

These investments are a great illustration of the benefit of taking advantage of temporary uncertainty. In 2018, as the global economy slowed, the semiconductor industry suffered a mini industry recession. Smart phone sales in China fell 20%, large data centre providers, such as Amazon Web Services, reduced their IT purchases and distributors ran down their inventory levels – all of which reduced the demand for semiconductors in the short term. The semiconductor stocks fell sharply in response (with Skyworks, Micron and Microchip falling between 40-50%) and investors at the time were completely focused on how much worse the current downturn would get.

The appeal to us of investing in these companies was that while there was uncertainty in the short term, it was clear their businesses would grow in the long term. There is little question that cloud computing and artificial intelligence will fuel demand for DRAM and NAND memory, and consumers will buy 5G phones. As investors have begun to worry less about the cycle and focus more on the future opportunity, semiconductor stocks have risen dramatically.

Other major contributors to the Fund's performance over the quarter and year included our holdings in companies such as **Weichai Power** (+106% over the year), **Facebook** (+57%), and **ZTO Express** (+47%). All of these companies are benefiting from structural change in their respective industries.

Chinese parcel delivery company, ZTO Express is a good example of this. In terms of parcels delivered, ZTO is now the world's largest parcel express company, on track to deliver roughly 12 billion parcels in 2019. The business benefits from several favourable trends. The first of which is the rise of e-commerce, which is continuing to fuel both the growth of parcel volumes, and complexity, as merchants and consumers demand faster deliveries, and services such as returns handling etc. In addition, the sheer scale of the delivery network ZTO has built in consumer parcels, should allow it to service the large business-to-business parcel market in China over time. Overall, parcel express networks are becoming more important to the economy, and should allow ZTO to grow its business profitably for years to come.

As we discussed extensively in our March and June 2019 quarterly reports, the main detractor from performance for the year, remains our energy and materials exposure, which as a group cost the Fund 1%. Of this group, the most notable falls were in our holdings of **Seven Generations** and **Peabody Energy.** The latter stock and **TechnipFMC** were also major detractors for the past quarter. While these investments have been ill timed in hindsight, for our oil names in particular, the growing evidence of more rational behaviour by the US shale drillers and a pick-up in offshore oil and gas capital expenditure, gives us confidence in the future returns for these investments.

CHANGES TO THE PORTFOLIO

Over the quarter, we added two new holdings to the Fund, Japanese pharmaceutical company Takeda, and the US-based ultra-low cost airline, Spirit Airlines.

The story of **Takeda** is one of significant internal change. After a decade of weak results from its internal drug development efforts, the company took the very unusual approach for a Japanese company of replacing its senior management and head of research and development (R&D) with Western candidates from other global pharmaceutical companies in 2015. This has seen the company completely change its approach to drug development, and five years post these changes, the benefits are now becoming apparent.

Spirit Airlines is a low-cost airline with a fleet of 135 planes serving the US and Caribbean. It has a significant cost advantage versus its peers, with its cost per kilometre flown half that of the legacy carriers, and 50% below other lower-cost operators, such as Southwest and JetBlue. While investing in airlines rightly carries a stigma, we think this applies less to the ultra-low cost carriers. Once they have built enough network size to give them resilience to shocks, ultra-cost airlines tend to have financial metrics more akin to a quality industrial business, than a typical airline. People have a constant desire for air travel, and if an airline company can provide those seats at a cost well below their competitors, they tend to perform well.

A weather-related disruption gave us the opportunity to purchase Spirit, which saw its price fall 40% in 2019 after a series of hurricanes affected its main hub in Fort Lauderdale Florida, leading to flight cancellations and additional costs during the peak Easter travel period.

We expect that Spirit's low-cost position should allow it to profitability grow its fleet over the long term. The short term also looks favourable, with the unavailability of the Boeing 737 MAX making air capacity in the US very tight, which should produce a strong ticket price environment for 2020.

OUTLOOK

Since late 2018, the dominant narrative in stock markets was investors' fear that a broad-based economic recession was imminent. This fear saw investors shift their money into companies perceived to be either defensive or very high growth, which pushed the valuations of these businesses to very high levels. The other side of this move was that investors discarded their holdings in companies that had cyclical exposure, forcing their prices down to valuations so low that they implied a deep recession was already in full swing. Based on the value on offer we bought a number of stocks in these more cyclical areas.

There are now signs that the narrative on the economic picture is turning. It is interesting to observe:

- The manufacturing sector of the global economy (which represents 15-20% of output in most developed countries) has been in recession for over a year. The fear that this would spill into the consumer/service side of the economy has not yet materialised.
- Throughout this period, permanent employment and wages in Europe and the US have continued to grow.
- We are potentially past the peak of the tariffs/trade war between China and the US.
- Activity in some of the hardest hit sectors of the economy, such as semiconductors and Chinese auto sales, is starting to improve.

While our investments are not based on macro forecasts, we believe the portfolio is well placed to benefit from any improvement in investor confidence in the economic environment. With the starting valuation levels across the portfolio still relatively low, and investor sentiment still far from jubilant, we are optimistic about future returns for the portfolio.

Clay Smolinski
Portfolio Manager
Platinum Asset Management

Macro Overview

by Andrew Clifford, Chief Investment Officer, Platinum Investment Management Limited

INTEREST RATES – A TAILWIND OR HEADWIND FOR EQUITIES IN 2020?

In our September quarterly update[1] we discussed the strong consensus that had developed among investors and commentators that interest rates would remain at low levels for some time to come, or as it has become known as, the "lower for longer" view. Whenever such strong agreement is present amongst investors it is important to consider the alternative view.

As noted in our last report, long-term interest rates have fallen to the same levels (or lower) as those experienced in prior periods of significant weakness in the global economy, such as the 2012 European sovereign crisis or the 2016 Chinese investment slowdown. While global manufacturing has certainly weakened, and there is significant political uncertainty, is the environment really that weak to justify such low levels of interest rates?

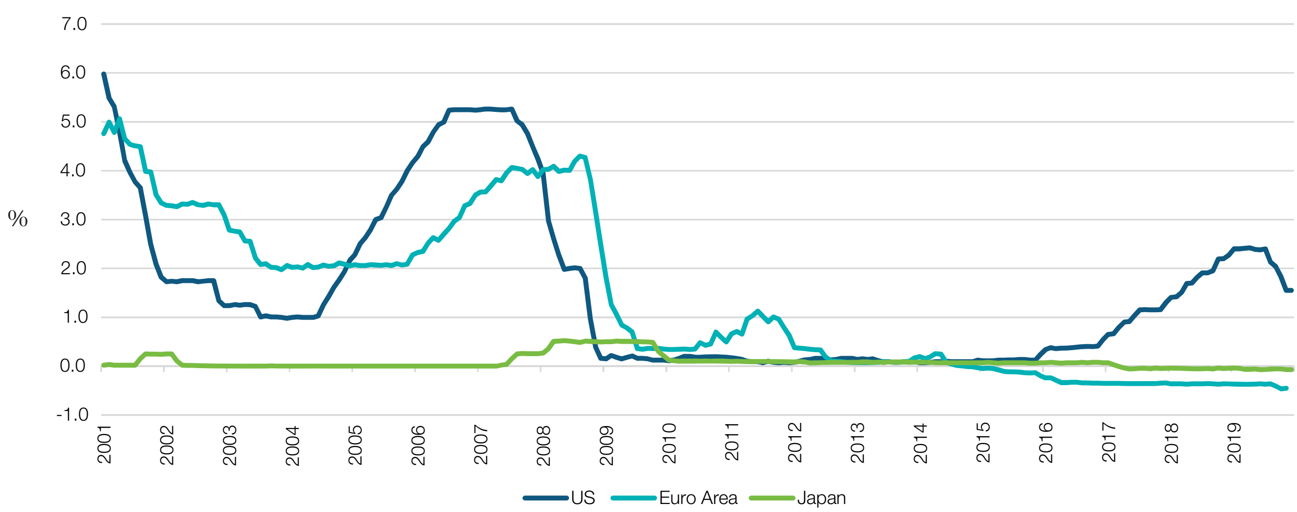
Employment in the major economies suggests otherwise. Over the last five years, the US economy has added 9.8 million jobs, representing a 7% increase in the workforce over that period. Similarly, Europe has added 8.7 million jobs, an increase of 6%, and Japan, with a declining working age population, has added over 1 million jobs, an increase of 2%. While employment is a lagging indicator of economic activity in the short term, these numbers suggest we have experienced a period of relatively robust global growth - one that is not consistent with such low interest rates.

Many investors may observe that interest rates have been low for much of the last 30 years, reaching new lows each cycle, irrespective of the severity of the downturn. The answer then, is simply that **interest rates do not reflect the level of economic activity, but rather the interest rate policies of the world's central banks.** With official interest rates below zero in Japan and Europe (see Fig. 1), the limitations of such policies are coming to the fore. The central banks cannot simply continue to reduce rates to ever-more negative levels as depositors, where feasible, will seek to leave the banking system, potentially threatening its viability.

With central banks either close to, or having reached, the end of the road on lower interest rates, it is interesting to note that central banks around the world are calling for an increase in government spending and fiscal deficits to support economic activity. The European Central Bank, Bank of Japan and Reserve Bank of Australia all made calls in late 2019 for their respective governments to increase fiscal stimulus.

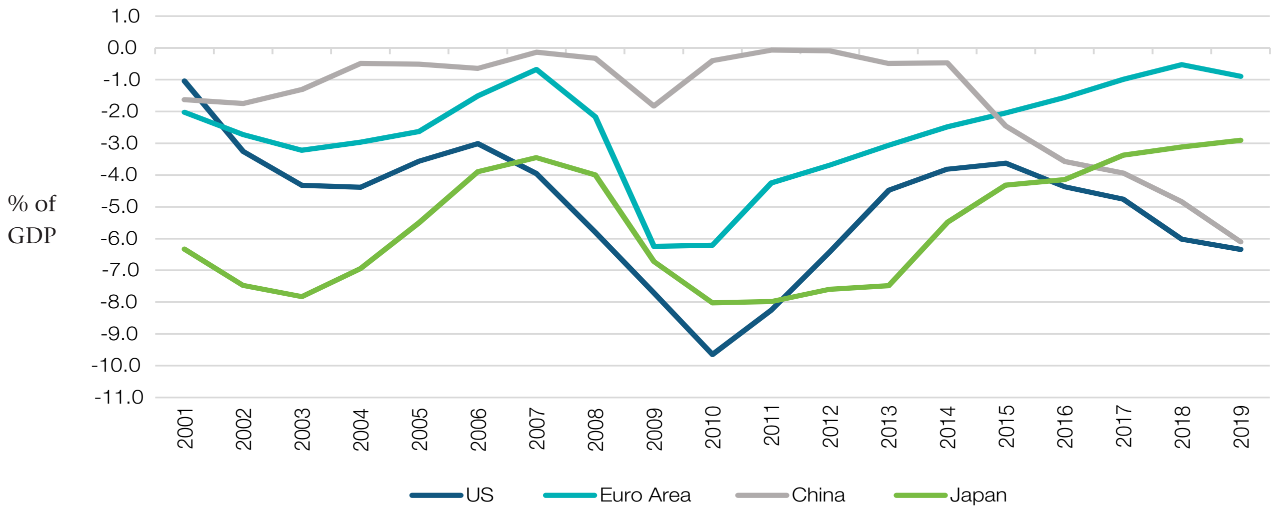
1 https://www.platinum.com.au/PlatinumSite/media/Reports/mlcqtr_0919.pdf

Fig. 1: Central Bank Official Interest Rates - At the End of the Road for Europe and Japan?



Source: Source: FRED - Federal Reserve Bank of St. Louis Economic Data, as at November 2019.

Fig. 2: Government Budget Balances (% of GDP) - Europe and Japan are Best Placed for Fiscal Stimulus



Source: IMF, as at December 2019

The effectiveness of low and negative rates in encouraging economic activity and the potential side effects, such as increasing indebtedness, is also under discussion. In December, Sweden's central bank, Riksbank increased its repo rate from -0.25% to 0%, in spite of a slowing economy, quoting concerns about the "negative effects" that may arise from long periods of negative rates. It would not surprise us to see further discussion around the effectiveness of very low interest rates, with central banks ultimately looking for a way out of the corner they have painted themselves into. The immediate issue facing the central banks, as they try to normalise rates, is the level of indebtedness in their economies that these policies have encouraged. It is interesting to note, that such a strong consensus on "lower for longer" has developed at a time when central banks are signalling that current interest rate policies may have run their course.

While any move toward normalising interest rate structures may be a long way off, other factors may lead to a pick-up in activity in 2020 and beyond, leading to an uptick in inflationary pressures and interest rates. With encouragement from central banks to increase spending and deficits, it is hard to imagine that governments will not follow this recommendation. The US has already undertaken significant fiscal expansion as a result of the 2018 tax cuts, with its deficit currently running at around 6% of GDP (see Fig. 2). Nevertheless, given that the markets are happy (for the moment) to finance this debt at interest rates of less than 2% p.a., and with concerns around the impact of the trade war and an election year underway, an additional round of stimulus is conceivable. China's fiscal deficit has also increased substantially (currently estimated at 6% of GDP) due to tax cuts and spending initiatives over the last 18 months. Given the Chinese government's stated desire to restrain the growth of debt across the economy, policy makers are probably somewhat constrained on additional fiscal measures.

This leaves Europe, where the fiscal deficit is around 1% of GDP, and Japan where the fiscal deficit has fallen to 3% of GDP, as the most likely sources of significant additional fiscal stimulus. As discussed last quarter, France and the Netherlands have announced tax cuts, and during the December quarter, Japan passed a supplementary budget of 13.2 trillion yen (or 2% of GDP). Today, Europe and Japan run the world's largest current account surpluses in absolute dollar terms, which means these economies are significant sources of funding for activity across the rest of the world. If fiscal stimulus results in European and Japanese excess savings being applied within their own economies in any significant way, it is likely to result in greater competition for financial resources across the globe, resulting in upward pressure on long-term interest rates. In addition to the competition for financial resources, any stimulus will come at a time when labour markets in the major economies are relatively tight, which could create some degree of wage inflation, and a further source of upward pressure on interest rates.

Finally, the December quarter saw the promise of a 'phase one' trade deal between the US and China, to be signed in the New Year.[2] Based on events of the last 18 months, even if the deal is signed, we shouldn't expect that the trade issue will be set aside completely. Nevertheless, it represents a clear retreat by the US administration from its most extreme positions on trade.

The UK general election result reduces the uncertainty in both the UK and European economies, with the UK exiting the European Union in a more orderly fashion. Both of these outcomes should result in an improvement in business confidence globally.

While the consensus remains that interest rates are not going to rise anytime soon, it is not inconceivable that the economic environment improves over the course of 2020, as a result of fiscal stimulus and less uncertainty around issues such as trade and Brexit. Indeed, we would not be surprised to see rates moving higher over the next 18 to 24 months, back to levels seen at the end of 2018, when US treasuries peaked at above 3%. Certainly problems remain that may derail such an outcome. Most notably the US election process has the potential to create significant noise and uncertainty. Additionally, domestic political protests such as those in Hong Kong and elsewhere, look difficult to resolve, and could potentially escalate further.

Nevertheless, our suggestion is that rates may return to where they were a little over 12 months ago. At that time, the world did not look so different to today.

2 The US and China announced details of a 'phase one' trade deal on 13 December 2019. The US agreed not to proceed with the new tariffs that were due to commence on 15 December 2019 and to also cut existing tariffs on ~US$120 billion in Chinese goods to 7.5% (from 15%) after 30 days of signing the deal. The US's 25% tariffs on ~$US250 billion on Chinese goods will remain. In exchange, China agreed to buy ~US$200 billion in US products over two years, including US$40-50 billion in agricultural goods. The deal also included Chinese concessions on intellectual property (IP) protections and forced tech transfers, and currency and financial-services provisions. Source: FactSet

MSCI Regional Index Net Returns to 31.12.2019 (USD)

REGION	QUARTER	1 YEAR
All Country World	**9.0%**	**26.6%**
Developed Markets	**8.6%**	**27.7%**
Emerging Markets	**11.8%**	**18.4%**
United States	**9.0%**	**30.9%**
Europe	**9.0%**	**24.1%**
Germany	9.9%	20.8%
France	8.5%	25.7%
United Kingdom	10.0%	21.0%
Italy	8.1%	27.3%
Spain	6.0%	12.0%
Russia	16.8%	50.9%
Japan	**7.6%**	**19.6%**
Asia ex-Japan	**11.8%**	**18.2%**
China	14.7%	23.5%
Hong Kong	7.3%	10.3%
Korea	13.4%	12.5%
India	5.3%	7.6%
Australia	4.3%	22.9%
Brazil	14.2%	26.3%

Source: FactSet.
Total returns over time period, with net official dividends in USD.
Historical performance is not a reliable indicator of future performance.

MSCI All Country World Sector Index Net Returns to 31.12.2019 (USD)

SECTOR	QUARTER	1 YEAR
Information Technology	14.5%	46.9%
Health Care	13.7%	22.7%
Materials	9.3%	20.1%
Financials	9.0%	23.2%
Consumer Discretionary	8.2%	27.7%
Communication Services	8.2%	24.6%
Industrials	7.4%	26.4%
Energy	5.8%	12.8%
Consumer Staples	2.6%	21.6%
Utilities	2.3%	21.1%

Source: FactSet.
Total returns over time period, with net official dividends in USD.
Historical performance is not a reliable indicator of future performance.

MARKET OUTLOOK

While a discussion of interest rates rarely makes for exciting reading, it is currently the critical issue for investors in all asset classes. There are three ways that interest rates are impacting markets today, the first two are perennial features of markets, and the third is peculiar to current circumstances.

The most obvious of these, is the role interest rates play in the valuation of assets. The value of any given asset is a function of the future cashflows that it will produce and the appropriate risk-adjusted interest rate.[3] This is true for all assets, whether it is a listed company, rental property, toll road, or government bond. In theory, the lower interest rates are, the higher the value that should be ascribed to an asset for a given set of expected future cashflows. The impact of ever-falling interest rates has been a significant tailwind for the performance of all asset classes globally for over 30 years. We have all experienced this phenomenon, not only in our investment portfolios, but also in the prices of residential property in most markets. While there may be questions of the efficacy of low rates on economic growth, there can be no question regarding the impact of low interest rates on the performance of asset markets. Of course, the role of interest rates in the price of assets is one of the most basic concepts in finance, but worth remembering at this time because as rates reach their bottom, we lose this tailwind and it potentially becomes a headwind. While some postulate that if rates stay low, valuations will continue to head higher, the experience in Japan where rates have been below 2% for 20 years, was that the average valuation of the market halved.

The second impact of low rates occurs in the real world, where the hurdle rate for real investment is lowered. Today, this is most readily observed in the willingness of investors to fund new projects in e-commerce, software, biotech, and other high growth areas, where poor short-term returns on investment are accepted for the potential of a significant long-term pay-off. However, in many cases the amount of capital invested in an area will drive down the attractive return investors are after in the first place. Uber's ride-sharing business is an interesting example where a company, despite achieving a leading position in a new e-commerce field, faces the continual rise of new entrants, which we would simply put down to the generous funding these competitors have already received. Only once these funds have been lost, or access to them removed, will rationality prevail. A similar experience has occurred for investors in the US shale oil sector, where plentiful capital has ultimately led to very poor returns and consequently companies are now struggling to receive debt or equity funding for such ventures. The low cost of money will see funds attracted by the most exciting opportunity of the moment, ultimately driving down returns. Simply, the availability of cheap money actually changes the future cashflow of the industry, and thus the valuation. This premise fits neatly with our approach of avoiding the crowd, as any sector or business idea that is attracting significant capital today, is likely to have a difficult future.

The third impact of low interest rates has been to push investors to seek returns elsewhere, including the stock market. As we have previously discussed, this occurred at a time when there were many reasons to discourage investors from the market, from the global political environment to the disruption of traditional business models. As a result, investors in entering the market have sought either defensive names (i.e. consumer staples, infrastructure, utilities, and property) or high growth areas (i.e. e-commerce, software, payments, and biotech) that are regarded as relatively immune to these issues. Investors simultaneously avoided businesses facing uncertainty (i.e. cyclicals), and in particular those impacted by the trade war (i.e. China generally, automobiles, and electronics). This has resulted in a significant divergence in valuations, with the growth and defensive stocks trading at high levels and the rest of the market trading at generally more attractive valuations. A move to higher interest rates will be particularly challenging for these highly valued sectors.

On the back of optimism around the US-China trade negotiations and the UK general election, markets have entered 2020 on an enthusiastic note. This may continue for some time, but if it is the presage of better economic times, it is hard to see how long-term interest rates can remain suppressed. Given how important the higher-valued defensive and growth stocks have been in driving index levels, a period of softer returns is likely ahead in the broad market.

If you have any questions about your investment in the MLC-Platinum Global Fund, please contact the MasterKey Service Centre on

132 652 from anywhere in Australia or
+61 3 8634 4721 from overseas

3 Usually referred to as the discount rate in finance.

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