

# CONCENTRATED AUSTRALIAN SHARE FUND

## MONTHLY REPORT



31 JULY 2023

The **Investors Mutual Concentrated Australian Share Fund** provides exposure to an actively managed concentrated portfolio of quality Australian shares listed on the ASX. The Fund aims to provide attractive investment opportunities for investors seeking medium-to-long-term capital growth with income.

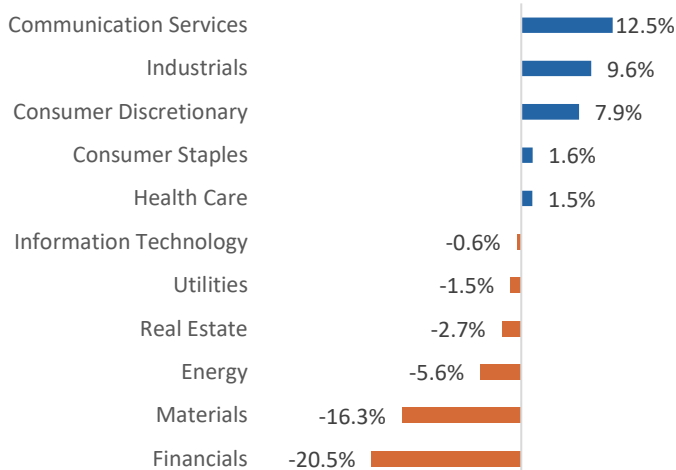
### FUND PERFORMANCE

- The Fund was down -0.3% in July, significantly lagging the benchmark ASX 300 which was very strong, rising +2.9%.
- The Fund lagged the benchmark partly due to some holdings pulling back after strong recent performances, including Brambles, Aurizon and Telstra. Weaker relative performance was also due to a global rally in more speculative companies, for example unprofitable US tech rose +16% and a US-based 'Meme ETF' soared +20%.
- Orica was up strongly as investors grew more optimistic about its growth outlook amid a strong month for commodities. Nine also performed well, rising alongside other consumer-exposed companies. Aurizon had a poor month, falling -3% after an investor day in Darwin underwhelmed investors on short-term earnings, despite the company detailing a positive long-term growth strategy.
- Despite euphoria around a possible 'soft landing', many companies face headwinds. Consumer demand is slowing but is still above pre-Covid trends. Inflation has reduced, but significant rises in electricity and gas, insurance premiums, and services wages mean inflation must still be contained. We continue to act cautiously, focusing on industry-leading companies with strong competitive advantages and recurring earnings that are likely to perform well in a range of economic conditions.

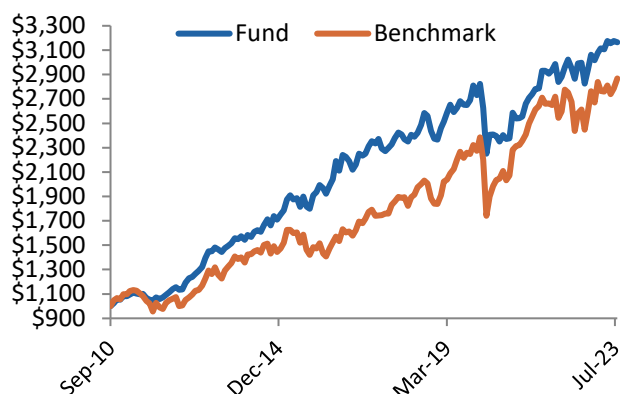
	1 MONTH	3 MONTHS	1 YEAR	3 YEARS <sup>^</sup>	5 YEARS <sup>^</sup>	10 YEARS <sup>^</sup>	SINCE INCEPTION <sup>^</sup>
Income	+0.0%	+1.0%	+2.2%	+1.9%	+2.3%	+3.4%	+3.7%
Growth	-0.3%	-1.4%	+3.6%	+8.5%	+2.6%	+4.5%	+5.6%
<b>Total return*</b>	<b>-0.3%</b>	<b>-0.4%</b>	<b>+5.8%</b>	<b>+10.4%</b>	<b>+4.9%</b>	<b>+7.9%</b>	<b>+9.3%</b>
<b>Benchmark**</b>	<b>+2.9%</b>	<b>+2.0%</b>	<b>+11.1%</b>	<b>+11.9%</b>	<b>+7.5%</b>	<b>+8.3%</b>	<b>+8.5%</b>

<sup>^</sup>% Performance per annum. \*Fund returns are calculated net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not a reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. \*\*The benchmark for this Fund is the S&P/ASX 300 Accumulation Index (ASX300)

### ACTIVE SECTOR WEIGHTS



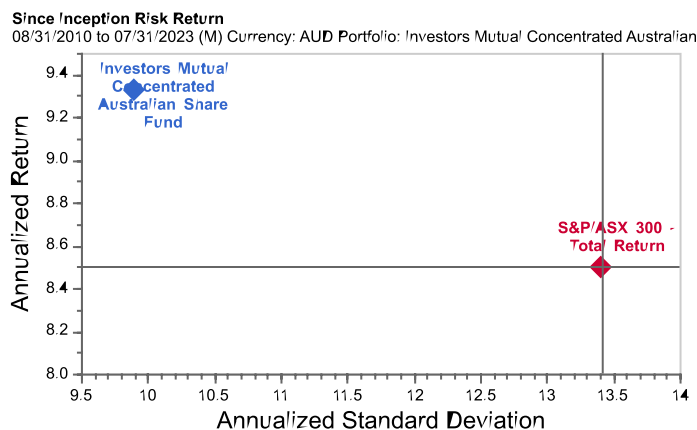
### GROWTH OF \$1,000 INVESTED AT INCEPTION



### TOP 10 HOLDINGS

TOP 10 HOLDINGS	ASX CODE
CSL	CSL
Aurizon Holdings	AZJ
The Lottery Corporation	TLC
Telstra Group	TLS
Metcash	MTS
Brambles	BXB
Chorus	CNU
Orica	ORI
Tabcorp Holdings	TAH
Steadfast Group	SDF

### FUND RISK-RETURN VS BENCHMARK



Since inception: 1 September 2010: Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX 300 Accumulation Index, Source: IML, Factset

FUND FACTS	
ARSN	145 759 879
APIR	IML0010AU
Inception	1 September 2010
Benchmark	S&P/ASX 300 Accumulation Index
FUM	\$228 M
Investment Horizon	4-5 years
Minimum Initial Investment	A\$50,000
Minimum Additional Investment/ Redemption	A\$5,000
Distributions	Generally semi-annual
Asset Classes and Allocation Range	Aust Equities (80-100%) Cash (0-20%)
Performance Fee: 10.25% (10% excluding GST) of investment returns made in excess of 2% above the Benchmark.	
Management Fee: 0.993% p.a. of the net assets of the fund (includes GST)	

PORTFOLIO CHARACTERISTICS	FUND	BENCHMARK
No. of stocks	22	300
Portfolio turnover <sup>1</sup>	11%	NA
Portfolio Beta (since inception)	0.64	1.00

<sup>1</sup>Annual portfolio turnover over the last 12 months is computed by taking the lesser of purchases or sales and dividing by the average monthly net assets.

FUND RATINGS	
Morningstar	Gold
Zenith	Recommended
Lonsec	Recommended *Visit <a href="http://lonsec.com.au/logo-disclosure">lonsec.com.au/logo-disclosure</a> for important information about this rating



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