

### Key Features

Name	Alpha Balanced Fund
APIR Code	ETL4308AU
Inception Date	30 December 2021
Benchmark	Morningstar AUS Balanced Target Allocation NR \$A
Peer Group	Australia Fund Multisector Balanced
Mgmt Costs	0.69% p.a.
Buy/Sell Spread	0.25% / 0.25%
Platforms	PlatformplusWRAP
Fund Size	\$7.2m

### Monthly Commentary

The Alpha Balanced Fund delivered a total return of 1.81% (net of fees) in July 2024, which was below the Morningstar Australian Balanced Target Allocation Index by -0.90% and the Peer Median by -0.69%.

Shares and fixed income both delivered nice gains in July, to overcome concerns about a slowing global economy and an underwhelming US earnings season to date. Over the month there was a minor rotation in share markets, with the biggest winners being small caps and lower growth/cheaper areas of the market. The main drag on the Fund's performance was exposure to companies linked to Artificial Intelligence (AI), which have been the Fund's strongest drivers of outperformance over the last 18 months. Domestically, Australian Banks again outperformed the local market, while Resources companies were further weighed down by lower commodity prices and Chinese economic weakness.

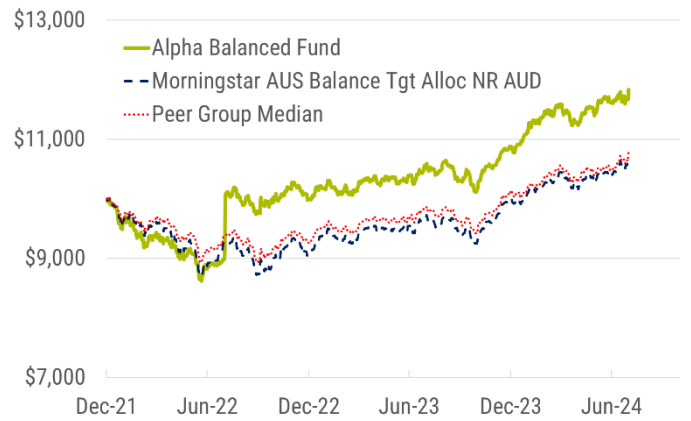
In July, Australian Banks (including CBA, NAB, Westpac & ANZ) and Wesfarmers were the Fund's key contributors. Fixed income positions also delivered solid returns, led by our position in long-dated US Treasuries. The main detractors were those companies riding the AI wave (including Lam Research, Applied Materials, ASML, Apple & NVIDIA) and weight loss drug makers (Novo Nordisk & Eli Lilly).

The Fund remains overweight to Growth Assets based on bull market sentiment and our expectations of a series of future interest rate cuts which will be delivered so as to avoid a hard landing. That said, we will continue to actively monitor the Growth Assets position, as economic growth is stalling and previously loved sectors/industries are showing signs of overvaluation. Accordingly, the Fund still favours higher quality companies but we have recently broadened our exposure towards cheaper sectors and companies. Our key themes are still AI, Healthcare/Weight Loss and a Chinese Recovery.

The Fund's main changes in July were trimming some exposures to Technology shares (including Teradyne, Advanced Micro Devices, Disco, KLA, Lam Research & Applied Materials) where valuations are unattractive despite strong future earnings growth expectations.

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

### Performance

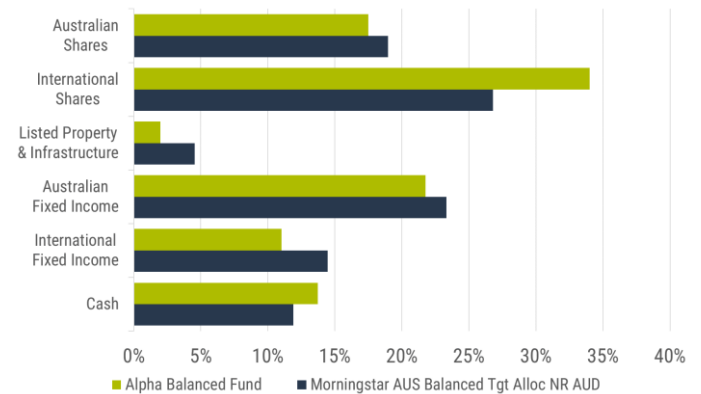


Performance	1mth	3mth	6mth	1yr	2yrs	Inception
Alpha Balanced	1.81%	4.89%	6.44%	12.42%	14.78%	6.72%
Benchmark	2.71%	4.88%	5.97%	10.41%	7.48%	2.65%
Peer Median	2.50%	4.31%	5.83%	9.64%	7.34%	2.91%

**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 – Balanced  
**Source:** Morningstar Direct (to 31 July 2024)

### Asset Class Exposures



### Top 10 Holdings

Security	Ticker	Country	Weight
Commonwealth Bank of Australia	CBA	Australia	4.4%
BHP Group	BHP	Australia	2.2%
NVIDIA	NVDA	United States	2.0%
Microsoft	MSFT	United States	1.8%
Wesfarmers	WES	Australia	1.4%
Novo Nordisk	NVO	United States	1.0%
Tencent Holdings	00700	Hong Kong	1.0%
Amazon.com	AMZN	United States	1.0%
National Australia Bank	NAB	Australia	1.0%
Cheniere Energy	LNG	United States	0.9%