

Key Features

Name	Alpha Moderate Fund
APIR Code	ETL6153AU
Inception Date	2 April 2007 (Merger 9 September 2021)
Benchmark	Morningstar AUS Moderate Target Allocation NR \$A
Peer Group	Australia Fund Multisector Moderate
Mgmt Costs	0.65% p.a.
Buy/Sell Spread	0.25% / 0.25%
Platforms	Insignia, Praemium, HUB24, PlatformplusWRAP
Fund Size	\$7.1m

Monthly Commentary

The Alpha Moderate Fund had a total return of 1.86% (net of fees) in July 2024, which was below the Morningstar Australian Moderate Target Allocation Index by -0.37% and the Peer Median by -0.16%.

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.

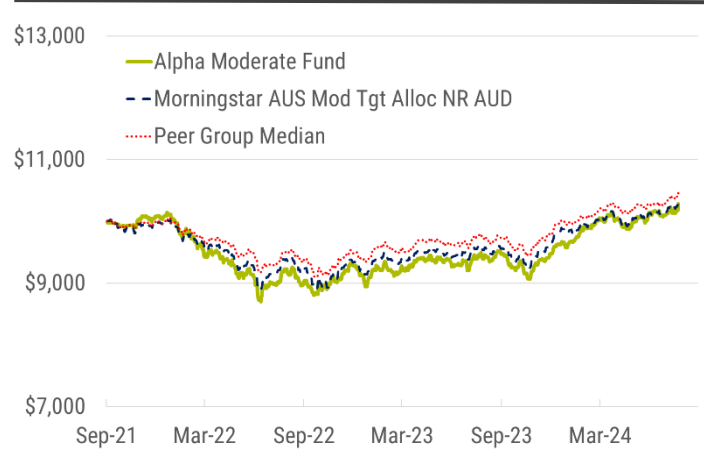
In July, Australian Banks (including CBA, NAB, Westpac & ANZ) and Wesfarmers were the Fund's key contributors. Fixed income positions also delivered solid returns, led by our position in long-dated US Treasuries. The main detractors were companies which are riding the AI wave (including Lam Research, 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, 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	Inc*
Alpha Moderate	1.86%	3.92%	4.90%	9.00%	5.83%	0.99%
Benchmark	2.23%	3.89%	4.11%	7.88%	4.99%	1.19%
Peer Group Median	2.02%	3.39%	4.09%	7.30%	5.13%	1.72%

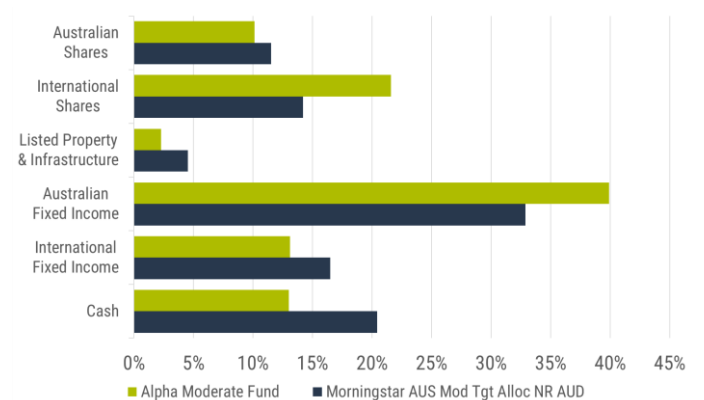
Disclaimer: Net performance figures are shown after all fees and expenses. Past performance is not an indicator of future performance. Returns for periods 1 year or greater are calculated on an annualised basis.

Inception*: The date refers to the fund merger on 9 September 2021

Peer Group Median: Morningstar Category: Australian Multisector – Moderate

Source: Morningstar Direct (to 31 July 2024)

Asset Class Exposures



Top 10 Share Holdings

Security	Ticker	Country	Weight
Commonwealth Bank of Australia	CBA	Australia	2.4%
BHP Group	BHP	Australia	1.4%
NVIDIA	NVDA	United States	1.3%
Microsoft	MSFT	United States	0.9%
Wesfarmers	WES	Australia	0.8%
Novo Nordisk	NVO	United States	0.8%
ASML	ASML	Netherlands	0.7%
TSMC	TSM	United States	0.6%
Amazon.com	AMZN	United States	0.5%
Alphabet	GOOGL	United States	0.5%

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