Elston Australian Large Companies Fund – Class A

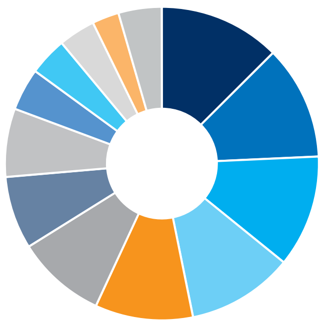
May 2022

Key Information

APIR Code	ETL7541AU
Investment Manager	Elston Asset Management
Asset Class	Equity
Investment Style	Style Neutral
Benchmark	S&P ASX 100
Launch Date	03/12/2018

Number of Holdings	20-25
Minimum Investment Horizon	7 Years
Management Fee	0.33%
Performance Fee	16.50%

Sector Allocation Exposure



Banks	12.52%
Materials	11.77%
Consumer Staples	11.56%
Energy	10.97%
Consumer Discretionary	10.10%
Real Estate	9.22%
Health Care	7.50%
Diversified Financials	7.06%
Industrials	4.36%
Utilities	3.93%
Communications	3.79%
Information Technology	2.76%
Cash	4.47%

Top Portfolio Holdings[1]

VANECK VECTORS AUSTRALIAN PROPERTY ETF	5.89%
WESTPAC BANKING CORP	5.31%
AMCOR PLC	4.49%
BHP GROUP LIMITED	4.46%
BRAMBLES LIMITED	4.36%
COCHLEAR LIMITED	4.35%
ANZ BANKING GROUP LIMITED	4.34%
MACQUARIE GROUP LTD	4.29%
TREASURY WINE ESTATES	4.27%
WOODSIDE PETROLEUM	4.06%

Platforms Availability[2]

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[1]

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.

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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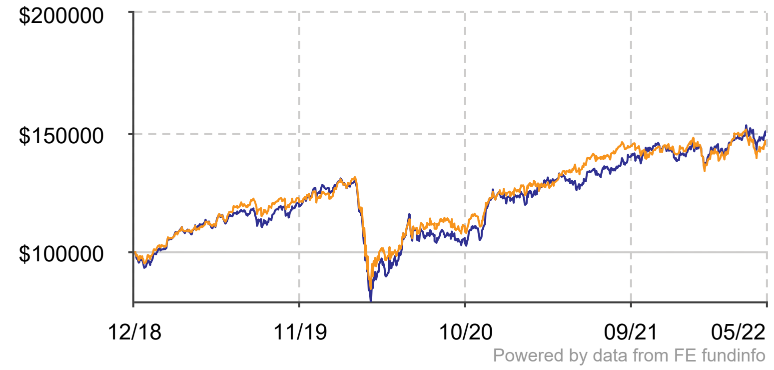
Growth of $100,000 since inception³



● Australian Large Companies ● Benchmark

Performance	YTD	1 Yr	3 Yr	5 Yr	7 Yr	ITD
Australian Large Companies	4.10%	14.67%	9.35%	-	-	12.05%
Benchmark	-0.03%	6.02%	8.36%	-	-	11.23%

Portfolio update

- Portfolio changes saw the inclusion of Tabcorp Holdings Limited (ASX: TAH). The purchase was funded from unallocated cash and decreases to the weightings in a2 Milk, Aristocrat Leisure, Amcor, Brambles, Endeavour and Lendlease. Following the purchase, TAH's lotteries and Keno businesses were demerged and listed as a separate entity called The Lotteries Corporation (ASX: TLC). Post demerger the position in Tabcorp Holdings Limited (ASX: TAH) (I.e., the wagering, media & gaming services divisions) was sold and the proceeds used to increase the weight in The Lotteries Corporation (ASX: TLC).
- The model portfolio (-2.0%) outperformed its benchmark (-2.2%) driven by stock selection.
- In terms of stock selection, positions within the Consumer Staples and Energy sectors were the primary contributors. From a sector allocation perspective, the overweights to Cash and Energy were the primary contributors to relative performance with an overweight to Consumer Staples and Real Estate the main detractors.
- The top three positive contributors were positions in Amcor (+0.5%), a2 Milk (+0.3%) and Treasury Wines (+0.3%). The largest detractors were from positions in BHP (-0.4%) (being underweight), Virgin Money UK (-0.3%) and Lendlease (-0.2%).
- The largest average overweight positions compared to the benchmark were Amcor (+3.9%), Brambles (+3.8%) and Endeavour Group (+3.6%), while the largest underweights were due to not owning Commonwealth Bank (-9.1%) or National Australia Bank (-5.2%) and from being underweight BHP (-7.2%).

Snapshot of the Month

- The S&P/ASX 300 Accum. Index finished down -2.8%, while the MSCI ACWI Ex Australia NR Index (A$) ended -0.8% lower.
- The A$ appreciated +0.9% against the USD and +0.2% on a trade-weighted basis.
- In fixed income both the Bloomberg AusBond Composite 0-5Yr TR Index and the Barclays Global Aggregate TR Hedged Index finished down -0.2%.
- The best performing sectors domestically were Materials (+1.0%), Industrials (-0.1%) and Utilities (-0.2%), while the worst performers were Real Estate (-9.0%), Information Technology (-8.9%) and Consumer Staples (-6.8%).
- The best-performing stocks in the S&P/ASX 100 were Allkem Limited (+11.9%), Amcor (+9.5%) and Mineral Resources (+9.1%). The worst performers were Charter Hall Group (-15.3%), Nine Entertainment Group (-18.2%) and ARB Corporation (-20.1%).
- May again saw volatility across markets as investors continue to grapple with ongoing monetary tightening, the impacts of the zero-Covid strategy in China and of course the implications of Russia's prolonged invasion of Ukraine. Brent Crude (+12.3%) advanced for a 6th consecutive month, marking its longest run of gains since 2011. Across developed markets the MSCI ACWI Value Index (+1.0%) outperformed the MSCI ACWI Value Index (-2.9%), helped by the Materials and Energy sectors. In the US the S&P 500 Index ended marginally higher with a gain of 0.2% but the technology-heavy Nasdaq Composite Index ended -2.1% lower to be down ~22% in the last 6 months. European markets mostly fell after Eurozone inflation hit 8.1%, the highest level since record-keeping began in 1997. The pan-European Stoxx Europe 600 Index finished -0.7% lower. The announcement of easing Covid restrictions in Shanghai along with new stimulus out of Beijing saw China's equity markets stabilise after a torrid 12 months which helped limit the loss on the MSCI EM Index to -0.1% (all returns in local currency).
- The domestic market came under pressure early in the month with the S&P/ASX 300 Accum. Index down -6.7% at one point as concerns around higher rates, inflation, and the slowing growth outlook intensified. The Materials sector was the standout performer on optimism around a rebound in demand for raw materials on the back of the aforementioned events in China.

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.