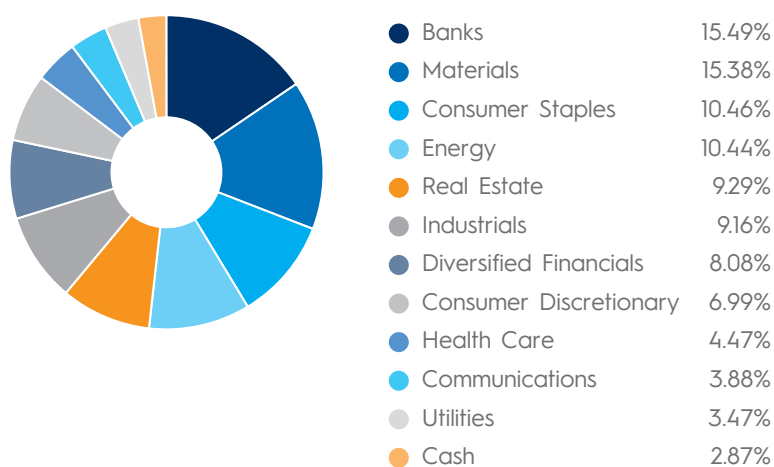


May 2021

## Key Information

APIR Code	ETL754IAU	Number of Holdings	20-25
Investment Manager	Elston Asset Management	Minimum Investment Horizon	7 Years
Asset Class	Equity	Management Fee	0.33%
Investment Style	Core / Style Neutral	Performance Fee	16.50%
Benchmark	S&P ASX 100		
Launch Date	03/12/2018		

## Sector Allocation Exposure



## Top Portfolio Holdings<sup>1</sup>

WESTPAC BANKING CORPORATION	6.06%
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	5.91%
VANECK VECTORS AUSTRALIAN PROPERTY ETF	5.25%
SYDNEY AIRPORT	4.66%
AMCOR PLC SHS CHESS DEPOSITORY INTERESTS REPR 1 SH	4.60%
BHP GROUP LTD	4.58%
BRAMBLES LIMITED	4.46%
RAMSAY HEALTH CARE LIMITED	4.45%
MACQUARIE GROUP LIMITED	4.35%
WOODSIDE PETROLEUM LTD	4.25%

## Platforms Availability<sup>2</sup>

HUB24
Macquarie Wrap
Netwealth
Praemium

## Investment Objective

The portfolio aims to outperform the S&P/ASX 100 Accumulation Index by 2.0% p.a. (after fees) over rolling five-year periods.

## Investment Strategy<sup>1</sup>

This is an actively managed portfolio of predominantly Australian equities. In general, the portfolio will have a long-term average exposure of around 97% in growth assets and 3% in defensive assets, however the allocations will be actively managed within the allowable asset allocation ranges depending on market conditions.

## Designed for Investors Who

The portfolio is designed for investors seeking:

- long term capital growth above inflation;
- tax effective income growth;
- a non-index weighted portfolio construction; and,
- a minimum investment timeframe of seven years.

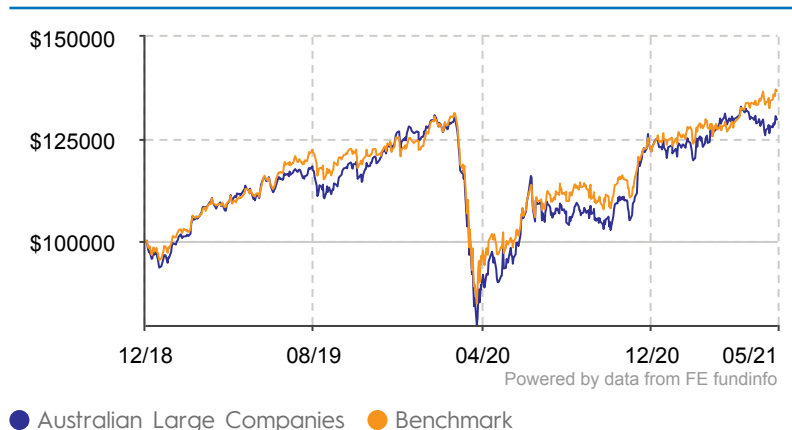
## Investor Philosophy

The Elston Asset Management investment philosophy incorporates the following values:

- Preservation of capital
- Long term focus
- Value and growth
- Genuine diversity
- Liquidity
- After tax management



## Growth of \$100,000 since inception<sup>3</sup>



Performance	YTD	1 Yr	3 Yr	5 Yr	7 Yr	ITD
Australian Large Companies	6.85%	22.91%	-	-	-	11.01%
Benchmark	10.94%	29.02%	-	-	-	13.39%

## Portfolio update

- Portfolio changes were limited to re-weightings with the positions in AMP, Macquarie and Woodside reduced while Amcor and Ramsay Healthcare were both increased.
- The model portfolio (+0.7%) underperformed its benchmark (+2.6%), with both stock selection and sector positioning detracting.
- The overweight to Energy and underweight to Financials were the primary detractors at a sector level. In terms of stock selection, positions within the Financials and Consumer Staples sectors were the primary detractors.
- The top three contributors to performance were positions in Treasury Wines (+0.4%) and Ampol (+0.3%) and from not owning Afterpay (+0.4%). The largest detractors were positions in a2 Milk (-0.8%) and Flight Centre (-0.4%) and from not owning Commonwealth Bank (-0.8%).
- The largest overweight positions on average compared to the benchmark were Sydney Airports (+3.9%), Flight Centre (+3.9%) and Virgin Money UK (+3.8%), while the largest underweights were due to not owning Commonwealth Bank (-9.4%), CSL (-7.1%) or National Australia Bank (-4.9%).

## Snapshot of the Month

- The S&P/ASX 300 Accum. Index increased +2.3% while the MSCI ACWI Ex Australia NR Index (A\$) finished +1.3% higher.
- The A\$ appreciated +0.2% against the USD while on a trade-weighted basis, it depreciated by -1.4%.
- The Bloomberg AusBond Composite 0-5Yr TR Index returned +0.1%, while the Barclays Global Aggregate TR Hedged Index finished +0.2% higher.
- The best performing sectors domestically were Financials (+5.7%), Consumer Discretionary (+3.5%) and Health Care (+3.5%), while the worst performers were Information Technology (-9.9%), Utilities (-6.6%) and Energy (-1.8%).
- The best-performing stocks in the S&P/ASX 100 were ALS (+17.5%), Evolution Mining (+16.8%) and Treasury Wine Estates (+15.9%). The worst performers were a2 Milk Company (-23.5%), Afterpay (-21.1%) and Fisher & Paykel (-16.9%).
- Most major equity markets finished higher with ongoing economic recovery and concerns around inflation the main narratives. Developed markets (MSCI World DM Index +1.3%) outperformed their emerging market counterparts (MSCI World EM Index +0.3%) in local currency terms, with the outperformance driven by the cyclically exposed Euro (DJ Euro Stoxx 50 Index +4.1%) and UK regions (FTSE 100 Index +3.8%). It was a choppy month of trading in the US that saw the S&P500 (+0.5%) rise for the fourth straight month but the tech-heavy Nasdaq (-1.5%) suffer its first negative month in seven as inflation concerns drove a rotation out of interest-rate-sensitive sectors. In Asia markets were a mixed bag with the likes of Japan, Korea and Hong Kong advancing while Singapore and Taiwan lagged. Chinese stocks meanwhile posted their best monthly gain in six on a combination of easing worries over policy tightening due to soft domestic factory activity and US dollar weakness that was beneficial for emerging markets more broadly.
- The Australian equity market set a new all-time high with large caps driving the gains primarily due to trading updates for all the major banks that pointed to lower impairment charges and earnings upgrades going forward. The domestic market's earnings outlook remains strong, with net earnings revisions now positive for nine months straight, the longest streak in over two decades.

**Disclaimers:** This material has been prepared for general information purposes only and not as specific advice to any particular person. Any advice contained in this material is General Advice and does not take into account any person's individual investment objectives, financial situation or needs. Before making an investment decision based on this advice you should consider whether it is appropriate to your particular circumstances, alternatively seek professional advice. Where the General Advice relates to the acquisition or possible acquisition of a financial product, you should obtain a Product Disclosure Statement ("PDS") relating to the product and consider the PDS before making any decision about whether to acquire the product. You will find further details of the service we provide and any cost to you within the Financial Services Guide. Any references to past investment performance are not an indication of future investment returns. Prepared by EP Financial Services Pty Ltd (Elston) ABN 52 130 772 495 AFSL 325 252. Although every effort has been made to verify the accuracy of the information contained in this material, Elston, its officers, representatives, employees and agents disclaim all liability (except for any liability which by law cannot be excluded) for any error, inaccuracy in, or omission from the information contained in this material or any loss or damage suffered by any person directly or indirectly through relying on this information.

2 Other fees and costs apply. To understand all the fees payable you must refer to the appropriate platform PDS.  
 3 Inception to date is 03/12/2018. The table above sets out the investment performance returns (AFTER investment management fees of 0.33%p.a., but BEFORE administration fees and taxes) for the managed portfolio. The performance returns have been calculated on a daily basis taking into account brokerage costs, and are accumulated for the relevant period. Returns from inception are shown as annualised if the period is over 1 year, or as total returns otherwise. Past performance is not a reliable indicator of future performance returns. Returns may differ between platforms due to fees or underlying holdings, please refer to the appropriate platform PDS for further information.  
 The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned June/2020) referred to in this document is limited to "General Advice" (s76BB Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>  
 The rating issued 07/2020 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit [lonsec.com.au](http://lonsec.com.au) for ratings information and to access the full report. © 2020 Lonsec. All rights reserved.