

Key Features

Name	Alpha Growth Fund
APIR Code	ETL9255AU
Inception Date	30 December 2021
Benchmark	Morningstar AUS Growth Target Allocation NR \$A
Peer Group	Australia Fund Multisector Growth
Mgmt Costs	0.77% p.a.
Buy/Sell Spread	0.25% / 0.25%
Platforms	PlatformplusWRAP
Fund Size	\$7.0m

Monthly Commentary

The Alpha Growth Fund delivered a total return of -0.33% (net of fees) in August 2024, which was below the Morningstar Australian Growth Target Allocation Index by -0.86% and the Peer Median by -0.74%.

Share markets dipped late in July and at the start of August but then recovered towards the end of the month, and bonds continued to attract investors who are worried about a slowing global economy. While there was tight dispersion in sector and country returns for the month, a number of company's were punished after reporting disappointing earnings results. The main drag on the Fund was our overweight tilt to Global Shares, which underperformed versus other asset classes.

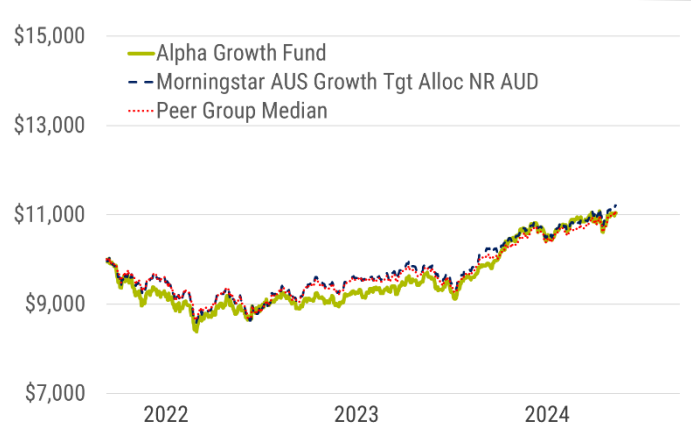
The Fund's biggest winners in August included Australian companies Commonwealth Bank, Westpac, WiseTech, Brambles, Technology One and Car Group. Global pharmaceutical giant, Eli Lilly, which makes weight loss drug Zepbound (Ozempic competitor), and Ferrari were also contributors. Fixed income exposures also delivered good returns, led by our positions in long-dated Australian and US bonds. The main detractors were large technology companies (including Amazon, Alphabet, Microsoft & ASML), BHP (which fell on lower iron ore prices) and a number of companies which missed on earnings expectations (including Tencent Music, Trex, a2 Milk, Cochlear & PDD Holdings). Japanese banks/financials (including Mitsubishi UFJ, Sumitomo Mitsui & Sumitomo Forestry) also detracted, with the Japanese market having dropped when the Bank of Japan raised interest rates for the second time since 2007 (in late July) and we have since exited these positions.

The Fund is now marginally overweight to Growth Assets and we have moved to be overweight to bonds. While, we still favour higher quality companies, the Fund has had a good run of performance since early 2023, and we have also recently taken some profits from more expensive areas and increased exposure to cheaper parts of the market.

The key changes were selling/trimming some exposure to Technology shares (including Microsoft, Lam Research, Arista Networks & STMicroelectronics) and Australian investment platform businesses (Netwealth & Hub24) due to valuations being rich. Some of the new (or increased) positions are in Healthcare (Coloplast, Genmab, Sanofi, Elekta, Veeva Systems & Pfizer), Insurance (Hartford & Unum), China (JD.com, Geely Automobile & Yum China) and Telecommunications (Telstra & TPG). We also added to Australian bonds, which we expect to do well if the local economy continues to stagnate.

Your financial adviser will take the time to discuss this report with you and answer any questions you may have.

Performance



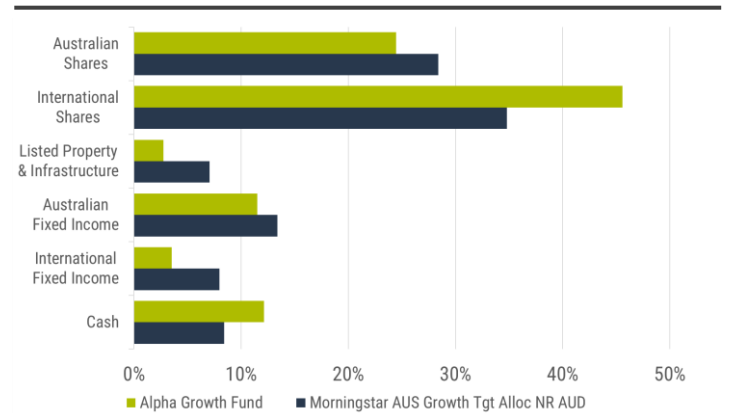
Performance	1mth	3mth	6mth	1yr	2yrs	Inception
Alpha Growth Fund	-0.33%	3.56%	4.20%	14.32%	11.65%	3.78%
Benchmark	0.52%	4.91%	5.88%	13.38%	11.01%	4.37%
Peer Median	0.41%	4.29%	5.65%	12.49%	9.92%	3.80%

Disclaimer: Net performance figures are shown after all fees and expenses. Past performance is not an indicator of future performance. Returns for periods 1 year or greater are calculated on an annualised basis.

Peer Median: Morningstar Category: Australian Multisector – Growth

Source: Morningstar Direct (to 31 August 2024)

Asset Class Exposures



Top 10 Holdings

Security	Ticker	Country	Weight
Commonwealth Bank of Australia	CBA	Australia	5.7%
BHP Group	BHP	Australia	2.8%
NVIDIA	NVDA	United States	2.5%
Wesfarmers	WES	Australia	1.8%
Microsoft	MSFT	United States	1.8%
Tencent Holdings	00700	Hong Kong	1.4%
Novo Nordisk	NVO	United States	1.4%
Cheniere Energy	LNG	United States	1.3%
National Australia Bank	NAB	Australia	1.3%
Amazon.com	AMZN	United States	1.2%