

Elston Australian Large Companies Fund – Class A

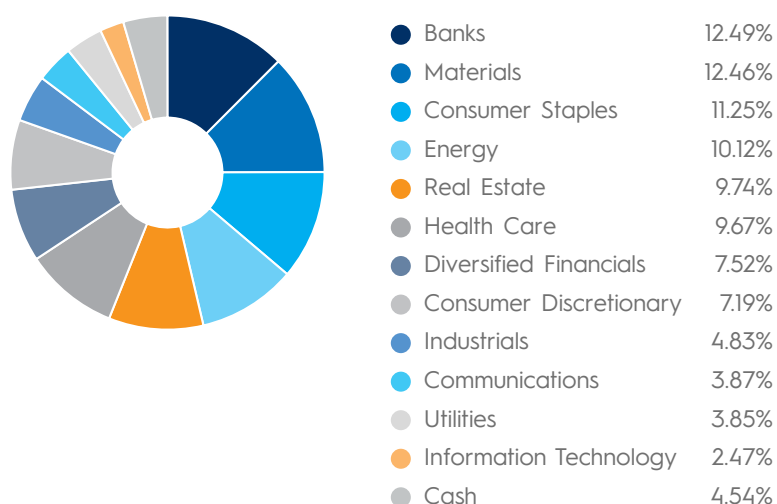


April 2022

Key Information

APIR Code	ETL7541AU	Number of Holdings	20-25
Investment Manager	Elston Asset Management	Minimum Investment Horizon	7 Years
Asset Class	Equity	Management Fee	0.33%
Investment Style	Style Neutral	Performance Fee	16.50%
Benchmark	S&P ASX 100		
Launch Date	03/12/2018		

Sector Allocation Exposure



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 Strategy¹

This is an actively managed portfolio of predominantly ASX listed businesses. The strategy's investment universe is all businesses within the S&P/ASX 100 index (at the time of investment), with a minimum of 80% of the portfolio invested in companies in the S&P/ASX 50 index. The portfolio holds between 20 and 25 holdings and can hold up to 10 per cent in cash; however, the portfolio is expected to be fully invested most of the time.

Top Portfolio Holdings¹

VANECK PROPERTY	5.75%
RAMSAY HEALTH CARE LTD	5.55%
WESTPAC BANKING CORP	5.09%
AMCOR PLC	5.07%
BRAMBLES LIMITED	4.83%
ANZ BANKING GRP LTD	4.43%
BHP GROUP LIMITED	4.22%
MACQUARIE GROUP LTD	4.17%
ENDEAVOUR GROUP	4.14%
COCHLEAR LIMITED	4.12%

Platforms Availability²

HUB24
Macquarie Wrap
Netwealth
Praemium

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:

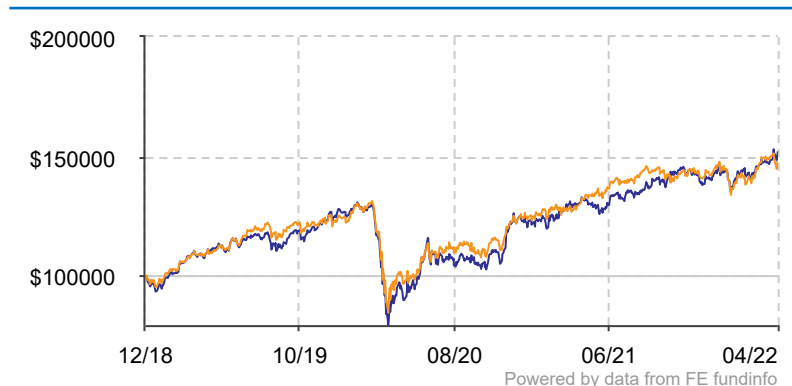
- Preservation of capital
- Long term focus
- Value and growth
- Genuine diversity
- Liquidity
- After tax management



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Growth of \$100,000 since inception³



● Australian Large Companies ● Benchmark

Performance	YTD	1 Yr	3 Yr	5 Yr	7 Yr	ITD
Australian Large Companies	6.24%	17.90%	10.76%	-	-	13.04%
Benchmark	2.22%	11.22%	9.93%	-	-	12.25%

Portfolio update

- There were no outright model switches or weighting changes during the month.
- The model portfolio (+2.8%) outperformed its benchmark (-0.8%), with both stock selection and sector allocation contributing to relative performance.
- In terms of stock selection, positions within the Materials and Health Care sectors were the primary contributors, while the overweights to Consumer Staples and underweight to Materials were the primary contributors from a sector allocation perspective.
- The top three positive contributors were from positions in Ramsay Health Care (+1.1%), AMP (+0.6%) and BHP (+0.5%). The largest detractors were from positions in a2 Milk (-0.5%), Wisetech Global (-0.2%) and Aristocrat Leisure (-0.2%).
- The largest average overweight positions compared to the benchmark were Amcor (+4.1%), Brambles (+4.0%) and Endeavour Group (+3.8%), while the largest underweights were due to not owning Commonwealth Bank (-8.9%) or CSL (-6.3%) and from being underweight BHP (-8.0%).

Snapshot of the Month

- The S&P/ASX 300 Accum. Index finished down -0.8%, while the MSCI ACWI Ex Australia NR Index (A\$) ended -2.8% lower.
- The A\$ depreciated -5.4% against the USD, while it fell -0.8% on a trade-weighted basis.
- In fixed income, the Bloomberg AusBond Composite 0-5Yr TR Index finished -0.8% lower while the Barclays Global Aggregate TR Hedged Index finished down -2.9%.
- The best performing sectors domestically were Utilities (+9.3%), Industrials (+3.9%) and Consumer Staples (+2.8%), while the worst performers were Consumer Discretionary (-4.0%), Materials (-4.3%) and Information Technology (-8.8%).
- The best-performing stocks in the S&P/ASX 100 were Ramsay Health Care (+24.5%), AMP (+20.2%) and AGL Energy (+12.4%). The worst performers were Block Inc (-21.7%), IDP Education (-14.9%) and Lynas Rare Earths (-14.9%).
- After a slight reprieve in March, tickers flashed red across nearly every major asset class last month as risk aversion came firmly back into play. Persistent inflation, tightening financial conditions including rising real yields, lockdowns in China and the ongoing war in Ukraine combined to hit global markets. In the US the Nasdaq Composite (-13.3%) notched up its worst month since 2008, setting a new low for 2022 in the process while the S&P 500 (-8.8%) didn't fare much better. The eurozone outperformed on a relative basis - the pan-European Stoxx 600 Index (-0.6% in local currency terms) - as higher commodity prices fuelled by Beijing's promise to step up policy support steadied markets across the continent. While not being spared, emerging markets fared better than many developed counterparts - the MSCI EM Index lost -3.5% in local currency terms.
- The domestic market (-0.8%) again outperformed its developed peers despite the index heavy Materials sector derating and double-digit losses suffered by the local technology sector (several small cap tech stocks lost > -20%), because the latter is only a small part of the market. Unsurprisingly given the fears around slowing growth and more hawkish central banks, defensive growth sectors were amongst the best performers.

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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.

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